Translated version

Takamatsu Construction Group

Analysis Material for 1Q, FY ending March 2025

Takamatsu Construction Group Co.,Ltd.
Securities Code : 1762

August 7, 2024

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Financial results for 1Q, FY ending March 2025

Situation of Corporate Group

Civil Engineering	Architecture	Real Estate	Main sales areas
	Takamatsu Corporation		Tokyo・Osaka・Nagoya
	Takamatsu Techno Service		Osaka・Tokyo
		Takamatsu Estate	Osaka・Tokyo
	Suminoe Kogei		Japan(nationwide)
	Kongo Gumi		Osaka・Tokyo
	Nakamura Shaji		Nagoya
	Takamatsu Build		Tokyo・Kanagawa
Taisho Kogyo Corporation			Osaka
Asunaro Aoki Construction			Japan(nationwide)
Shimada Gumi			Japan(nationwide)
Mirai Construction			Japan(nationwide)
Aoki Marine			Japan(nationwide)
	M's		Metropolitan area
Toko Geotech			Japan(nationwide)
		Takamatsu House	Tokyo・Kanagawa・Saitama
		Mibu Corporation	Tokyo・Kanagawa
		Takamatsu House Kansai	Osaka・Hyogo
		TCG USA	USA

Takamatsu Construction Group（Pure Holding Company）

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Performance for 1Q FY ending March 2025

◆ All indicators except gross profit margin and ordinary profit margin increased YoY, and Quarterly net profit of 100 million yen was secured.

(100 million yen)

Item	1Q FY ended March 2022	1Q FY ended March 2023	1Q FY ended March 2024	1Q FY ending March 2025	+/−
Orders received	682	784	825	841	+1.9%
Net sales	613	604	656	781	+19.1%
Gross profit	83	76	88	91	+3.5%
Gross profit %	13.5%	12.6%	13.5%	11.7%	(1.8pt)
Operating profit	14	3	8	9	+21.6%
Operating profit %	2.3%	0.6%	1.2%	1.3%	+0.1pt
Ordinary profit	14	4	9	9	+3.8%
Ordinary profit %	2.4%	0.8%	1.5%	1.3%	(0.2pt)
Quarterly profit attributable to owners of parent	8	0.6	(1)	1	—
Quarterly profit attributable to owners of parent %	1.4%	0.1%	(0.2%)	0.2%	+0.4pt

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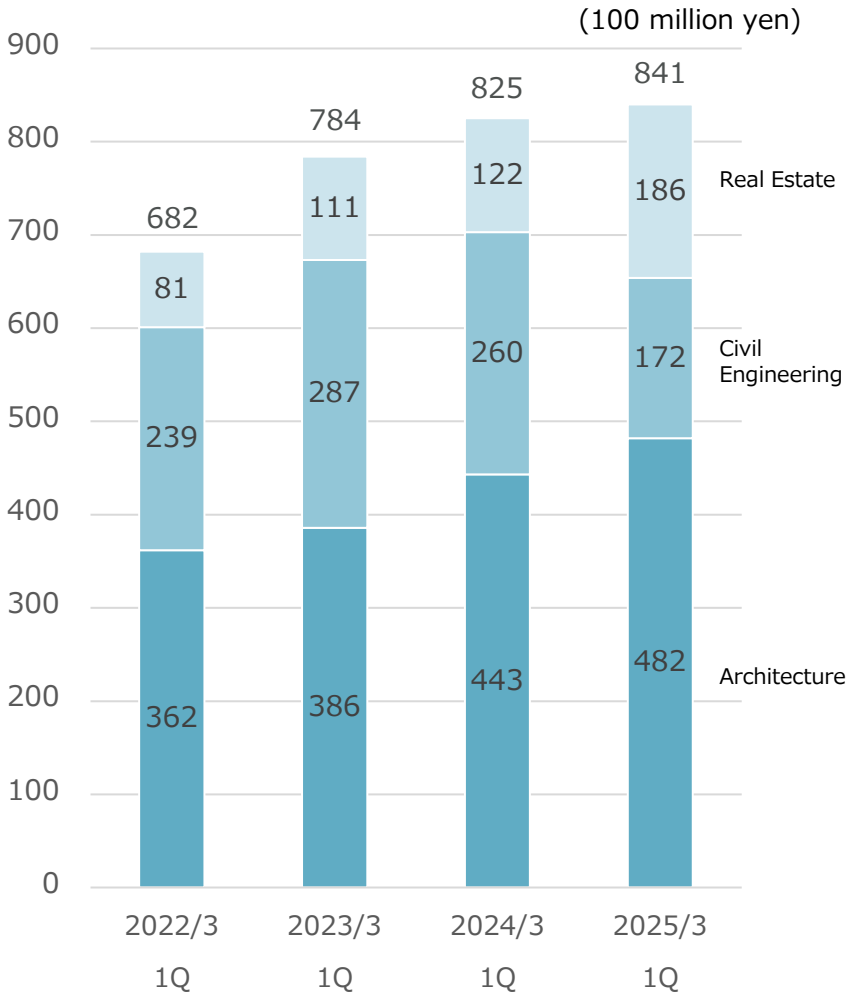
Orders received by segments

