

INTERLIFE HOLDINGS (1418)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY02/2023		11,460	168	177	179	11.33	5.00	211.77
FY02/2024		12,626	270	245	384	24.82	8.00	234.45
FY02/2025CoE		15,500	600	580	400	25.78	8.00	-
FY02/2024		YoY	10.2%	60.4%	38.6%	114.6%	-	-
FY02/2025CoE		YoY	22.8%	121.8%	136.0%	3.9%	-	-
Consolidated Quarter (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 FY02/2024		2,993	69	74	51	-	-	-
Q2 FY02/2024		2,923	68	66	62	-	-	-
Q3 FY02/2024		2,985	(63)	(93)	99	-	-	-
Q4 FY02/2024		3,723	194	197	172	-	-	-
Q1 FY02/2025		4,257	385	389	314	-	-	-
Q1 FY02/2025		YoY	42.2%	455.3%	419.1%	515.1%	-	-

Source: Company Data, WRJ Calculation

1.0 Executive Summary (10 September 2024)


Sustainable Growth

INTERLIFE HOLDINGS, running operations of interior construction and designing/construction of sound & lighting facilities, is seeing a firm performance in the short term, which looks being followed by sustainable growth from a long-term perspective. On top of an improvement in operating profit margin as a result of the Company's policy to review its business portfolio, it is now posting sales of large-sized construction projects at the same time, having brought in a significant increase in sales and earnings for the actual results of Q1 FY02/2025. Meanwhile, FY02/2025 initial Company forecasts have been revised upward in light of recent trading running ahead of initial assumptions. In particular, the Company suggests that it benefits from concentrated completions of work associated with EXPO 2025 OSAKA/ KANSAI for H2 as well as strengths in order intake associated with redevelopment projects in central urban areas. The Company's Osaka Sales Branch has worked so well in steadily capturing construction demand created by a holding of EXPO 2025 OSAKA/KANSAI, while the Company is keen on doing so also for OSAKA Integrated Resort, i.e., a scheme scheduled to open in the fall of 2030. Meanwhile, the Company advocates to "evolve and renew business model via innovations with an objective of acquiring a position to pursue growth in the next phase" as its basic policy of the existing midterm management plan (FY02/2023 to FY02/2025), while planning to further focus on this basic policy for FY02/2026 and thereafter, as well as aggressively investing in human capital and so on, in order to realize a changeover to the new phase of growth.

IR Representative: Masanari Kato, Managing Director (81-(0)3-3547-3227 / kato-masanari@n-interlife.co.jp)

2.0 Company Profile

Business to Support Towns and People

Company Name	<p>INTERLIFE HOLDINGS CO., LTD.</p> <p>Company Website</p> <p>IR Information</p> <p>Share Price (Japanese)</p> 
Established	5 October 2010
Listing	<p>4 April 2022: Tokyo Stock Exchange Standard Market (ticker: 1418)</p> <p>16 July 2013: Tokyo Stock Exchange JASDAQ (Standard)</p> <p>5 October 2010: Osaka Stock Exchange (JASDAQ Standard)</p>
Capital	¥2,979m (as of the end of May 2024)
No. of Shares	20,010,529 shares, including 4,495,180 treasury shares (as of the end of May 2024)
Main Features	<ul style="list-style-type: none"> ● Designing and construction of commercial & public facilities ● Provision of comprehensive services, including management and maintenance ● Business administration as a holding company for own subsidiaries
Segments	<p>I . Interior Construction</p> <p>II . Sound & Lighting Facilities</p> <p>III . Equipment & Maintenance</p>
Representatives	<p>Representative Director, Chairperson and CEO: Masahide Shoji</p> <p>Representative Director, President : Koji Kida</p>
Shareholders	Tatsumi 42.76%, Custody Bank of Japan, T. 4.77%, Client Share Ownership Plan 3.12%, NOMURA Co., Ltd. 2.73% (as of the end of February 2024, but for treasury shares)
Head Office	Chuo-ku, Tokyo, JAPAN
No. of Personnel	Consolidated: 250, Parent: 14 (as of the end of February 2024)

Source: Company Data

3.0 Group Corporate Philosophy and Business Model

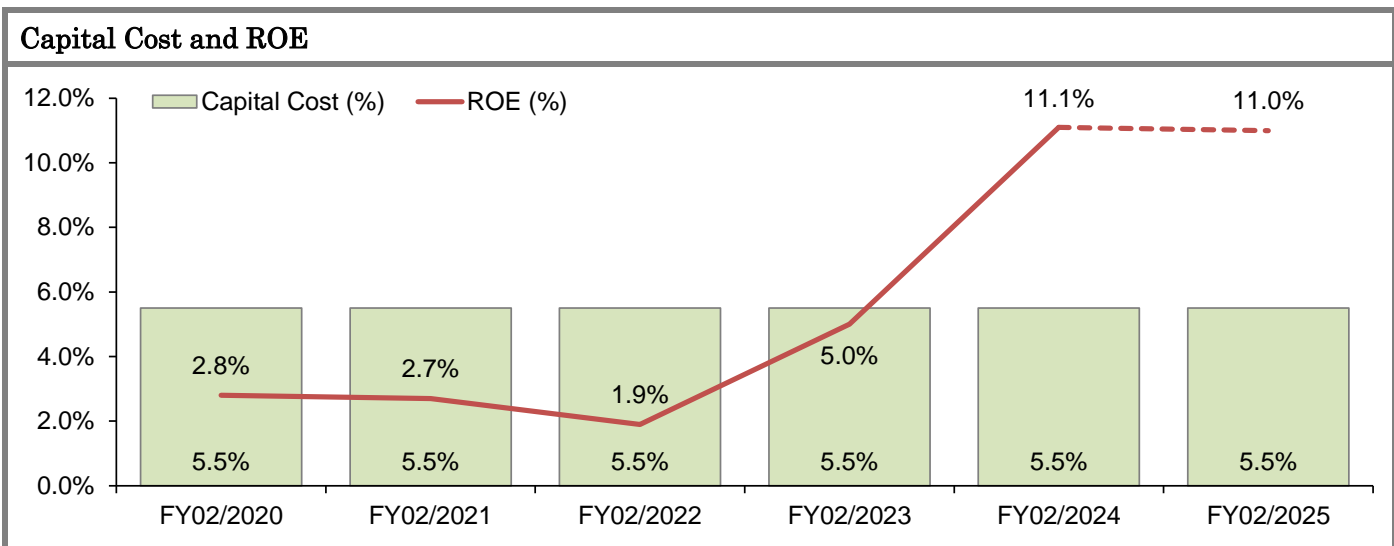
Ex Position

The Company, being responsible for business administration as a holding company in company-owned subsidiaries which run operations of interior construction and designing/construction of sound & lighting facilities, has adopted group corporate philosophy that goes “we will contribute to society by providing comfortable spaces full of excitement and joy to people everywhere.” Meanwhile, as basic policy of its fourth midterm management plan (FY02/2023 to FY02/2025), the Company goes “we will evolve and renew business model via innovations with an objective of acquiring a position to pursue growth in the next phase”, while advocating an impellent title of Ex Position for this basic policy, where the Company goes for three priority challenges, i.e., realizing new growth, improving productivity on a group basis and responding to social needs.

In the current new stage of economic growth after overcoming a tumble caused by the spread of COVID-19 infection, the Company is aiming to acquire a position to pursue growth in the next phase. The impellent title of Ex Position refers to the Company's desire to aggressively acquire construction projects related to large-scale “expositions”, such as EXPO 2025 OSAKA/KANSAI, crossing to another desire to obtain “ex” (excellent or extra) position to pursue growth in the next phase, without settling for the current position.

As for slogan, the Company goes “business to support towns and people; we would like to operate as a company to bring people together in their living spaces”. The Company states that it is demonstrating strong competitiveness and high growth potential through the provision of “total services to realize attractive locations and facilities”. NISSHO, the origin of the Company, was founded in 1975 and for about half a century since then, the Company has been providing interior work for locations with commercial facilities as the mainstay, striving to create unparalleled and prosperous locations. The Company's current name, INTERLIFE, reflects its desire to be “a company to bring people together in their living spaces.” The Company also states that it will “never forget this spirit as it strives to further strengthen the group's collective strengths as well as improving quality of services and customer satisfaction.”

Masahide Shoji, Chairperson and CEO, states that the Japanese economy has overcome the Corona disaster and is now entering a new growth stage, with the Nikkei 225 reaching a new all-time high, while also stating that the Company will keep up with such trends and steadily capture construction projects associated with EXPO 2025 OSAKA/KANSAI (to be held during 13 April to 13 October in 2025) as well as explore new business opportunities through further business development for FY02/2025, the final year of the forth midterm management plan with Ex Position as an impellent title. As well, the Company also intends to actively capture an expansion in demand for construction work associated with Osaka Integrated Resor, which Osaka Prefecture plans to open in the fall of 2030, by means of enhancement for sales activities in its Osaka Sales Branch based in the local area. Thus, the Company is now trying to accelerate the rate of growth, while intending to meet expectations of its stakeholders by increasing the business valuation through management practices that are conscious of capital cost and share prices.



Source: Company Data, WRJ Calculation

The Company estimates that its capital cost equates to 5.5%. From FY02/2020 to FY02/2023, the Company had continued to see a negative equity spread compared with the levels of ROE, which was followed by ROE of 11.1% for FY02/2024, when the Company posted a gain of ¥213m from sale of shares in a subsidiary at the extraordinary level versus recurring profit of ¥245m. Meanwhile, in light of the latest Company forecasts, announced on 27 August 2024, the Company is supposed to see ROE of 11.0% for FY02/2025 in our rough estimates, i.e., profit attributable to owners of parent of ¥400m, divided by equity capital of ¥3,637m as of the end of FY02/2024. In other words, the Company has continued to see a negative equity spread over the past five years in a row, excluding FY02/2024, when the impact of extraordinary gain was significant, but now the Company is expected to achieve positive equity spread for FY02/2025 and likely entering a phase to maintain and/or enhance the levels of equity spread thereafter.

