

Translation

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

February 12, 2025

Company name: WAKACHIKU CONSTRUCTION CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 1888 URL <https://www.wakachiku.co.jp/>
 Representative: President and Representative Director Katsuhiko Karasuda
 Director, Managing Executive Officer and General Manager of Finance Yasusuke Hirata
 Inquiries: TEL 03-3492-0273
 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	60,444	(15.7)	2,875	(42.2)	2,926	(47.2)	2,137	(41.1)
Nine months ended December 31, 2023	71,703	16.4	4,972	(1.7)	5,542	5.8	3,628	8.3

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	167.88	–
Nine months ended December 31, 2023	284.43	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2024	85,371	48,002	54.5	3,660.81
As of March 31, 2024	90,775	47,384	50.6	3,600.65

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	–	0.00	–	120.00	120.00
Year ending March 31, 2025	–	0.00	–		
Year ending March 31, 2025 (Forecast)				126.00	126.00

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	87,700	(7.6)	4,700	(32.6)	4,700	(39.0)	3,300	(35.2)	259.70

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: No
- 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	12,964,993 shares	As of March 31, 2024	12,964,993 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	258,142 shares	As of March 31, 2024	208,603 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	12,734,220 shares	Nine months ended December 31, 2023	12,755,589 shares
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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	18,891	10,765
Notes receivable, accounts receivable from completed construction contracts and other	38,528	38,755
Real estate for sale	2,988	2,988
Costs on construction contracts in progress	1,453	1,527
Advances paid	1,484	2,335
Other	7,064	7,498
Allowance for doubtful accounts	(48)	(45)
Total current assets	70,364	63,826
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,785	5,574
Machinery, vehicles, tools, furniture and fixtures	4,788	4,824
Vessels	3,589	3,620
Land	6,582	6,581
Other	832	676
Accumulated depreciation	(9,538)	(9,909)
Total property, plant and equipment	11,040	11,367
Intangible assets	389	501
Investments and other assets		
Investment securities	5,559	6,516
Deferred tax assets	1,538	1,202
Retirement benefit asset	1,367	1,418
Other	975	1,017
Allowance for doubtful accounts	(459)	(478)
Total investments and other assets	8,980	9,675
Total non-current assets	20,411	21,544
Total assets	90,775	85,371

(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	14,679	15,582
Short-term borrowings	2,937	3,827
Income taxes payable	1,775	108
Advances received on uncompleted construction contracts	6,886	4,422
Deposits received	8,956	7,541
Provisions	1,966	870
Other	1,004	713
Total current liabilities	38,207	33,066
Non-current liabilities		
Long-term borrowings	1,410	398
Deferred tax liabilities for land revaluation	768	768
Provision for share awards	122	161
Retirement benefit liability	2,749	2,806
Other	132	166
Total non-current liabilities	5,183	4,302
Total liabilities	43,391	37,368
Net assets		
Shareholders' equity		
Share capital	11,374	11,374
Capital surplus	2,948	2,948
Retained earnings	28,044	28,641
Treasury shares	(329)	(518)
Total shareholders' equity	42,037	42,446
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	718	1,004
Revaluation reserve for land	1,706	1,706
Remeasurements of defined benefit plans	1,468	1,360
Total accumulated other comprehensive income	3,893	4,071
Non-controlling interests	1,453	1,484
Total net assets	47,384	48,002
Total liabilities and net assets	90,775	85,371

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		
Net sales of completed construction contracts	69,470	58,034
Net sales in real estate business and other	2,233	2,409
Total net sales	71,703	60,444
Cost of sales		
Cost of sales of completed construction contracts	59,981	50,212
Cost of sales in real estate business and other	1,580	1,732
Total cost of sales	61,562	51,945
Gross profit		
Gross profit on completed construction contracts	9,489	7,821
Gross profit on real estate business and other	652	677
Total gross profit	10,141	8,498
Selling, general and administrative expenses	5,169	5,622
Operating profit	4,972	2,875
Non-operating income		
Interest income	142	48
Dividend income	77	95
Foreign exchange gains	506	17
Other	47	51
Total non-operating income	773	212
Non-operating expenses		
Interest expenses	95	100
Commission for syndicated loans	70	50
Other	38	11
Total non-operating expenses	203	162
Ordinary profit	5,542	2,926
Extraordinary income		
Gain on sale of non-current assets	3	4
Total extraordinary income	3	4
Extraordinary losses		
Loss on retirement of non-current assets	3	0
Impairment losses	—	1
Loss on valuation of golf club membership	—	1
Total extraordinary losses	3	2
Profit before income taxes	5,542	2,927
Income taxes - current	1,410	498
Income taxes - deferred	434	258
Total income taxes	1,844	756
Profit	3,697	2,171
Profit attributable to non-controlling interests	69	33
Profit attributable to owners of parent	3,628	2,137

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	3,697	2,171
Other comprehensive income		
Valuation difference on available-for-sale securities	(9)	285
Remeasurements of defined benefit plans, net of tax	(74)	(108)
Total other comprehensive income	(84)	177
Comprehensive income	3,613	2,348
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,543	2,315
Comprehensive income attributable to non-controlling interests	69	33