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October 29, 2024

Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: Yokogawa Bridge Holdings Corp.
 Listing: Tokyo Stock Exchange
 Securities code: 5911
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 Scheduled date to file semi-annual securities report: November 12, 2024
 Scheduled date to commence dividend payments: November 25, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 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	%
Six months ended September 30, 2024	72,932	(11.4)	3,995	(45.4)	3,592	(52.0)	3,532	(39.7)
September 30, 2023	82,306	8.3	7,316	86.7	7,477	77.7	5,855	70.9

Note: Comprehensive income For the six months ended September 30, 2024: ¥2,219 million [(69.9)%]
 For the six months ended September 30, 2023: ¥7,384 million [155.2%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	86.79	—
September 30, 2023	143.26	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2024	202,294	125,237	61.7	3,064.21
March 31, 2024	210,846	128,023	59.0	3,056.65

Reference: Equity
 As of September 30, 2024: ¥124,751 million
 As of March 31, 2024: ¥124,404 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	45.00	–	50.00	95.00
Fiscal year ending March 31, 2025	–	55.00			
Fiscal year ending March 31, 2025 (Forecast)			–	55.00	110.00

Note: Revisions to the forecast of cash dividends most recently announced: None

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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	165,000	0.6	14,000	(12.2)	13,600	(14.2)	10,500	(11.4)	258.83

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

At the meeting of the Board of Directors held on October 29, 2024, the Company made a resolution concerning the acquisition of treasury shares. The figure for “Basic earnings per share” in the forecast of consolidated financial results for the fiscal year ending March 31, 2025 takes into account the impact of the acquisition of treasury shares. For more details, please refer to “Notice Concerning the Determination of Matters Relating to the Acquisition of Treasury Shares” announced today (October 29, 2024).

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Application of specific accounting for preparing semi-annual consolidated financial statement: Yes

Note: For more details, please refer to “(4) Notes to semi-annual consolidated financial statements, (Notes on specific accounting for preparing semi-annual consolidated financial statements)” of “2. Semi-annual Consolidated Financial Statements and Principal Notes” on page 12 of the attached material.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	43,164,802 shares
As of March 31, 2024	43,164,802 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2024	2,452,232 shares
As of March 31, 2024	2,464,981 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	40,705,767 shares
Six months ended September 30, 2023	40,876,128 shares

Note: The number of treasury shares includes the Company’s shares held as trust assets of the “Stock Delivery Trust for Directors.” (227,164 shares at the end of the second quarter of the fiscal year ending March 31, 2025, and 241,104 shares at the end of the fiscal year ended March 31, 2024)

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the assumptions for the earnings forecasts and notes regarding the use of the earnings forecasts, please refer to “(3) Explanation of consolidated financial results forecasts and other forward-looking statements” of “1. Summary of Business Results, Etc.” on page 4 of the attached material.

(How to obtain contents of financial results briefing)

The Company plans to hold a financial results briefing for institutional investors and analysts on Friday, November 8, 2024. The financial results presentation materials will be posted on the Company’s website on the same day.

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1. Summary of Business Results, Etc.

(1) Summary of business results for the period

(i) Orders received

Despite a challenging environment for orders in the second quarter of the fiscal year (July 1, 2024 to September 30, 2024), the bridge business succeeding in winning major orders from the Okinawa General Bureau for the Oroku Road Bridge (P30-P36), the Oroku Road Bridge (P36-P40), etc., such that performance was more or less in line with expectations. In the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024), orders for the bridge business were 52.0 billion yen (up 51.1% year on year), setting a new record.

In the engineering business, orders for the entire business totaled a record-high 35.42 billion yen (up 54.1 % year on year) mainly due to large projects in the civil engineering business received in the first quarter ended June 30, 2024. In the engineered structure system business, orders fell short of expectations. The main reason for this is an ongoing trend of capital investment plans being revised or delayed, particularly those for small and medium-sized factory and warehouse projects. Conversely, signs of recovery have also emerged, and we will work steadily to capture demand in the second half. Orders area for the engineered structure system business totaled approximately 0.33 million m² (approximately 0.29 million m² in the same period of the previous fiscal year).

In the precision equipment business, orders received stood at 2.04 billion yen (up 126.5% year on year) due to the recovery of demand environment in the precision equipment manufacturing business.

As a result of the above, orders received in the six months ended September 30, 2024, totaled 89.47 billion yen (up 53.5% year on year), setting a new record.