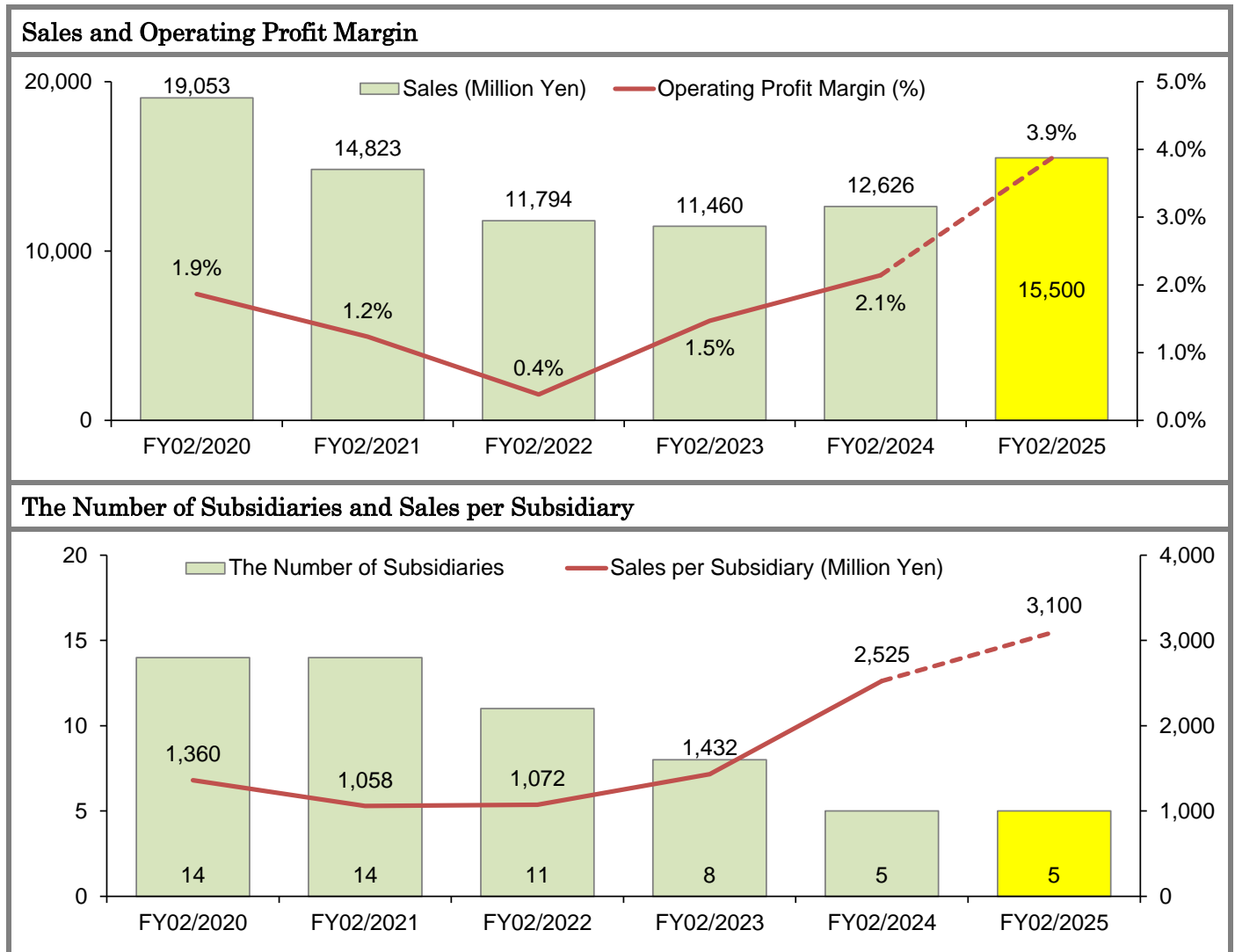
As for the Basic Policy of Sustainability Management, the Company states that it will focus on dialogues with all stakeholders, including respective customers, business acquaintances, shareholders, investors, employees and local communities for the sake of actively promoting the building of a sustainable society, based on the Group Corporate Philosophy, the Group CSR Charter and the Group Code of Conduct. While continuing business activities based on all those policies, the Company plans to continuously disclose the details of specific cases in which it has collaborated with stakeholders at all levels.

Company History (extract)

Date	Events
February 1975	NISSHO, established in Arakawa-ku, Tokyo, with the main business of flooring construction for the display industry
June 1988	Company name, changed from NISSHO to NISSHO INTERLIFE
August 1988	Head office, relocated to Kita-ku, Tokyo
August 1990	Shares, registered with Japan Securities Dealers Association for over-the-counter trading
December 2004	Over-the-counter registration with Japan Securities Dealers Association, cancelled; shares, listed on JASDAQ Stock Exchange
April 2010	Shares, listed on Osaka Stock Exchange (JASDAQ market), following the merger of JASDAQ Stock Exchange and Osaka Stock Exchange
October 2010	INTERLIFE HOLDINGS CO., LTD., established by NISSHO INTERLIFE through a sole-share transfer; NISSHO INTERLIFE, made into wholly owned subsidiary.
October 2010	Shares, listed on Osaka Stock Exchange (JASDAQ Standard)
November 2011	Fiscal yearend, changed from 20 March to the end of February at an extraordinary shareholders' meeting
July 2013	Shares, listed on Tokyo Stock Exchange JASDAQ (Standard), following the merger of the cash markets of Osaka Stock Exchange with Tokyo Stock Exchange
May 2014	Head office, relocated to Chuo-ku, Tokyo
May 2017	Changed to a company with an Audit & Supervisory Committee with a partial amendment for articles of incorporation
April 2022	Listing change from Tokyo Stock Exchange JASDAQ (Standard) to Tokyo Stock Exchange Standard Market

FY02/2024 Results

For FY02/2024, sales came in at ¥12,626m (up 10.2% YoY), operating profit ¥270m (up 60.4%), recurring profit ¥245m (up 38.6%) and profit attributable to owners of parent ¥384m (up 114.6%). According to the Company, earnings were driven by an improvement in operating profit margin as a result of the Company's policy to review its business portfolio,



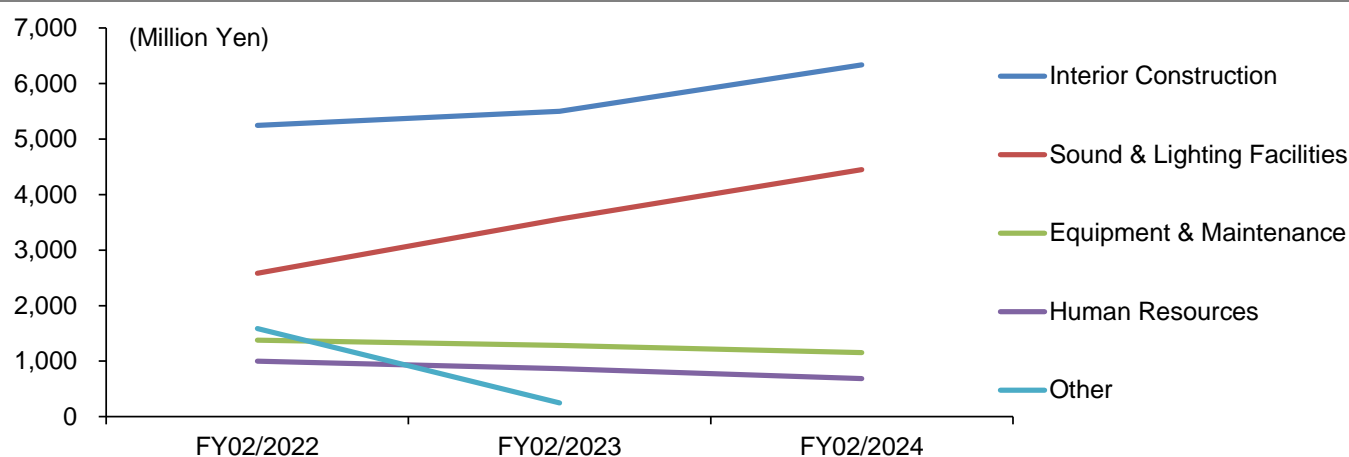
Source: Company Data, WRJ Calculation

For FY02/2022, operating profit margin declined down to 0.4%. However, this was followed by 1.5% for FY02/2023 and 2.1% for FY02/2024, implying a steady rise. At the same time, the latest Company forecasts, announced on 27 August 2024, are going for 3.9% or a further progress to be made for the V-shaped recovery in operating profit margin for FY02/2025. As of the end of FY02/2022, the Company was responsible for business administration as a holding company for company-owned subsidiaries, no less than 14 in the number, which was cut back on down to five as of the end of FY02/2024. Meanwhile, sales per subsidiary have risen 1.86 times from ¥1,360m to ¥2,525m from FY02/2020 to FY02/2024. In other words, the Company has succeeded in its policy to focus on business administration for company-owned subsidiaries large in sales and high in operating profit margin, as far as we could see.

The Company-Owned Subsidiaries

(as of the end of FY)			
Segments	FY02/2022	FY02/2023	FY02/2024
Interior Construction	NISSHO INTERLIFE	NISSHO INTERLIFE	NISSHO INTERLIFE
Sound & Lighting Facilities	SYSTEM ENGINEERING	SYSTEM ENGINEERING	SYSTEM ENGINEERING SANKEN SYSTEM
Equipment & Maintenance	FACILITY MANAGEMENT TAMAHIRO KOGYO	FACILITY MANAGEMENT TAMAHIRO KOGYO	FACILITY MANAGEMENT TAMAHIRO KOGYO
Human Resources	AVANCEZ AGILE	AVANCEZ AGILE	-
	NIL TELECOM	-	-
Other	LARGO CORPORATION	-	-
	ADVANTAGE	-	-