◆ Architecture was +8.8% YoY, due to increase in orders of Takamatsu Corporation. Civil engineering was (33.6%) YoY due to decrease in orders of Asunaro Aoki Construction, Mirai Construction and Toko Geotech. Real estate was +52.4% YoY mainly due to increase in orders of Takamatsu House.

(million yen)

By Segments	2022/3 1Q	2023/3 1Q	2024/3 1Q	2025/3 1Q
Architecture	36,256	38,605	44,369	48,255
Civil Engineering	23,908	28,777	26,003	17,255
Real Estate	8,102	11,104	12,224	18,628
TCG group (Consolidated)	68,268	78,486	82,597	84,139



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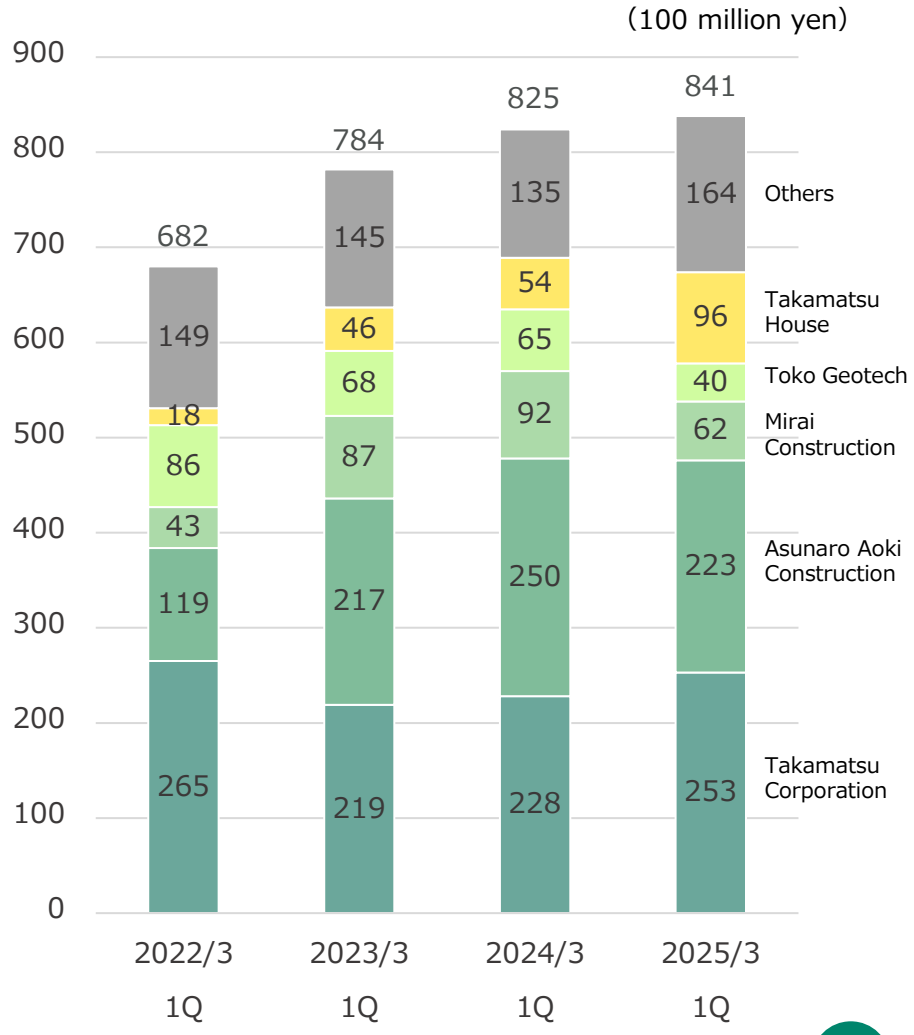
Orders Received by core operating companies