(ii) Business results

For the six months ended September 30, 2024, net sales were 72.93 billion yen (down 11.4% year on year), operating profit was 3.99 billion yen (down 45.4% year on year), and ordinary profit was 3.59 billion yen (down 52.0% year on year). Profit attributable to owners of parent amounted to 3.53 billion yen (down 39.7% year on year) due to recording of gain on sale of investment securities. Results by business sector are as follows.

(Bridge Business)

Net sales for the bridge business were 46.26 billion yen (up 0.6% year on year). Operating profit was at 3.83 billion yen (up 30.7% year on year), as a result of making smooth progress on the considerable backlog of orders.

(Engineering Business)

In the engineering business, net sales were 24.61 billion yen (down 29.2% year on year), and operating profit remained at 0.94 billion yen (down 81.4% year on year), due to a weakening in production volume in the engineered structure system business.

(Precision Equipment Business)

In the precision equipment business, net sales were 1.77 billion yen (up 37.1% year on year) and operating profit was at 0.06 billion yen (operating loss of 0.001 billion yen in the same period of the previous fiscal year) as the demand environment recovered.

Net sales, order received and backlog of orders for the six months ended September 30, 2024

(100 million yen)

			Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	Bridge	New bridge construction	316	342
		Maintenance	120	116
		Overseas	22	4
		Subtotal	459	462
	Engineering	Engineered structure system	259	185
		Civil engineering	44	34
		Architecture, machinery and steel structure	43	26
		Subtotal	347	246
	Precision Equipment	Precision equipment	9	14
		Info. processing	3	3
		Subtotal	12	17
Real Estate		3	2	
Total		823	729	
Orders received	Bridge	New bridge construction	219	475
		Maintenance	115	43
		Overseas	9	0
		Subtotal	344	520
	Engineering	Engineered structure system	197	220
		Civil engineering	9	90
		Architecture, machinery and steel structure	22	43
		Subtotal	229	354
	Precision Equipment	Precision equipment	6	17
		Info. processing	2	3
		Subtotal	9	20
Total		582	894	
Backlog of orders	Bridge	New bridge construction	867	1,039
		Maintenance	523	429
		Overseas	19	2
		Subtotal	1,410	1,471
	Engineering	Engineered structure system	198	210
		Civil engineering	266	386
		Architecture, machinery and steel structure	34	63
		Subtotal	499	660
	Precision Equipment	Precision equipment	4	10
		Info. processing	3	3
		Subtotal	8	13
Total		1,918	2,145	

Note: Figures are rounded down to the nearest million yen.

(2) Summary of financial position for the period

(i) Financial position

Total assets as of September 30, 2024 decreased by 8.55 billion yen from the end of the previous fiscal year to 202.29 billion yen. Current assets decreased by 5.7 billion yen from the end of the previous fiscal year, mainly due to decreases in “cash and deposits” and “notes receivable, accounts receivable from completed construction contracts and other.” Non-current assets decreased by 2.85 billion yen from the end of the previous fiscal year due to a decrease in “investments and other assets” resulting from the sale of investment securities and other factors.

Liabilities decreased by 5.76 billion yen from the end of the previous fiscal year to 77.05 billion yen. This was mainly due to a decrease in “notes payable, accounts payable for construction contracts and other.”

Net assets decreased by 2.78 billion yen from the end of the previous fiscal year to 125.23 billion yen. This was mainly due to the recording of “profit attributable to owners of parent,” payment of dividends and a decrease in “non-controlling interests.” As a result, the equity ratio stood at 61.7%.

(ii) Cash flows

Cash and cash equivalents (“net cash”) as of September 30, 2024 decreased by 3.89 billion yen from the end of the same period of the previous fiscal year to 22.12 billion yen.

Cash flow positions in the six months ended September 30, 2024 and the factors thereof are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to 2.75 billion yen (compared with 8.34 billion yen provided in the same period of the previous fiscal year). This was mainly due to the recording of “profit before income taxes.”

(Cash flows from investing activities)

Net cash used in investing activities amounted to 0.27 billion yen (compared with 0.44 billion yen provided in the same period of the previous fiscal year). This was mainly due to purchase of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities amounted to 5.0 billion yen (compared with 7.94 billion yen used in the same period of the previous fiscal year). This was mainly due to purchase of shares of subsidiaries not resulting in change in scope of consolidation.

(3) Explanation of consolidated financial results forecasts and other forward-looking statements

The stagnation of orders in the engineered structure system business that took place in the first half of the fiscal year is expected to result in net sales for the engineering business undershooting forecasts. With regard to profit and loss, we assume improvements in the bridge business in the second half as a result of design changes and other factors, but this is not expected to fully compensate for the delays in the engineering business. Moreover, after taking into account further sales, etc. of holdings of investment securities, we have revised full-year consolidated financial results forecasts as follows.