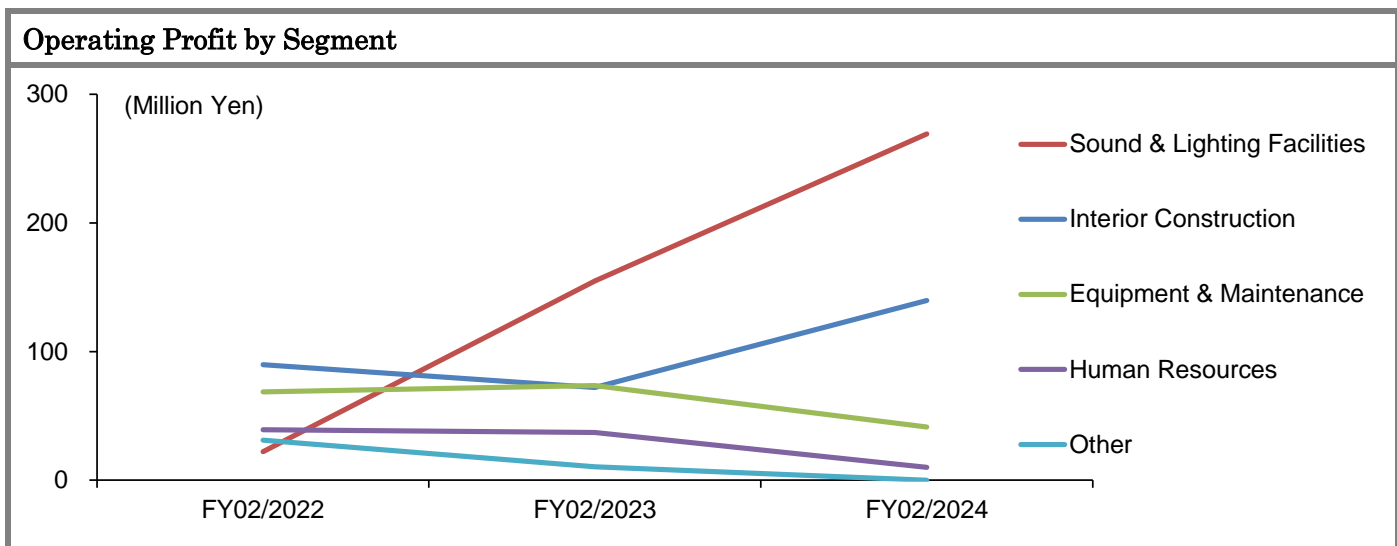
Sales by Segment



Source: Company Data

In light of the current situation, the Company implies that its performance for FY02/2025 and thereafter will be determined solely by its five subsidiaries, all of which have construction as their core business, i.e., NISSHO INTERLIFE (wholly owned subsidiary) in charge of the operations on the Interior Construction side; SYSTEM ENGINEERING (wholly owned subsidiary) and SANKEN SYSTEM (wholly owned subsidiary) on the Sound & Lighting Facilities side; as well as FACILITY MANAGEMENT (wholly owned subsidiary) and TAMAHIRO KOGYO (wholly-owned subsidiary) on the Equipment & Maintenance side, specifically.

In FY2023, the Company sold its shares held in subsidiaries being responsible for telecom services, real estate business and so on, which was followed by sale of its shares held in subsidiary being in responsible for operations associated with human resources for Q3 FY02/2024. Meanwhile, following the deal of the latter, the Company has acquired 100% of stake in SANKEN SYSTEM for Q4 of the same year, i.e., ex-subcontractor of SYSTEM ENGINEERING (wholly owned subsidiary) in charge of the operations on the Sound & Lighting Facilities side. As well, for FY02/2020 and FY02/2021, the Company was running operations more diverse than in FY02/2022 such as those of services in locations through a number of subsidiaries, while sale of its shares held in all those subsidiaries had been accomplished in those days.



Source: Company Data

In the Company's performance during the past three years (FY02/2022 to FY02/2024), operating profit has risen on the Interior Construction side, which is the mainstay by sales, while there was a substantial improvement at the operating level on the Sound & Lighting Facilities side, which is the second largest by sales. Meanwhile, both of sales and operating profit have inevitably declined on the Equipment & Maintenance side. As well, the Company posted sales and operating profit on the Human Resources side for FY02/2024, but the Company sold its shares held in subsidiary responsible for the operations for Q3.

Meanwhile, according to the Company's disclosure, sales at the Osaka Sales Branch came in at ¥952m for FY02/2023, having accounted for 8.3% of the Company's sales versus ¥1,259m and 10.0%, respectively, for FY02/2024. Thus, sales have risen 32.2% from FY02/2023 to FY02/2024. This is due mainly to that the Company has succeeded in steadily capturing construction projects associated with EXPO 2025 OSAKA/KANSAI to be held during 13 April to 13 October in 2025 in the branch's surrounding area.

Elsewhere, the Company also states that order intake as of the beginning of FY02/2025 stood at ¥8,597m versus ¥5,540m as of the beginning of FY02/2024, having increased 55.2% from the latter to the former. In the actual results of FY02/2024, the said order intake as of the beginning of the year equated to 43.9% of full-year sales, while the equivalent as much as 63.7% for FY02/2025, when compared with full-year sales of ¥13,500m (up 6.9% YoY) assumed in initial Company forecasts, announced on 12 April 2024. In other words, it appears there was an aspect that initial Company forecasts were conservative in a sense, as far as we could see. On 27 August 2024, FY02/2025 Company forecasts have been revised up by ¥2,000m (14.8%) in sales, currently going for prospective sales of ¥15,000m (up 22.8%) on a full-year basis.

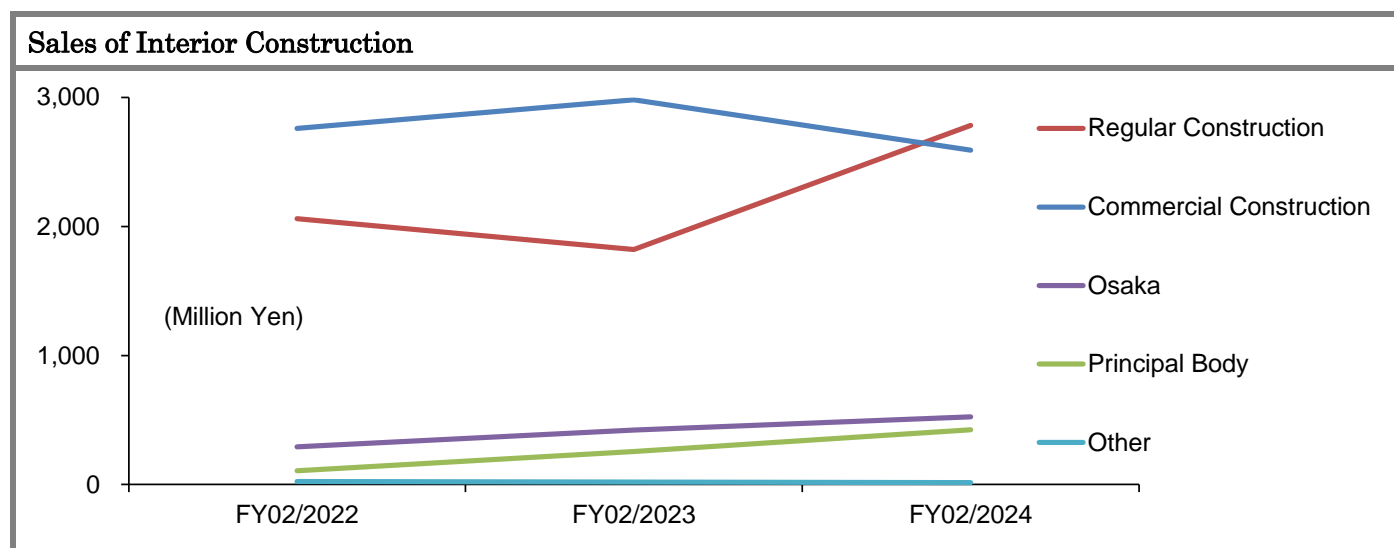
FY02/2025 Company Forecasts and Actual Results

Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY02/2025CoE	12-Apr-24	Q4 Results	13,500	400	390	300
FY02/2025CoE	12-Jul-24	Q1 Results	13,500	400	390	300
FY02/2025CoE	27-Aug-24	Revision	15,500	600	580	400
		Amount of Gap	2,000	200	190	100
		Rate of Gap	14.8%	50.0%	48.7%	33.3%
FY02/2025CoE	12-Apr-24	Q4 Results	13,500	400	390	300
FY02/2025CoE	27-Aug-24	Revision	15,500	600	580	400
		Amount of Gap	2,000	200	190	100
		Rate of Gap	14.8%	50.0%	48.7%	33.3%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q1 to Q2 FY02/2025CoE	12-Apr-24	Q4 Results	-	-	-	-
Q1 to Q2 FY02/2025CoE	12-Jul-24	Q1 Results	-	-	-	-
Q1 to Q2 FY02/2025CoE	27-Aug-24	Revision	-	-	-	-
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Q1 to Q2 FY02/2025CoE	12-Apr-24	Q4 Results	-	-	-	-
Q1 to Q2 FY02/2025CoE	27-Aug-24	Revision	-	-	-	-
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q3 to Q4 FY02/2025CoE	12-Apr-24	Q4 Results	-	-	-	-
Q3 to Q4 FY02/2025CoE	12-Jul-24	Q1 Results	-	-	-	-
Q3 to Q4 FY02/2025CoE	27-Aug-24	Revision	-	-	-	-
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Q3 to Q4 FY02/2025CoE	12-Apr-24	Q4 Results	-	-	-	-
Q1 to Q2 FY02/2025CoE	27-Aug-24	Revision	-	-	-	-
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-

Source: Company Data, WRJ Calculation

Interior Construction (50.2% of sales and 30.4% of operating profit)

For FY02/2024, sales came in at ¥6,334m (up 15.2% YoY), operating profit ¥139m (up 94.2%) and segment profit margin 2.2% (up 0.9% points). On the Interior Construction side, the Company has two pillars for its operations, i.e., regular construction and commercial construction. For regular construction, the Company runs operations to do roughing-in work or interior decorating (for bare concrete floors, walls and ceilings), contracted from general contractors, while planning, designing and construction for location interiors via prime contract from commercial facilities for commercial construction.



