

## 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: KAWADA TECHNOLOGIES, INC.  
 Stock exchange listing: Tokyo  
 Stock code: 3443 URL: <https://www.kawada.jp/>  
 Representative: Representative Director and President Tadahirow Kawada  
 Inquiries: Managing Director Satoru Watanabe TEL: +81-3-3915-7722  
 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	100,984	4.2	8,459	60.7	10,394	69.2	8,087	100.4
Nine months ended December 31, 2023	96,884	19.2	5,262	286.7	6,142	169.5	4,034	203.2

Note: Comprehensive income Nine months ended December 31, 2024: ¥8,574 million [76.2%]  
 Nine months ended December 31, 2023: ¥4,865 million [99.8%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	468.40	467.24
Nine months ended December 31, 2023	231.46	231.06

Note: The Company conducted a stock split of common share at a ratio of 3-for-1 on April 1, 2024. "Earnings per share" and "Diluted earnings per share" are calculated on the assumption that said splitting of shares had been made at the beginning of the previous fiscal year.

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	168,863	88,089	51.9
As of March 31, 2024	160,238	82,363	51.1

Reference: Equity As of December 31, 2024: ¥87,560 million  
 As of March 31, 2024: ¥81,900 million

Note: The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27) and relevant regulations from the beginning of the first three months of the current fiscal year, and each figure for the fiscal year ended March 31, 2024 is the figure after applying the accounting standard and relevant ASBJ regulations.

## 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
Fiscal year ended March 31, 2024	–	–	–	393.00	393.00
Fiscal year ending March 31, 2025	–	45.00	–	–	–
Fiscal year ending March 31, 2025 (Forecast)	–	–	–	85.00	130.00

Notes: 1. Revisions to the cash dividend forecasts most recently announced: Yes  
 2. The Company conducted a stock split of common share at a ratio of 3-for-1 on April 1, 2024. The amounts shown for the dividends for the fiscal year ended March 31, 2024 are the actual dividend amounts before the share split.  
 3. The Company had provided only the fiscal year-end dividend as a once-per-year dividend up until now. However, to enhance the opportunities for the distribution of profits to shareholders, the Company will also provide an interim dividend effective from the fiscal year ending March 31, 2025. At the 16th Annual General Meeting of Shareholders held on June 27, 2024, a partial amendment

to the Articles of Incorporation was approved and adopted, allowing the Company to provide an interim dividend with a record date of September 30 each year by resolution of the Board of Directors.

3. Forecast of consolidated financial results for the fiscal 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	130,000	0.7	8,500	(2.7)	11,200	6.3	8,800	16.7	508.83

Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

4. Notes

(1) Significant changes in the scope of consolidation during the period: 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	17,784,210 shares	As of March 31, 2024	17,784,210 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	489,555 shares	As of March 31, 2024	558,549 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	17,265,942 shares	Nine months ended December 31, 2023	17,430,897 shares
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Note: The Company conducted a stock split of common share at a ratio of 3-for-1 on April 1, 2024. "Total number of issued shares at the end of the period," "Number of treasury shares at the end of the period," and "Average number of shares during the period" are calculated on the assumption that said splitting of shares had been made at the beginning of the previous fiscal year.

\* 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 forecasts of financial results, 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. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Results may differ materially from the consolidated forecasts due to various factors.

## Quarterly consolidated financial statements and significant notes thereto

### (1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	16,188	15,298
Notes receivable, accounts receivable from completed construction contracts and other	65,557	72,101
Costs on construction contracts in progress	138	418
Other inventories	1,247	1,445
Other	3,274	4,780
Allowance for doubtful accounts	(5)	(6)
Total current assets	86,400	94,039
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,133	5,951
Machinery, vehicles, tools, furniture and fixtures, net	3,064	2,987
Aircraft, net	833	879
Land	14,956	14,956
Leased assets, net	2,543	2,254
Construction in progress	344	83
Total property, plant and equipment	27,875	27,112
Intangible assets	1,248	1,191
Investments and other assets		
Investment securities	3,542	3,840
Shares of subsidiaries and associates	37,699	39,798
Deferred tax assets	2,696	2,031
Other	791	864
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	44,714	46,519
Total non-current assets	73,838	74,823
Total assets	160,238	168,863

(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	20,947	19,521
Short-term borrowings	9,750	19,800
Current portion of long-term borrowings	4,425	4,412
Current portion of bonds payable	960	1,085
Lease liabilities	572	497
Income taxes payable	3,618	303
Advances received on construction contracts in progress	5,818	3,773
Unearned revenue	2,399	2,426
Provision for bonuses	2,261	1,099
Provision for warranties for completed construction	65	46
Provision for loss on construction contracts	1,674	1,554
Other	6,631	7,158
Total current liabilities	59,126	61,678
Non-current liabilities		
Bonds payable	2,250	2,510
Long-term borrowings	9,754	10,238
Lease liabilities	2,241	2,004
Deferred tax liabilities	137	–
Deferred tax liabilities for land revaluation	1,474	1,474
Provision for retirement benefits for directors (and other officers)	725	772
Retirement benefit liability	1,921	1,879
Asset retirement obligations	133	133
Negative goodwill	54	39
Other	56	42
Total non-current liabilities	18,748	19,095
Total liabilities	77,874	80,773
Net assets		
Shareholders' equity		
Share capital	5,311	5,311
Capital surplus	10,548	10,611
Retained earnings	61,576	66,629
Treasury shares	(1,050)	(921)
Total shareholders' equity	76,386	81,631
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,407	2,432
Revaluation reserve for land	976	974
Foreign currency translation adjustment	1,530	1,936
Remeasurements of defined benefit plans	598	585
Total accumulated other comprehensive income	5,513	5,929
Share acquisition rights	1	1
Non-controlling interests	462	527
Total net assets	82,363	88,089
Total liabilities and net assets	160,238	168,863