Revisions to consolidated financial results forecasts for the fiscal year ending March 31, 2025 (April 1, 2024 - March 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A) (announced on May 13, 2024)	170,000	15,500	15,400	11,700	287.41
Revised forecast (B)	165,000	14,000	13,600	10,500	258.83
Change (B-A)	(5,000)	(1,500)	(1,800)	(1,200)	–
Change (%)	(2.9)	(9.7)	(11.7)	(10.3)	–
(Reference) Results for the fiscal year ended March 31, 2024	164,076	15,946	15,857	11,854	291.16

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	24,988	22,122
Notes receivable, accounts receivable from completed construction contracts and other	114,117	111,944
Inventories	3,287	3,092
Other	3,862	3,396
Allowance for doubtful accounts	(0)	(0)
Total current assets	146,255	140,555
Non-current assets		
Property, plant and equipment		
Land	15,143	15,143
Other, net	23,686	23,716
Total property, plant and equipment	38,830	38,860
Intangible assets	3,335	3,423
Investments and other assets		
Investment securities	14,867	11,751
Other	7,556	7,724
Allowance for doubtful accounts	-	(20)
Total investments and other assets	22,424	19,455
Total non-current assets	64,590	61,739
Total assets	210,846	202,294

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	22,030	18,357
Current portion of bonds payable	–	3,100
Current portion of long-term borrowings	–	8,400
Income taxes payable	3,204	1,883
Advances received on construction contracts in progress	2,445	2,889
Provision for loss on construction contracts	3,861	3,718
Provision for bonuses	2,735	2,810
Other provisions	194	208
Other	3,823	3,024
Total current liabilities	38,297	44,393
Non-current liabilities		
Bonds payable	4,100	1,000
Long-term borrowings	24,400	16,000
Provision for retirement benefits for directors (and other officers)	30	38
Provision for share-based payments	336	402
Retirement benefit liability	12,583	12,718
Other	3,074	2,504
Total non-current liabilities	44,525	32,663
Total liabilities	82,822	77,057
Net assets		
Shareholders' equity		
Share capital	9,435	9,435
Capital surplus	9,356	9,496
Retained earnings	102,534	104,020
Treasury shares	(3,263)	(3,234)
Total shareholders' equity	118,062	119,718
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,182	4,874
Revaluation reserve for land	159	159
Total accumulated other comprehensive income	6,342	5,033
Non-controlling interests	3,618	485
Total net assets	128,023	125,237
Total liabilities and net assets	210,846	202,294

(2) Semi-annual consolidated statement of income and consolidated statement of comprehensive income

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	82,306	72,932
Cost of sales	69,470	62,994
Gross profit	12,835	9,938
Selling, general and administrative expenses	5,518	5,942
Operating profit	7,316	3,995
Non-operating income		
Interest income	2	3
Dividend income	193	169
Share of profit of entities accounted for using equity method	38	27
Foreign exchange gains	89	–
Other	74	84
Total non-operating income	399	285
Non-operating expenses		
Interest expenses	82	105
Commitment fees	50	86
Foreign exchange losses	–	377
Advances received deposits	45	68
Collective term insurance	35	36
Other	24	13
Total non-operating expenses	238	688
Ordinary profit	7,477	3,592
Extraordinary income		
Gain on sale of non-current assets	108	5
Gain on sale of investment securities	991	1,498
Gain on liquidation of subsidiaries and associates	68	–
Total extraordinary income	1,168	1,503
Extraordinary losses		
Loss on disposal of non-current assets	51	9
Total extraordinary losses	51	9
Profit before income taxes	8,594	5,086
Income taxes	2,590	1,557
Profit	6,003	3,528
Profit attributable to non-controlling interests	147	(4)
Profit attributable to owners of parent	5,855	3,532

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	6,003	3,528
Other comprehensive income		
Valuation difference on available-for-sale securities	1,380	(1,308)
Total other comprehensive income	1,380	(1,308)
Comprehensive income	7,384	2,219
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,236	2,224
Comprehensive income attributable to non-controlling interests	147	(4)