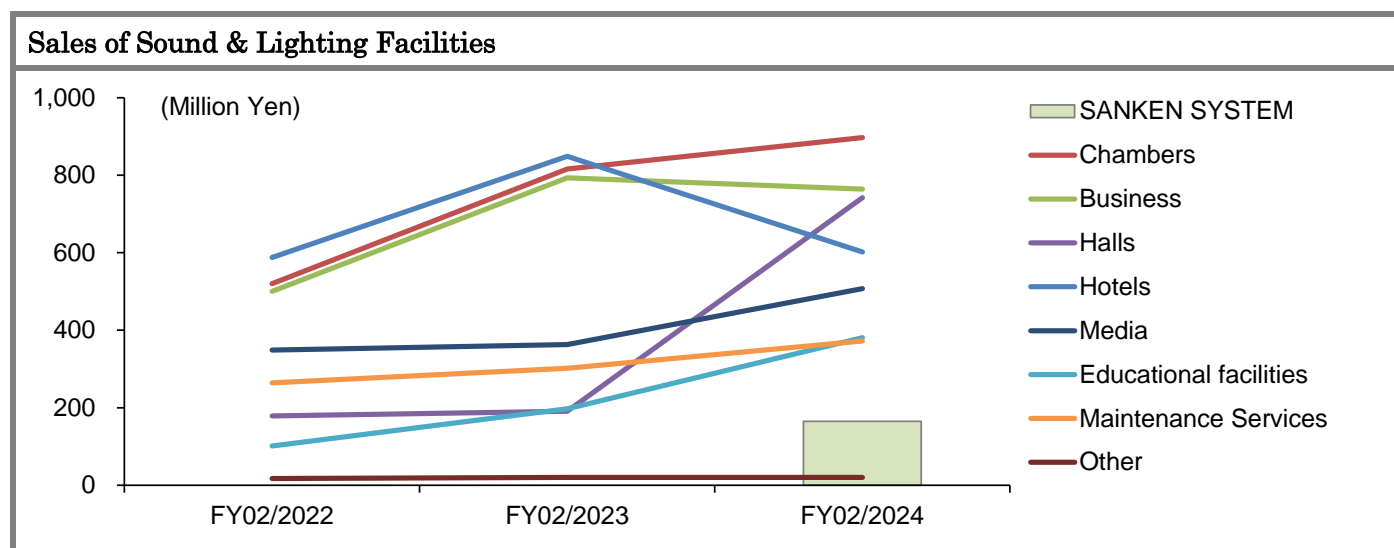
Source: Company Data

For FY02/2024, sales, operating profit and operating profit margin have all risen due mainly to surging sales in regular construction. The Company has posted sales of projects carried over from the previous year as well as having favorably posted sales and order intake for new projects at the same time. Meanwhile, the operations carry gross profit margin higher than that of commercial construction where the Company is exposed to head-on competition with sector peer companies including large-sized ones and thus a substantial increase in sales of regular construction had an aspect to have improved sales mix on the Interior Construction side. With respect to regular construction, the Company has competitive advantages as in its capability to steadily acquire order intake from major general contractors and so on, while efficiently taking advantage of outsourcing for actual work with some 250 external craftworkers secured.

Sales of the operations in Osaka are a part of sales for the Osaka Sales Branch and an increase in the former drove an increase in the latter which equated to ¥1,259m (up 32.2%) for FY02/2024 as mentioned earlier. Prior to a holding of EXPO 2025 OSAKA/KANSAI, a progress has been made for redevelopment in the surrounding areas, while the Company is steadily capturing demand for work stemming from here. Meanwhile, the Company suggests that sales of the operations in Osaka on the Interior Construction side account for some 40% of sales in the Osaka Sales Branch and that the remaining 60% or so is accounted for by sales of the operations in Osaka on the Sound & Lighting Facilities side, which are included in each domain of the operations. According to the Company, sales have risen nicely for operations in Osaka on the Sound & Lighting Facilities side for FY02/2024, as found on the Interior Construction side.

Sound & Lighting Facilities (35.3% of sales and 58.5% of operating profit)

For FY02/2024, sales came in at ¥4,451m (up 25.0% YoY), operating profit ¥269m (up 73.7%) and operating profit margin 6.0% (up 1.7% points). On the Sound & Lighting Facilities side, the Company is exposed to diverse domains, e.g., “chambers”, “business”, “halls” and “hotels”. On top of this, the Company also posts sales of SANKEN SYSTEM (wholly owned subsidiary), consolidated since Q4 FY02/2024. But for sales of this subsidiary, sales of the above-mentioned four domains, i.e., “chambers”, “business”, “halls” and “hotels”, collectively, accounted for some 70% of sales on the Sound & Lighting Facilities side.



Source: Company Data

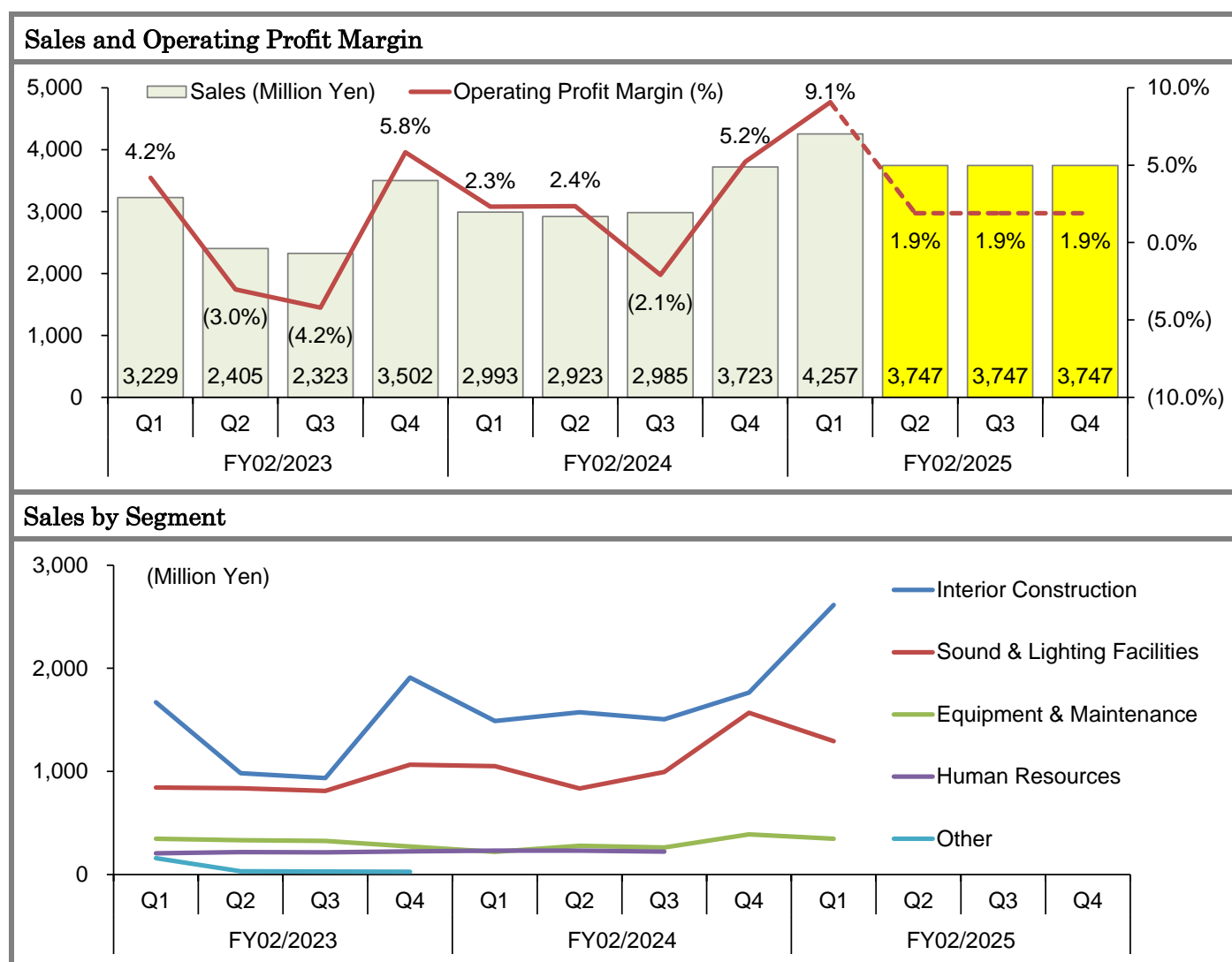
For FY02/2024, an increase in sales associated with “halls” and “chambers” drove performance on the Sound & Lighting Facilities side as a whole. For both of them, the Company states that it posted sales of large-sized projects. For example, sales associated with “halls” have increased almost fourfold over the previous year, while the Company is responsible for comprehensively producing planning, designing and construction in the aspects of on-site sound, video, lighting, hanging stage effects and special equipment. As well, the Company’s competitiveness is found in its capability to “comprehensively” produce, literally. There exist many sector peer companies specialized in sound and/or video, respectively, for example, but it is rare that they have capability to respond to planning, designing and construction all-inclusively for both of them (sound and video) as well as lighting, hanging stage effects and special equipment, according to the Company.

For “chamber,” the Company is basically running operations of comprehensively producing so-called chamber conference systems in the similar way as above-mentioned, which are defined as those of management practice of making a statement, voting on a bill and so on in representative councils mainly of local autonomous bodies, making it possible to administrate operations of all on-site equipment in a lump as well as concentratively administrate the floors via a touch panel with operations such as speaker designation, recording and provision of remaining speaking time. As for “hotels,” the Company runs operations of comprehensively producing almost as same as “halls” in a practical way, while sales have adjusted significantly. However, the Company is seeing an increasing order intake stemming from local redevelopment in the Osaka Sales Branch most lately, while sales associated with “hotels” for Q1 FY02/2025, in fact, have risen sharply over the same period of the previous year. According to the Company, on the Sound & Lighting Facilities side, including “hotels”, where it is necessary to consider specifications for sound, lighting and so on from the design stage of building itself, the timing of order placement tends to become earlier than on the Interior Construction side where order placement is often made after building framework is completed. Thus, it takes longer for order to post sales on the Sound & Lighting Facilities side.