**(2) Quarterly consolidated statements of income (cumulative) and quarterly consolidated statements of comprehensive income (cumulative)**

**Quarterly consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	96,884	100,984
Cost of sales	83,352	83,814
Gross profit	13,531	17,170
Selling, general and administrative expenses	8,268	8,711
Operating profit	5,262	8,459
Non-operating income		
Interest and dividend income	74	135
Rental income	115	118
Amortization of negative goodwill	15	15
Share of profit of entities accounted for using equity method	1,064	2,068
Subsidy income	306	340
Other	67	54
Total non-operating income	1,643	2,734
Non-operating expenses		
Interest expenses	276	321
Rental expenses	363	373
Other	122	103
Total non-operating expenses	762	798
Ordinary profit	6,142	10,394
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	—	50
Subsidy income	4	—
Total extraordinary income	4	50
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	4	—
Total extraordinary losses	4	—
Profit before income taxes	6,142	10,444
Income taxes - current	1,222	1,762
Income taxes for prior periods	336	—
Income taxes - deferred	330	523
Total income taxes	1,889	2,286
Profit	4,253	8,158
Profit attributable to non-controlling interests	218	71
Profit attributable to owners of parent	4,034	8,087

# Quarterly consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	4,253	8,158
Other comprehensive income		
Valuation difference on available-for-sale securities	(32)	10
Remeasurements of defined benefit plans, net of tax	(21)	(68)
Share of other comprehensive income of entities accounted for using equity method	665	473
Total other comprehensive income	611	415
Comprehensive income	4,865	8,574
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,644	8,503
Comprehensive income attributable to non-controlling interests	220	71

## Notes regarding segment information, etc.

I For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

### 1. Information on the amounts of net sales and profit or loss for each reportable segment and information on disaggregation of revenue

(Millions of yen)

	Reportable segments					Others (Note)	Total
	Steel Construc- tion	Civil Engineering	Architec- ture	Solution	Total		
Net sales							
Goods transferred at a point in time	174	30	76	802	1,084	3,430	4,514
Goods transferred over time	44,448	25,935	14,888	4,349	89,622	2,542	92,164
Revenue from contracts with customers	44,623	25,966	14,964	5,152	90,706	5,972	96,679
Other income	22	39	–	–	61	143	204
Revenues from external customers	44,645	26,005	14,964	5,152	90,768	6,115	96,884
Transactions with other segments	485	340	–	254	1,080	183	1,264
Total	45,130	26,345	14,964	5,407	91,848	6,299	98,148
Segment profit (loss)	2,796	1,274	1,491	2,062	7,626	(357)	7,268

Note: The “Others” category is a segment containing the businesses not included in the reportable segments, and it includes businesses related to aviation, real estate transaction and leasing, etc.

### 2. Difference between the total amount of profit or loss of the reportable segments and the amount recorded in quarterly consolidated statements of income, and description of said difference (comparability adjustment)

(Millions of yen)

Profit	Amount
Reportable segments total	7,626
Loss from “Others”	(357)
Elimination of intersegment transactions	(194)
Company-wide expenses (Note)	(2,155)
Other adjustments	344
Operating profit in the quarterly consolidated statements of income	5,262

Note: Company-wide expenses are mainly general and administrative expenses, which are not attributable to the reportable segments.

### 3. Information about impairment losses of non-current assets or goodwill, etc. for each reportable segment

Not applicable.

II For the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

1. Information on the amounts of net sales and profit or loss for each reportable segment and information on disaggregation of revenue

(Millions of yen)

	Reportable segments					Others (Note)	Total
	Steel Construc- tion	Civil Engineering	Architec- ture	Solution	Total		
Net sales							
Goods transferred at a point in time	107	24	69	638	840	4,111	4,951
Goods transferred over time	46,426	30,878	10,986	4,849	93,140	2,747	95,888
Revenue from contracts with customers	46,533	30,902	11,056	5,488	93,980	6,859	100,840
Other income	22	34	–	–	56	87	144
Revenues from external customers	46,556	30,936	11,056	5,488	94,037	6,947	100,984
Transactions with other segments	805	225	9	196	1,236	245	1,482
Total	47,362	31,161	11,065	5,684	95,274	7,192	102,467
Segment profit (loss)	4,672	2,715	927	2,320	10,635	(15)	10,620

Note: The “Others” category is a segment containing the businesses not included in the reportable segments, and it includes businesses related to aviation, real estate transaction and leasing, etc.

2. Difference between the total amount of profit or loss of the reportable segments and the amount recorded in quarterly consolidated statements of income, and description of said difference (comparability adjustment)

(Millions of yen)

Profit	Amount
Reportable segments total	10,635
Loss from “Others”	(15)
Elimination of intersegment transactions	(315)
Company-wide expenses (Note)	(2,363)
Other adjustments	517
Operating profit in the quarterly consolidated statements of income	8,459

Note: Company-wide expenses are mainly general and administrative expenses, which are not attributable to the reportable segments.

3. Information about impairment losses of non-current assets or goodwill, etc. for each reportable segment  
Not applicable.