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	8,594	5,086
Depreciation	1,858	2,076
Increase (decrease) in retirement benefit liability	391	135
Increase (decrease) in provision for retirement benefits for directors (and other officers)	7	7
Increase (decrease) in provision for share-based payments	72	65
Increase (decrease) in provision for loss on construction contracts	(63)	(143)
Increase (decrease) in other provisions	86	109
Interest and dividend income	(196)	(173)
Interest expenses	82	105
Loss (gain) on sale of investment securities	(991)	(1,498)
Loss (gain) on sale of non-current assets	(107)	(5)
Other, net	(167)	302
Decrease (increase) in trade receivables	4,153	2,172
Decrease (increase) in costs on construction contracts in progress	(213)	(119)
Increase (decrease) in trade payables	(3,175)	(3,673)
Increase (decrease) in advances received on construction contracts in progress	132	444
Increase (decrease) in accounts payable - other	(53)	(335)
Increase (decrease) in deposits received	1,100	913
Increase (decrease) in accrued consumption taxes	259	(589)
Increase/decrease in other assets/liabilities	(845)	707
Subtotal	10,925	5,590
Interest and dividends received	197	174
Interest paid	(84)	(101)
Income taxes paid	(2,692)	(2,910)
Net cash provided by (used in) operating activities	8,345	2,752

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,214)	(2,389)
Proceeds from sale of property, plant and equipment	26	117
Purchase of intangible assets	(528)	(684)
Proceeds from sale of investment securities	2,091	2,728
Other payments	(41)	(83)
Other proceeds	108	31
Net cash provided by (used in) investing activities	443	(279)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(5,991)	–
Proceeds from issuance of bonds	1,000	–
Redemption of bonds	(300)	–
Purchase of treasury shares	(687)	(0)
Proceeds from sale of treasury shares	–	29
Dividends paid	(1,846)	(2,046)
Dividends paid to non-controlling interests	(122)	(111)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(2,877)
Net cash provided by (used in) financing activities	(7,947)	(5,005)
Effect of exchange rate change on cash and cash equivalents	31	(334)
Net increase (decrease) in cash and cash equivalents	873	(2,866)
Cash and cash equivalents at beginning of period	25,143	24,988
Cash and cash equivalents at end of period	26,016	22,122

(4) Notes to semi-annual consolidated financial statements

(Notes to changes in accounting policies)

(Application of the Accounting Standard for Current Income Taxes, etc.)

The Accounting Standard for Current Income Taxes (ASBJ Statement No.27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”), etc. have been adopted from the beginning of the first quarter ended June 30, 2024.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No.28, October 28, 2022; hereinafter referred to as the “Revised Implementation Guidance 2022”).

This change in accounting policies has no impact on the semi-annual consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the first quarter ended June 30, 2024. This change in accounting policies was applied retrospectively. Hence, the semi-annual consolidated financial statements for the same period of the prior fiscal year and the consolidated financial statements for the prior fiscal year have been modified retrospectively.

This change in accounting policies has no impact on the semi-annual consolidated financial statements for the same period of the prior fiscal year and the consolidated financial statements for the prior fiscal year.

(Notes on specific accounting for preparing semi-annual consolidated financial statements)

Tax expenses are calculated first by reasonably estimating the effective tax rate after applying tax effect accounting against profit before income taxes for the fiscal year including the period under review, and next by multiplying profit before income taxes by such estimated effective tax rate.

However, in cases where the calculation of tax expenses using the estimated effective tax rate yields a result that is considered not to be reasonable to a significant extent, the statutory effective tax rate is used.

Income taxes - deferred is included in “income taxes.”

(Notes to segment information, etc.)

[Segment information]

I Six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

Information on net sales and profit by reportable segment

(Millions of yen)

	Reportable segment					Adjustment (Note 1)	Amount recorded on the semi- annual consolidated statement of income (Note 2)
	Bridge	Engineering	Precision Equipment	Real Estate	Total		
Net sales							
Sales to external customers	45,973	34,738	1,293	300	82,306	–	82,306
Intersegment sales or transfers	–	–	–	–	–	–	–
Total	45,973	34,738	1,293	300	82,306	–	82,306
Segment profit (loss)	2,937	5,094	(1)	197	8,228	(911)	7,316

Notes: 1. Adjustment of segment profit of negative 911 million yen represents corporate expenses, etc., which mainly consist of expenses related to the Company's administrative components, such as the General Affairs, Human Resources, and Accounting Divisions.

2. Segment profit (loss) is adjusted on operating profit on the semi-annual consolidated statement of income.

II Six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

Information on net sales and profit by reportable segment

(Millions of yen)

	Reportable segment					Adjustment (Note 1)	Amount recorded on the semi- annual consolidated statement of income (Note 2)
	Bridge	Engineering	Precision Equipment	Real Estate	Total		
Net sales							
Sales to external customers	46,265	24,611	1,772	282	72,932	–	72,932
Intersegment sales or transfers	–	–	–	–	–	–	–
Total	46,265	24,611	1,772	282	72,932	–	72,932
Segment profit (loss)	3,837	949	69	155	5,012	(1,017)	3,995

Notes: 1. Adjustment of segment profit of negative 1,017 million yen represents corporate expenses, etc., which mainly consist of expenses related to the Company's administrative components, such as the General Affairs, Human Resources, and Accounting Divisions.