4.0 Recent Trading and Prospects

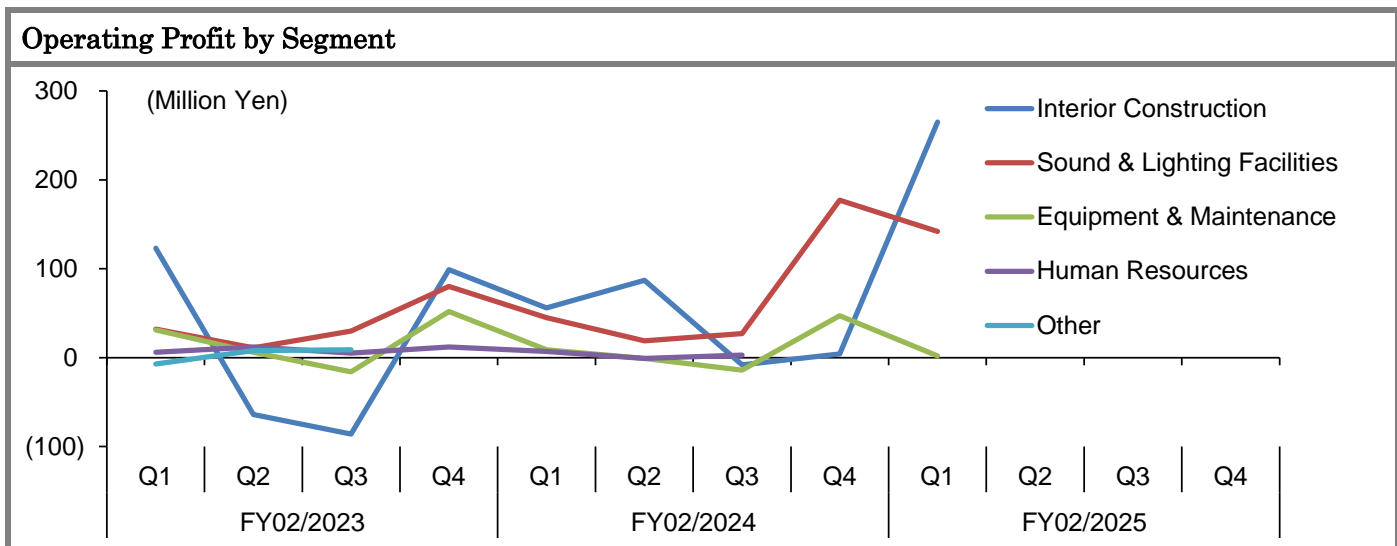
Q1 FY02/2025

For Q1 FY02/2025, sales came in at ¥4,257m (up 42.2% YoY), operating profit ¥385m (up 455.3%), recurring profit ¥389m (up 419.1%) and profit attributable to owners of parent ¥314m (up 515.1%), while operating profit margin 9.1% (up 6.7% points).



Source: Company Data, WRJ Calculation (Q2/Q3/Q4 FY02/2025: full-year Company forecasts minus Q1 results, pro rata)

In terms of comparison to assumptions of FY02/2025 initial Company forecasts, announced on 12 April 2024, the Company saw progress rate of 31.5% in sales, 96.5% in operating profit, 99.8% in recurring profit and 104.7% in profit attributable to owners of parent. Thus, as far as earnings are concerned, the Company had already achieved its full-year forecasts in essence. Nevertheless, Company forecasts had remained unchanged for a while, in light of the fact that short-term sales are inclined to dramatically fluctuate due to seasonal factors, while even more for earnings as is taken for granted. Meanwhile, it was on 27 August 2024 that the Company has revised up its forecasts for FY02/2025, having confirmed the state of order intake toward the end of Q2 (June to August).



Source: Company Data

For Q1, sales increased significantly over the same period of the previous year as the Company saw each of work completed and progress made was more than initially assumed with respect to large-sized projects. For earnings, the Company suggests that it benefited from higher sales and also lowered costs as well, having resulted in a pronouncedly massive increase. For example, the Company's measures to bring material transportation in-house, which it has been promoting since the previous year, are proving successful, while the Company is seeing increased contribution from implementation of advanced procurement at the same time.

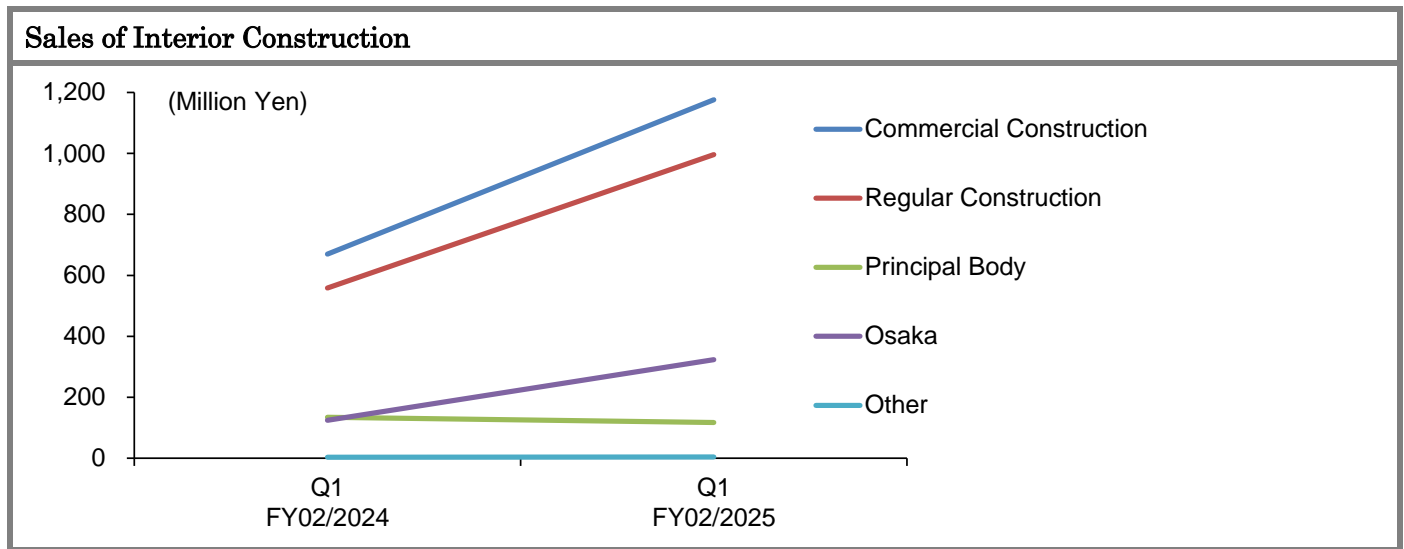
By segment, sales and earnings have risen sharply for both of the two mainstay earnings pillars, i.e., the Interior Construction side and the Sound & Lighting Facilities side. Accordingly, this has resulted in the same for the Company's performance as a whole. The Interior Construction side accounted for 89% of increase in the Company's sales and 72% for earnings, while the Sound & Lighting Facilities accounted for the bulk of the rest in both sales and earnings, i.e., 19% of increase in sales and 33% in earnings. In other words, they collectively accounted for 108% of increase in sales and 105% of increase in earnings.

On the Equipment & Maintenance side, sales came in at ¥347m (up 57.4%), operating profit ¥2m (down 68.5%) and operating profit margin of 0.8% (down 3.3% points). Meanwhile, the Company has fully pulled out of other operations as of Q4 FY02/2023 and pulled out of operations of Human Resources as of Q3 FY02/2024. The impact of the former was nothing to the above-mentioned performance for the Company as the withdrawals were completed prior to the relevant period of the comparison, i.e., Q1 FY02/2024. With respect to the latter, the Company saw a decrease in sales and earnings as much as posted during the same period of the previous year, i.e., ¥231m in sales and ¥7m in operating profit. In conclusion, all those issues are simply insignificant as determinants for the Company's performance. As above-mentioned, the Company's performance hinges on that of the Interior Construction side and that of the Sound & Lighting Facilities side.

On the Equipment & Maintenance side, sales have risen significantly, while operating profit margin has declined sharply. According to the Company, both of FACILITY MANAGEMENT (wholly owned subsidiary) and TAMAHIRO KOGYO (wholly owned subsidiary) saw sales having risen favorably. With respect to the former, sales were driven by those of being generated via its operations of overhauls of air-conditioning equipment as well as maintenance services like statutory inspections, but this was more than offset by rising costs of outsourcing and raw materials. Meanwhile, for the latter, the Company suggests that there was an aspect that the said subsidiary has failed to successfully bid for public work projects, which led to a significant deterioration in earnings.

Interior Construction (61.4% of sales and 64.6% of operating profit)

For Q1 FY02/2025, sales came in at ¥2,615m (up 75.6%), operating profit ¥265m (up 372.8%) and operating profit margin 10.1% (up 6.4% points). Sales have risen sharply for both of regular construction (contracted work from general contractors, responsible for roughing-in one of interior decorating) and commercial construction (prime contract work from commercial facilities, responsible for planning, designing and construction of location interior one) .

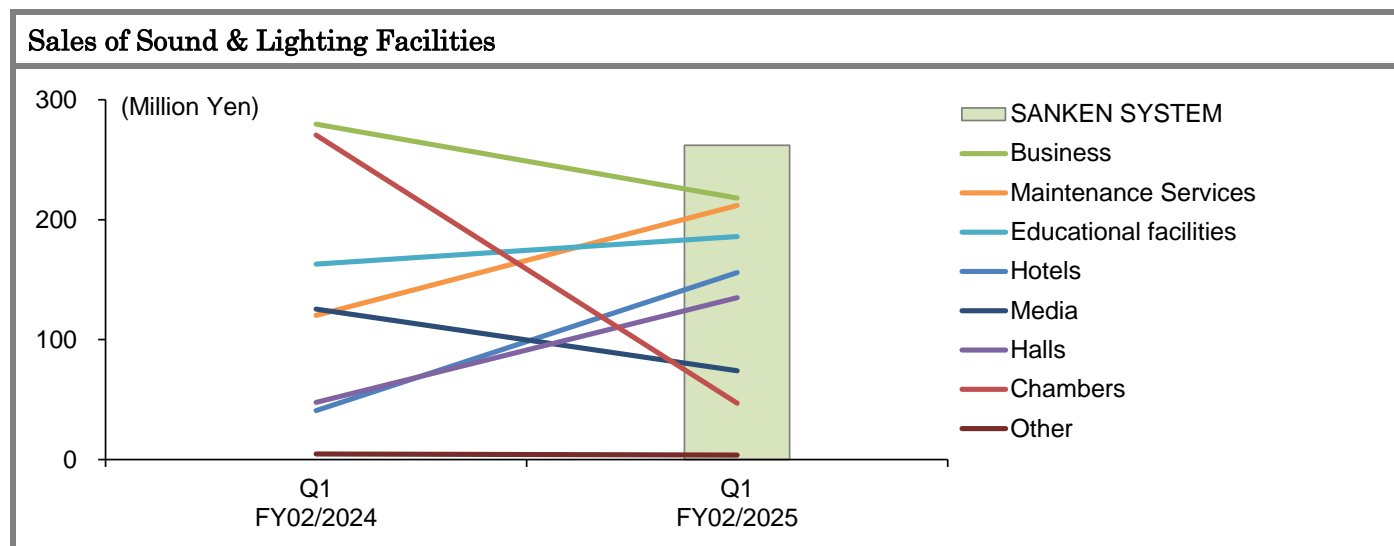


Source: Company Data

On top of posting sales from completions of projects carried over from the previous year, the Company is seeing an enlargement in the size of projects for order to be placed, which is raised as a factor for the strengths in sales. Sales in Osaka posted through the Company’s Osaka Sales Branch have also risen sharply. According to the Company, order intake is buoyant in there due to an upcoming holding of EXPO 2025 OSAKA/KANSAI, which is driving redevelopment projects in the surrounding areas. As well, sales posted through the Company’s Osaka Sales Branch are firm also on the Sound & Lighting Facilities side. Meanwhile, on the Interior Construction side, the Company benefits from the impact of having taken measures to bring warehouse management in-house as well as doing so for material transportation, which is raised as a factor to have realized a substantial increase in operating profit above and beyond the impact of higher sales.

