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October 30, 2024

To Whom It May Concern

Company name: HAZAMA ANDO CORPORATION
Representative: Representative Director and President Kazuhiko Kuniya
Tokyo Stock Exchange Prime Market Securities Code: 1719
Contact: General Manager, Corporate Communication Department Eisuke Yamada
Phone: +81-3-3575-6094

Notice Regarding Revisions to Financial Forecasts for the First Half of the Fiscal Year Ending March 31, 2025

HAZAMA ANDO CORPORATION (the "Company") hereby announces that it has revised its financial forecasts for the first half of the fiscal year ending March 31, 2025 previously released on May 14, 2024 in light of recent performance trends. Brief details are provided as follows.

1. The first half of the fiscal year ending March 31, 2025 (April 1, 2024 to September 30, 2024)
Revised consolidated results forecast (Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share (Yen)
Previously announced forecast (A)	189,600	7,400	6,900	4,600	29.37
Revised forecast (B)	186,800	9,720	9,470	6,550	41.81
Difference (B – A)	(2,800)	2,320	2,570	1,950	
Percentage change (%)	(1.5)	31.4	37.2	42.4	
[Reference] Previous 1H results (1H of the fiscal year ended March 31, 2024)	179,738	5,230	5,617	3,667	23.43

2. The first half of the fiscal year ending March 31, 2025 (April 1, 2024 to September 30, 2024)
Revised non-consolidated results forecast (Millions of yen)

	Net sales	Operating profit	Ordinary profit	Net profit	Basic earnings per share (Yen)
Previously announced forecast (A)	179,500	7,400	7,200	4,900	31.28
Revised forecast (B)	176,683	9,400	9,345	6,598	42.12
Difference (B – A)	(2,817)	2,000	2,145	1,698	
Percentage change (%)	(1.6)	27.0	29.8	34.7	
[Reference] Previous 1H results (1H of the fiscal year ended March 31, 2024)	165,892	4,842	5,429	3,675	23.48

3. Reasons for the revision

(1) Reasons for the revision of non-consolidated results forecast

Net sales are expected to fall short of the previous forecast owing to the lower-than-expected progress rate for some domestic construction projects. On the profit front, however, operating profit, ordinary profit and net profit are all anticipated to exceed the previous forecast, due to greater-than-expected gross profit on completed construction contracts as a result of the improved profitability of domestic construction projects and a decrease in selling, general and administrative expenses due to factors such as a reversal of the allowance for doubtful accounts for operating receivables.

In addition, the construction gross profit margin is projected to come in at 11.5% (civil engineering: 13.6%; building construction: 10.3%).

(Previously announced forecast: 10.8% (civil engineering: 13.6%; building construction: 9.6%)).

(2) Reasons for the revision of consolidated results forecast

The Company has revised its consolidated results forecasts largely in line with revisions to non-consolidated results forecasts.

4. Other

As announced in "(Update on disclosed matter) Additional Costs Arising for Construction Work Underway" dated May 14, 2024, as of the end of the fiscal year ended March 31, 2024, the Company expected additional costs of approximately 6.2 billion yen arising from repair and other expenses in relation to the incident (the "incident") occurring during foundation work for the steel guard wall (south side foundation and north side foundation) for construction works being undertaken by a joint venture with the Company as the representative.

As the Company continues to discuss the repair plan for the incident with the contractee and other concerned parties to the construction work, the Company has decided to leave unchanged the consolidated and non-consolidated financial forecasts for the fiscal year ending March 31, 2025, which were announced on May 14, 2024.

After determining repair plan and other matters, if it becomes clear that there will be a significant impact on the Company's consolidated and non-consolidated financial results forecast for the fiscal year ending March 31, 2025, the Company will disclose this information in a timely and appropriate manner.

[Outline of construction work]

Name of construction work:	Installation of a seawall (seawater pump room area section) and other construction works at Tokai No. 2 Power Plant
Contractee:	The Japan Atomic Power Company
Constructor:	Joint venture between HAZAMA ANDO CORPORATION, PENTA-OCEAN CONSTRUCTION CO., LTD., and WAKACHIKU CONSTRUCTION CO., LTD.
Construction site:	Tokai-mura, Naka-gun, Ibaraki Prefecture

[Reference]

The first half of the fiscal year ending March 31, 2025 (April 1, 2024 to September 30, 2024)

Non-consolidated orders forecast (Millions of yen)

	Orders
Previously announced forecast (A)	166,000
Revised forecast (B)	189,885
Difference (B – A)	23,885
Percentage change (%)	14.4
[Reference] Previous 1H results (1H of the fiscal year ended March 31, 2024)	142,431

Note: The aforementioned forecasts are based on information available to the Company as of the date of publication of this release. Actual results may differ from forecasts due to a variety of factors.