2. Segment profit (loss) is adjusted on operating profit on the semi-annual consolidated statement of income.

(Notes when there are significant changes in amounts of shareholders' equity)

Not applicable.

(Notes on going concern assumptions)

Not applicable.

(Notes on significant subsequent events)

(Disposal of treasury shares through third-party allocation for stock-based compensation plan)

The Company resolved to dispose of its treasury shares as stock-based compensation (hereinafter referred to as the "Treasury Share Disposal") by the written resolution on September 20, 2024 in lieu of the resolution of the Board of Directors under Article 370 of the Companies Act, and carried out the disposal of treasury shares as follows:

1. Overview of the disposal

(1) Date of the disposal	October 8, 2024
(2) Type and number of shares to be disposed of	250,000 common shares of the Company
(3) Disposal value	2,630 yen per share
(4) Total disposal value	657,500,000 yen
(5) Planned assignee	Sumitomo Mitsui Trust Bank, Limited (Trust Account) (Re-trust trustee: Custody Bank of Japan, Ltd. (Trust Account))
(6) Other	The Treasury Share Disposal is subject to the condition that the notification filed under the Financial Instruments and Exchange Act takes effect.

2. Purpose and reason for the disposal

At the meeting of the Board of Directors held on May 14, 2018, the Company resolved to establish a stock-based compensation plan (hereinafter referred to as the "Plan"). The aim is to make the linkage between compensation for Directors of the Company (excluding part-time Directors and Outside Directors) and the Company's share value clearer, and increase Directors' awareness of the need to help improve the Company's medium- to long-term performance and increase its corporate value by sharing with shareholders the benefits and risks associated with share price fluctuations. The establishment of the Plan was approved and resolved at the 154th Annual General Meeting of Shareholders held on June 27, 2018. In addition, the continuation of the Plan was resolved at the meeting of the Board of Directors held on June 21, 2021, and the persons eligible for the Plan were changed to "Directors excluding Outside Directors" by the approval and resolution of the 158th Annual General Meeting of Shareholders held on June 28, 2022. Meanwhile, the persons eligible for the Plan were changed to "Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors)" by the approval and resolution of the 160th Annual General Meeting of Shareholders held on June 26, 2024, and the continuation of the Plan was resolved at the meeting of the Board of Directors of the Company held on the same day. As a result, the Plan has been continued to the present.

A plan similar to the Plan has been established for Executive Officers of the Company and Directors (excluding part-time Directors) and Executive Officers of the Company's subsidiaries (hereinafter collectively referred to as "Directors, etc." including Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors)).

The Treasury Share Disposal is to be made to Sumitomo Mitsui Trust Bank, Limited (Trust Account) (re-trust trustee: Custody Bank of Japan, Ltd. (Trust Account)), which is the trustee of the trust already established for the establishment of the Plan.

(Acquisition of treasury shares)

At a meeting held on October 29, 2024, the Board of Directors resolved to acquire treasury shares up to a maximum of 1,000,000 shares in number and 2.0 billion yen in amount in accordance with the provisions of Article 156 of the Companies Act, applied by replacing terms pursuant to the provisions of Article 165, paragraph 3 of the same Act.

For more details, please refer to “Notice Concerning the Determination of Matters Relating to the Acquisition of Treasury Shares” announced today (October 29, 2024).

3. Other Information

Net sales, order received and backlog of orders (consolidated)

Period		Six months ended September 30, 2023	Six months ended September 30, 2024	Change	Fiscal year ended March 31, 2024
Classification		Millions of yen	Millions of yen	Millions of yen	Millions of yen
Net sales	Bridge	45,973	46,265	291	97,411
	Engineering	34,738	24,611	(10,126)	63,132
	Precision Equipment	1,293	1,772	479	2,941
	Real Estate	300	282	(18)	591
	Total	82,306	72,932	(9,374)	164,076
Orders received	Bridge	34,408	52,002	17,594	86,245
	Engineering	22,982	35,421	12,439	56,621
	Precision Equipment	904	2,049	1,144	2,843
	Total	58,295	89,474	31,178	145,709
Backlog of orders	Bridge	141,041	147,178	6,136	141,440
	Engineering	49,978	66,033	16,055	55,223
	Precision Equipment	812	1,379	567	1,102
	Total	191,832	214,591	22,758	197,766

Note: Net sales exclude internal intersegment sales or transfers.