Sound & Lighting Facilities (30.4% of sales and 34.7% of operating profit)

For Q1 FY02/2025, sales came in at ¥1,294m (up 23.0%), operating profit ¥142m (up 215.8%) and operating profit margin 11.0% (up 6.7 % points). Sales and earnings have risen significantly over the same period of the previous year, but the rate of increase is rather pale, when compared with the Interior Construction side. However, the Company is looking to surging sales for H2.



Source: Company Data

Collectively, sales of each domain have remained roughly unchanged over the same period of the previous year. Sales associated with “hotels”, “maintenance services” and so on have risen, while sales associated with “chambers” have plummeted. However, sales of SANKEN SYSTEM (wholly owned subsidiary), newly consolidated, made a net add-on, having generated an increase in sales on the Sound & Lighting Facilities side to a corresponding extent. Meanwhile, according to the Company, the said subsidiary has already begun to see new order intake, stemming from synergy created by the merger. With respect to trend of earnings, the Company suggests that a benefit is expanding from its measures to promote advanced procurement of equipment, materials and so on.

As well, the background why the Company is “looking to surging sales for H2” is that it sees a trend of surging for the latest state of order intake, as far as we could gather. On the Sound & Lighting Facilities side, time lag from order being placed and sales being posted is longer than that of the Interior Construction side, as mentioned earlier, and it appears to be the case that prospects for posting sales can be confirmed for a relatively distant future based on the latest state of order intake.

Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	02/2024	02/2024	02/2024	02/2024	02/2025	02/2025	02/2025	02/2025		
Sales	2,993	5,916	8,902	12,626	4,257	-	-	-	-	+1,263
Cost of Sales	2,385	4,689	7,137	10,107	3,306	-	-	-	-	+921
Gross Profit	608	1,227	1,764	2,518	950	-	-	-	-	+342
SG&A Expenses	538	1,088	1,689	2,247	564	-	-	-	-	+25
Operating Profit	69	138	75	270	385	-	-	-	-	+316
Non-Operating Balance	5	3	(27)	(24)	3	-	-	-	-	(2)
Recurring Profit	74	141	48	245	389	-	-	-	-	+314
Extraordinary Balance	-	23	237	236	-	-	-	-	-	-
Profit before Income Taxes	74	165	285	482	389	-	-	-	-	+314
Total Income Taxes	23	52	73	97	75	-	-	-	-	+51
Profit Attributable to Owners of Parent	51	113	212	384	314	-	-	-	-	+263
Sales YoY	(7.3%)	+5.0%	+11.9%	+10.2%	+42.2%	-	-	-	-	-
Operating Profit YoY	(48.6%)	+122.5%	-	+60.4%	+455.3%	-	-	-	-	-
Recurring Profit YoY	(47.2%)	+101.0%	-	+38.6%	+419.1%	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	(57.0%)	+133.9%	-	+114.6%	+515.1%	-	-	-	-	-
Gross Profit Margin	20.3%	20.7%	19.8%	19.9%	22.3%	-	-	-	-	+2.0%
SG&A Ratio	18.0%	18.4%	19.0%	17.8%	13.3%	-	-	-	-	(4.7%)
Operating Profit Margin	2.3%	2.3%	0.9%	2.1%	9.1%	-	-	-	-	+6.7%
Recurring Profit Margin	2.5%	2.4%	0.5%	1.9%	9.1%	-	-	-	-	+6.6%
Profit Attributable to Owners of Parent Margin	1.7%	1.9%	2.4%	3.0%	7.4%	-	-	-	-	+5.7%
Total Income Taxes / Profit before Income Taxes	31.9%	31.5%	25.6%	20.2%	19.3%	-	-	-	-	(12.6%)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	02/2024	02/2024	02/2024	02/2024	02/2025	02/2025	02/2025	02/2025		
Sales	2,993	2,923	2,985	3,723	4,257	-	-	-	-	+1,263
Cost of Sales	2,385	2,304	2,447	2,970	3,306	-	-	-	-	+921
Gross Profit	608	618	537	753	950	-	-	-	-	+342
SG&A Expenses	538	549	600	558	564	-	-	-	-	+25
Operating Profit	69	68	(62)	194	385	-	-	-	-	+316
Non-Operating Balance	5	(2)	(30)	2	3	-	-	-	-	(2)
Recurring Profit	74	66	(92)	197	389	-	-	-	-	+314
Extraordinary Balance	-	23	213	(0)	-	-	-	-	-	-
Profit before Income Taxes	74	90	120	196	389	-	-	-	-	+314
Total Income Taxes	23	28	21	23	75	-	-	-	-	+51
Profit Attributable to Owners of Parent	51	62	99	172	314	-	-	-	-	+263
Sales YoY	(7.3%)	+21.5%	+28.5%	+6.3%	+42.2%	-	-	-	-	-
Operating Profit YoY	(48.6%)	-	-	(4.7%)	+455.3%	-	-	-	-	-
Recurring Profit YoY	(47.2%)	-	-	(3.9%)	+419.1%	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	(57.0%)	-	-	(23.0%)	+515.1%	-	-	-	-	-
Gross Profit Margin	20.3%	21.2%	18.0%	20.2%	22.3%	-	-	-	-	+2.0%
SG&A Ratio	18.0%	18.8%	20.1%	15.0%	13.3%	-	-	-	-	(4.7%)
Operating Profit Margin	2.3%	2.4%	(2.1%)	5.2%	9.1%	-	-	-	-	+6.7%
Recurring Profit Margin	2.5%	2.3%	(3.1%)	5.3%	9.1%	-	-	-	-	+6.6%
Profit Attributable to Owners of Parent Margin	1.7%	2.1%	3.3%	4.6%	7.4%	-	-	-	-	+5.7%
Total Income Taxes / Profit before Income Taxes	31.9%	31.2%	17.6%	12.2%	19.3%	-	-	-	-	(12.6%)

Source: Company Data, WRJ Calculation

Segmented Information (Cumulative / Quarterly)

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2024	Q1 to Q2 02/2024	Q1 to Q3 02/2024	Q1 to Q4 02/2024	Q1 02/2025	Q1 to Q2 02/2025	Q1 to Q3 02/2025	Q1 to Q4 02/2025		
Interior Construction	1,489	3,064	4,570	6,334	2,615	-	-	-	-	+1,126
Sound & Lighting Facilities	1,051	1,886	2,882	4,451	1,294	-	-	-	-	+242
Equipment & Maintenance	220	501	763	1,153	347	-	-	-	-	+126
Human Resources	231	464	686	686	-	-	-	-	-	(231)
Sales	2,993	5,916	8,902	12,626	4,257	-	-	-	-	+1,263
Interior Construction	56	143	135	139	265	-	-	-	-	+209
Sound & Lighting Facilities	45	64	91	269	142	-	-	-	-	+97
Equipment & Maintenance	9	7	(6)	41	2	-	-	-	-	(6)
Human Resources	7	6	10	10	-	-	-	-	-	(7)
Segment Profit	117	222	230	460	410	-	-	-	-	+292
Adjustments	(48)	(84)	(154)	(189)	(24)	-	-	-	-	+24
Operating Profit	69	138	75	270	385	-	-	-	-	+316
Interior Construction	3.8%	4.7%	3.0%	2.2%	10.1%	-	-	-	-	+6.4%
Sound & Lighting Facilities	4.3%	3.4%	3.2%	6.0%	11.0%	-	-	-	-	+6.7%
Equipment & Maintenance	4.1%	1.6%	(0.8%)	3.6%	0.8%	-	-	-	-	(3.3%)
Human Resources	3.3%	1.4%	1.5%	1.5%	-	-	-	-	-	-
Segment Profit Margin	3.9%	3.8%	2.6%	3.6%	9.6%	-	-	-	-	+5.7%
Adjustments	(1.6%)	(1.4%)	(1.7%)	(1.5%)	(0.6%)	-	-	-	-	+1.0%
Operating Profit Margin	2.3%	2.3%	0.9%	2.1%	9.1%	-	-	-	-	+6.7%

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2024	Q2 02/2024	Q3 02/2024	Q4 02/2024	Q1 02/2025	Q2 02/2025	Q3 02/2025	Q4 02/2025		
Interior Construction	1,489	1,574	1,505	1,764	2,615	-	-	-	-	+1,126
Sound & Lighting Facilities	1,051	834	995	1,568	1,294	-	-	-	-	+242
Equipment & Maintenance	220	280	262	390	347	-	-	-	-	+126
Human Resources	231	233	222	-	-	-	-	-	-	(231)
Sales	2,993	2,923	2,985	3,723	4,257	-	-	-	-	+1,263
Interior Construction	56	87	(8)	4	265	-	-	-	-	+209
Sound & Lighting Facilities	45	19	27	177	142	-	-	-	-	+97
Equipment & Maintenance	9	(1)	(14)	47	2	-	-	-	-	(6)
Human Resources	7	(1)	3	-	-	-	-	-	-	(7)
Segment Profit	117	104	8	229	410	-	-	-	-	+292
Adjustments	(48)	(35)	(70)	(35)	(24)	-	-	-	-	+24
Operating Profit	69	68	(63)	194	385	-	-	-	-	+316
Interior Construction	3.8%	5.5%	(0.5%)	0.3%	10.1%	-	-	-	-	+6.4%
Sound & Lighting Facilities	4.3%	2.3%	2.7%	11.3%	11.0%	-	-	-	-	+6.7%
Equipment & Maintenance	4.1%	(0.4%)	(5.4%)	12.2%	0.8%	-	-	-	-	(3.3%)
Human Resources	3.3%	(0.5%)	1.6%	-	-	-	-	-	-	-
Segment Profit Margin	3.9%	3.6%	0.3%	6.2%	9.6%	-	-	-	-	+5.7%
Adjustments	(1.6%)	(1.2%)	(2.4%)	(0.9%)	(0.6%)	-	-	-	-	+1.0%
Operating Profit Margin	2.3%	2.4%	(2.1%)	5.2%	9.1%	-	-	-	-	+6.7%

Source: Company Data, WRJ Calculation

Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2024	Q2 02/2024	Q3 02/2024	Q4 02/2024	Q1 02/2025	Q2 02/2025	Q3 02/2025	Q4 02/2025		
Cash and Deposit	2,323	2,503	2,121	1,419	2,471	-	-	-	-	+147
Notes Receivable -Trade	2,080	1,817	2,249	3,363	2,759	-	-	-	-	+679
Inventory	4	4	13	14	13	-	-	-	-	+8
Costs on Construction Contracts in Progress	560	579	955	833	656	-	-	-	-	+96
Other	140	114	140	176	162	-	-	-	-	+21
Current Assets	5,109	5,018	5,482	5,808	6,063	-	-	-	-	+954
Tangible Assets	1,149	1,120	1,139	1,111	1,114	-	-	-	-	(35)
Intangible Assets	278	270	553	543	543	-	-	-	-	+264
Investments and Other Assets	643	644	678	672	695	-	-	-	-	+51
Fixed Assets	2,072	2,035	2,371	2,326	2,353	-	-	-	-	+281
Total Assets	7,181	7,054	7,853	8,135	8,417	-	-	-	-	+1,235
Accounts Payables	1,467	1,411	1,481	1,653	1,364	-	-	-	-	(103)
Short-Term Debt	529	489	450	450	580	-	-	-	-	+51
Current Portion of Long-term Debt	353	361	459	472	433	-	-	-	-	+79
Other	858	658	665	714	971	-	-	-	-	+112
Current Liabilities	3,208	2,921	3,056	3,290	3,349	-	-	-	-	+140
Long-Term Debt	423	511	1,013	867	901	-	-	-	-	+477
Other	271	277	329	340	343	-	-	-	-	+72
Fixed Liabilities	694	788	1,343	1,207	1,244	-	-	-	-	+550
Total Liabilities	3,902	3,710	4,399	4,497	4,593	-	-	-	-	+691
Shareholders' Equity	3,313	3,375	3,477	3,652	3,835	-	-	-	-	+522
Other	(35)	(32)	(24)	(15)	(13)	-	-	-	-	+22
Net Assets	3,278	3,344	3,453	3,637	3,823	-	-	-	-	+544
Total Liabilities & Net Assets	7,181	7,054	7,853	8,135	8,417	-	-	-	-	+1,235
Equity Capital	3,278	3,344	3,453	3,637	3,823	-	-	-	-	+545
Interest Bearing Debt	1,305	1,363	1,923	1,789	1,914	-	-	-	-	+608
Net Debt	(1,018)	(1,140)	(199)	370	(557)	-	-	-	-	+460
Equity Ratio	45.7%	47.4%	44.0%	44.7%	45.4%	-	-	-	-	-
Net Debt Equity Ratio	(31.1%)	(34.1%)	(5.7%)	10.2%	(14.6%)	-	-	-	-	-
ROE (12 months)	3.4%	7.5%	13.3%	11.1%	18.2%	-	-	-	-	-
ROA (12 months)	1.5%	3.5%	3.5%	3.2%	7.2%	-	-	-	-	-
Days for Inventory Turnover	21	23	36	26	18	-	-	-	-	-
Quick Ratio	137%	148%	143%	145%	156%	-	-	-	-	-
Current Ratio	159%	172%	179%	177%	181%	-	-	-	-	-

Source: Company Data, WRJ Calculation

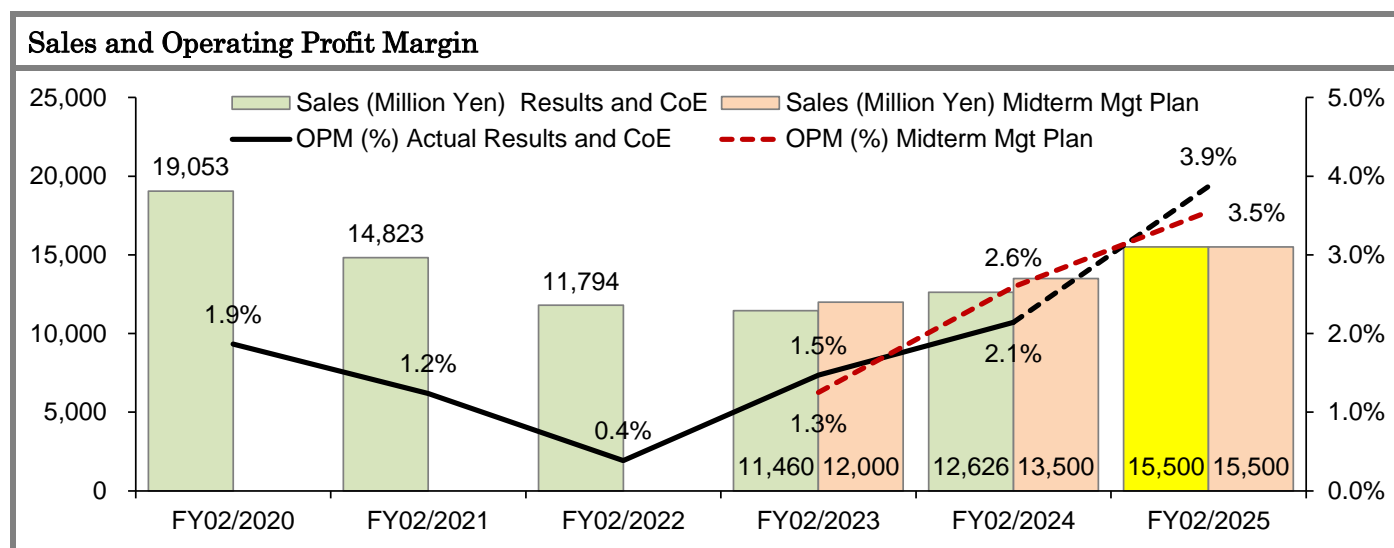
Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2024	Q1 to Q2 02/2024	Q1 to Q3 02/2024	Q1 to Q4 02/2024	Q1 02/2025	Q1 to Q2 02/2025	Q1 to Q3 02/2025	Q1 to Q4 02/2025		
Operating Cash Flow	-	791	-	(623)	-	-	-	-	-	-
Investing Cash Flow	-	(28)	-	(58)	-	-	-	-	-	-
Operating Cash Flow and Investing Cash Flow	-	764	-	(681)	-	-	-	-	-	-
Financing Cash Flow	-	(51)	-	261	-	-	-	-	-	-

Source: Company Data, WRJ Calculation

Long-Term Prospects

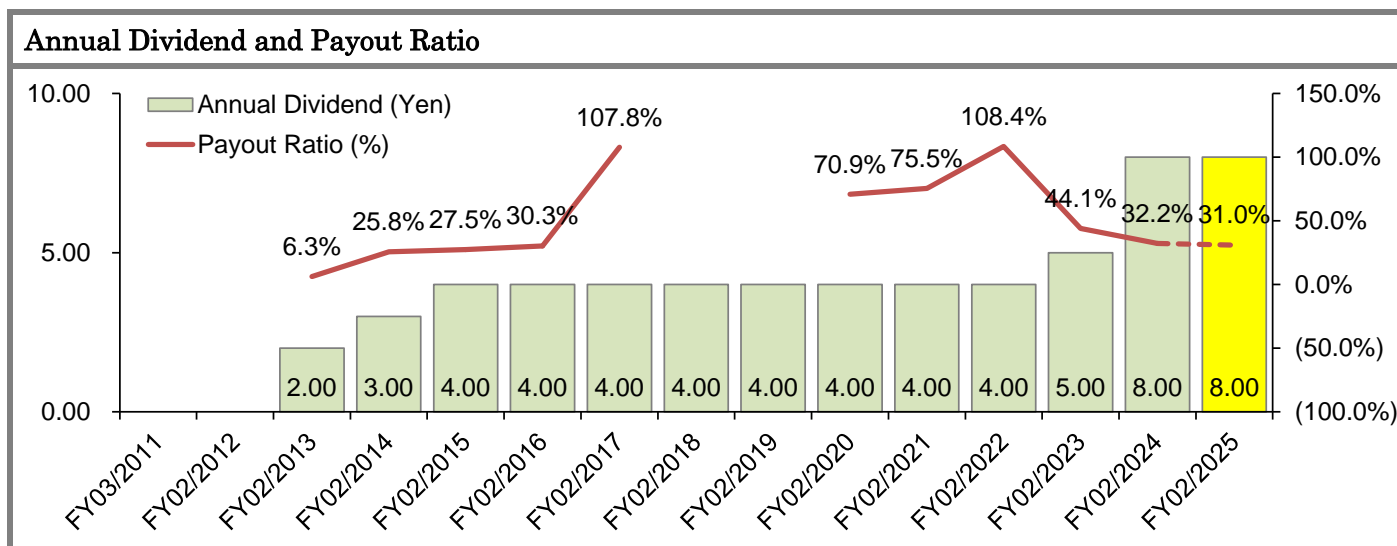
The Company has disclosed the details of its fourth midterm management plan (FY02/2023 to FY02/2025) in the explanatory material for FY02/2022 results briefing, dated on 15 April 2022, with an impellent title of Ex Position, while advocating the basic policy to “evolve and renew business model via innovations with an objective of acquiring a position to pursue growth in the next phase”. At the same time, the Company has set performance target of achieving sales of ¥15,500m, operating profit of ¥550m and operating profit margin of 3.5% for FY02/2025, the final year of the plan.



Source: Company Data, WRJ Calculation

On the other hand, the latest FY02/2025 Company forecasts, announced on 27 August 2024, are going for prospective sales of ¥15,500m (up 22.8% YoY), operating profit of ¥600m (up 121.8%), recurring profit of ¥580m (up 136.0%) and profit attributable to owners of parent of ¥400m (up 3.9%), while operating profit margin of 3.9% (up 1.7% points). By the way, the Company posted a gain of ¥213m from sale of shares in a subsidiary for Q3 FY02/2024, as a result of having had pulled out of the Human Resources side, while the above-mentioned Company forecasts assume an impact to lower profit attributable to owners of parent as much as the said gain not to reappear.

Now, the Company is supposed to see sales in line with the performance target of the midterm management plan, while operating profit higher by ¥50m (9.1%). As well, for FY02/2026 and thereafter, the Company is currently formulating new midterm management plan to be announced, in which it will further focus on the above-mentioned basic policy of the existing midterm management plan, as well as aggressively investing in human capital and so on, in order to realize a changeover to the new phase of growth. For FY02/2025, the final year of the existing midterm management plan, the Company has raised an impellent title of Action for The Future, meaning that the Company has set the main objectives, comprising implementation of management conscious of capital cost and share prices, reinforcement of profitability and development of new operations, including M&As as one of the choices, while striving to acquire a position to pursue growth in the next phase with the existing operations mainly comprising those of construction at the same time.



Source: Company Data, WRJ Calculation

The Company has taken a proactive approach to shareholder returns. On 5 October 2010, the Company had an IPO on Osaka Stock Exchange (JASDAQ Standard). In those early days of the new listing, the Company had not paid dividend for a while, while having begun paying for FY02/2013. Since then, the Company has never reduced dividend, consistently renewing the record of a stability in dividend payment. For FY02/2018 and FY02/2019, the Company suffered from loss at the level of profit attributable to owners of parent, i.e., the source of dividend payment. Still, dividend payment was not suspended and a stability persisted for dividend payment. Meanwhile, the Company paid annual dividend of ¥8.00 per share, implying payout ratio of 32.2%, for FY02/2024, which realized an increase in dividend for the second consecutive year.

FY02/2025 Company forecasts, announced on 27 August 2024, are going for planned annual dividend of ¥8.00 per share, implying payout ratio of 31.0%, meaning that the Company is to see a stability of dividend in terms of year-on-year changes. As mentioned earlier, Company forecasts have been revised up, but planned annual dividend has remained unchanged. According to the Company, the current level of the planned annual dividend is nothing but the minimum target and thus it is currently in the process of looking into an opportunity to increase dividend in light of the actual results to be confirmed as time goes by. In other words, the Company has virtually adopted progressive dividend policy, as far as we could see.

By the way, on 31 July 2024, the Company cancelled its treasury shares as planned (ordinary shares of 3,000,000 in the number, equating to 14.99% of the total number of shares outstanding before cancellation). After the cancellation, the total number of shares outstanding stands at 17,010,529 and the number of treasury shares held 717,280.

5.0 Financial Statements

Income Statement

Income Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 02/2020	FY 02/2021	FY 02/2022	FY 02/2023	FY 02/2024	FY 02/2025	YoY Net Chg.
Sales	19,053	14,823	11,794	11,460	12,626	15,500	+2,873
Cost of Sales	15,034	11,305	9,098	9,094	10,107	-	-
Gross Profit	4,019	3,518	2,695	2,366	2,518	-	-
SG&A Expenses	3,663	3,334	2,650	2,197	2,247	-	-
Operating Profit	355	183	45	168	270	600	+329
Non-Operating Balance	(15)	102	3	8	(24)	(20)	+4
Recurring Profit	340	286	48	177	245	580	+334
Extraordinary Balance	(69)	(17)	78	63	236	-	-
Profit before Income Taxes	271	268	127	240	482	-	-
Total Income Taxes	162	167	55	61	97	-	-
Profit Attributable to Owners of Parent	108	101	71	179	384	400	+15
Sales YoY	(1.7%)	(22.2%)	(20.4%)	(2.8%)	+10.2%	+22.8%	-
Operating Profit YoY	+91.8%	(48.4%)	(75.3%)	+272.7%	+60.4%	+121.8%	-
Recurring Profit YoY	+124.4%	(15.9%)	(83.0%)	+265.2%	+38.6%	+136.0%	-
Profit Attributable to Owners of Parent YoY	-	(6.1%)	(29.5%)	+150.3%	+114.6%	+3.9%	-
Gross Profit Margin	21.1%	23.7%	22.9%	20.6%	19.9%	-	-
SG&A Ratio	19.2%	22.5%	22.5%	19.2%	17.8%	-	-
Operating Profit Margin	1.9%	1.2%	0.4%	1.5%	2.1%	3.9%	+1.7%
Recurring Profit Margin	1.8%	1.9%	0.4%	1.5%	1.9%	3.7%	+1.8%
Profit Attributable to Owners of Parent Margin	0.6%	0.7%	0.6%	1.6%	3.0%	2.6%	(0.5%)
Total Income Taxes / Profit before Income Taxes	60.1%	62.2%	43.7%	25.5%	20.2%	-	-

Source: Company Data, WRJ Calculation

Segmented Information

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 02/2020	FY 02/2021	FY 02/2022	FY 02/2023	FY 02/2024	FY 02/2025	YoY Net Chg.
Interior Construction	-	-	5,244	5,500	6,334	-	-
Sound & Lighting Facilities	-	-	2,584	3,560	4,451	-	-
Equipment & Maintenance	-	-	1,376	1,282	1,153	-	-
Human Resources	-	-	1,000	866	686	-	-
Sales	19,053	14,823	11,794	11,460	12,626	15,500	+2,873
Interior Construction	-	-	89	71	139	-	-
Sound & Lighting Facilities	-	-	22	154	269	-	-
Equipment & Maintenance	-	-	68	73	41	-	-
Human Resources	-	-	39	37	10	-	-
Segment Profit	-	-	251	348	460	-	-
Adjustments	-	-	(205)	(179)	(189)	-	-
Operating Profit	355	183	45	168	270	600	+329
Interior Construction	-	-	1.7%	1.3%	2.2%	-	-
Sound & Lighting Facilities	-	-	0.9%	4.4%	6.0%	-	-
Equipment & Maintenance	-	-	5.0%	5.7%	3.6%	-	-
Human Resources	-	-	3.9%	4.3%	1.5%	-	-
Segment Profit Margin	-	-	2.1%	3.0%	3.6%	-	-
Adjustments	-	-	(1.7%)	(1.6%)	(1.5%)	-	-
Operating Profit Margin	1.9%	1.2%	0.4%	1.5%	2.1%	3.9%	+1.7%

Source: Company Data, WRJ Calculation

Balance Sheet

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 02/2020	FY 02/2021	FY 02/2022	FY 02/2023	FY 02/2024	FY 02/2025	YoY Net Chg.
Cash and Deposit	3,144	3,184	2,233	1,787	1,419	-	-
Notes Receivable -Trade	2,725	1,530	2,349	2,661	3,363	-	-
Inventory	108	68	59	4	14	-	-
Costs on Construction Contracts in Progress	1,197	594	419	671	833	-	-
Other	215	172	239	90	176	-	-
Current Assets	7,392	5,551	5,300	5,215	5,808	-	-
Tangible Assets	1,685	1,615	1,207	1,151	1,111	-	-
Intangible Assets	569	468	391	297	543	-	-
Investments and Other Assets	757	691	664	634	672	-	-
Fixed Assets	3,012	2,776	2,263	2,083	2,326	-	-
Total Assets	10,404	8,327	7,564	7,298	8,135	-	-
Accounts Payables	2,680	1,203	1,691	1,854	1,653	-	-
Short-Term Debt	800	650	450	450	450	-	-
Current Portion of Long-term Debt	548	404	330	376	472	-	-
Other	1,171	1,139	416	574	714	-	-
Current Liabilities	5,305	3,502	2,887	3,256	3,290	-	-
Long-Term Debt	760	571	472	499	867	-	-
Other	370	345	286	261	340	-	-
Fixed Liabilities	1,299	979	759	761	1,207	-	-
Total Liabilities	6,605	4,482	3,647	4,017	4,497	-	-
Shareholders' Equity	3,844	3,922	3,964	3,338	3,652	-	-
Other	(46)	(78)	(48)	(59)	(15)	-	-
Net Assets	3,799	3,845	3,917	3,280	3,637	-	-
Total Liabilities & Net Assets	10,404	8,327	7,564	7,298	8,135	-	-
Equity Capital	3,799	3,845	3,917	3,280	3,637	-	-
Interest Bearing Debt	2,383	1,794	1,252	1,326	1,789	-	-
Net Debt	(762)	(1,391)	(981)	(462)	370	-	-
Equity Ratio	36.5%	46.2%	51.8%	45.0%	44.7%	-	-
Net Debt Equity Ratio	(20.0%)	(36.2%)	(25.0%)	(14.1%)	10.2%	-	-
ROE (12 months)	2.8%	2.7%	1.8%	5.0%	11.1%	-	-
ROA (12 months)	3.2%	3.1%	0.6%	2.4%	3.2%	-	-
Days for Inventory Turnover	31	21	19	27	30	-	-
Quick Ratio	111%	135%	159%	137%	145%	-	-
Current Ratio	139%	158%	184%	160%	177%	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 02/2020	FY 02/2021	FY 02/2022	FY 02/2023	FY 02/2024	FY 02/2025	YoY Net Chg.
Operating Cash Flow	614	633	(795)	161	(623)	-	-
Investing Cash Flow	(125)	41	439	119	(58)	-	-
Operating Cash Flow and Investing Cash Flow	490	674	(355)	281	(681)	-	-
Financing Cash Flow	(403)	(637)	(589)	(729)	261	-	-

Source: Company Data, WRJ Calculation

Per Share Data

Per Share Data (Before Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	02/2020	02/2021	02/2022	02/2023	02/2024	02/2025	Net Chg.
No. of Shares FY End (thousand shares)	20,011	20,011	20,011	20,011	20,011	-	-
Net Profit / EPS (thousand shares)	19,203	19,181	19,421	15,831	15,507	-	-
Treasury Shares FY End (thousand shares)	957	751	570	4,519	4,495	-	-
Earnings Per Share	5.64	5.30	3.69	11.33	24.82	25.78	-
Earnings Per Share (Fully Diluted)	-	-	-	-	-	-	-
Book Value Per Share	199.39	199.67	201.49	211.77	234.45	-	-
Dividend Per Share	4.00	4.00	4.00	5.00	8.00	8.00	-
Per Share Data (After Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	02/2020	02/2021	02/2022	02/2023	02/2024	02/2025	Net Chg.
Share Split Factor	1	1	1	1	1	1	-
Earnings Per Share	5.64	5.30	3.69	11.33	24.82	25.78	-
Book Value Per Share	199.39	199.67	201.49	211.77	234.45	-	-
Dividend Per Share	4.00	4.00	4.00	5.00	8.00	8.00	-
Payout Ratio	70.9%	75.5%	108.4%	44.1%	32.2%	31.0%	-

Source: Company Data, WRJ Calculation

Disclaimer

Information here is a summary of “IR Information” of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. “IR Information” of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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