◆ Takamatsu Corporation was +11.1% YoY. Asunaro Aoki Construction was (10.5%) YoY due to lower orders in the civil engineering segment. Mirai Construction's orders received fell sharply by (32.1%) YoY in reaction to a large project order in the same period of the previous year. Toko Geotech's orders received fell sharply by (38.3%) YoY, partly because the planned projects were awarded in the previous year. Takamatsu House increased significantly by +79.0% YoY. Group companies other than the core companies increased significantly by +20.9% YoY.

(million yen)

By Operating Companies	2022/3 1Q	2023/3 1Q	2024/3 1Q	2025/3 1Q
Takamatsu Corporation (non-consolidated)	26,534	21,971	22,808	25,336
Asunaro Aoki Construction (non-consolidated)	11,963	21,788	25,026	22,394
Mirai Construction (non-consolidated)	4,331	8,700	9,205	6,252
Toko Geotech (non-consolidated)	8,636	6,837	6,580	4,058
Takamatsu House (non-consolidated)	1,854	4,603	5,416	9,697
Others (Including Consolidation Adjustment)	14,950	14,587	13,562	16,402
TCG group (Consolidated)	68,268	78,486	82,597	84,139



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Carried forward to the next quarter by core operating companies

◆ Takamatsu Corporation was +3.8% YoY because of increasing orders received. Asunaro Aoki Construction was (0.5%) YoY. Mirai Construction's carried forward to the next quarter was (13.9%) YoY, due to good progress in carried forward construction. Toko Geotech was (0.7%) YoY. Takamatsu House's carried forward to the next quarter was +70.0% YoY because of increasing orders received significantly. Group consolidated total was +0.5% YoY.

(million yen)

By Operating Companies		2024/3 1Q	2025/3 1Q	Increase/Decrease	Increase/Decrease %
Takamatsu Corporation (non-consolidated)		206,703	214,561	7,858	+3.8%
Asunaro Aoki Construction (non-consolidated)	Architecture	95,286	94,814	(472)	(0.5%)
	Civil Engineering	65,040	64,779	(261)	(0.4%)
	Sub total	160,326	159,594	(732)	(0.5%)
Mirai Construction (non-consolidated)		37,266	32,103	(5,163)	(13.9%)
Toko Geotech (non-consolidated)		12,188	12,103	(85)	(0.7%)
Takamatsu House (non-consolidated)		2,874	4,885	2,011	+70.0%
Others (Including Consolidation Adjustment)		20,778	19,148	(1,630)	(7.8%)
TCG group (Consolidated)		440,135	442,394	2,258	+0.5%

※Figures for individual companies include transactions between group companies.

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Takamatsu Corporation : Orders by segments

- In both Osaka and Tokyo, orders received for rental apartments were higher than in the same period of the previous year.
- Orders received for non-residentials were lower in Osaka than in the same period of the previous year, but higher in Tokyo, and as a whole Takamatsu Corporation was higher than in the same period of the previous year.
- The real estate segment of this page comprises the total value of orders received for real estate for sale and condominium construction for sale; the condominium business of Takamatsu Corporation, which started in April 2023, plans to sell a total of five properties in Osaka and Tokyo this financial year.

Orders by segments (million yen)

		Osaka				Tokyo			
		2024/3 1Q	%	2025/3 1Q	%	2024/3 1Q	%	2025/3 1Q	%
Architecture	Rental Apartments	512	4.7%	1,657	16.0%	8,042	68.1%	8,712	58.2%
Architecture	non-Residentials	10,481	95.2%	8,689	83.8%	3,760	31.9%	6,023	40.2%
Real Estate		13	0.1%	18	0.2%	1	0.0%	237	1.6%
Total		11,006	100%	10,364	100%	11,803	100%	14,972	100%

※Figures including transactions between group companies.
※Percentages are rounded off to two decimal places.

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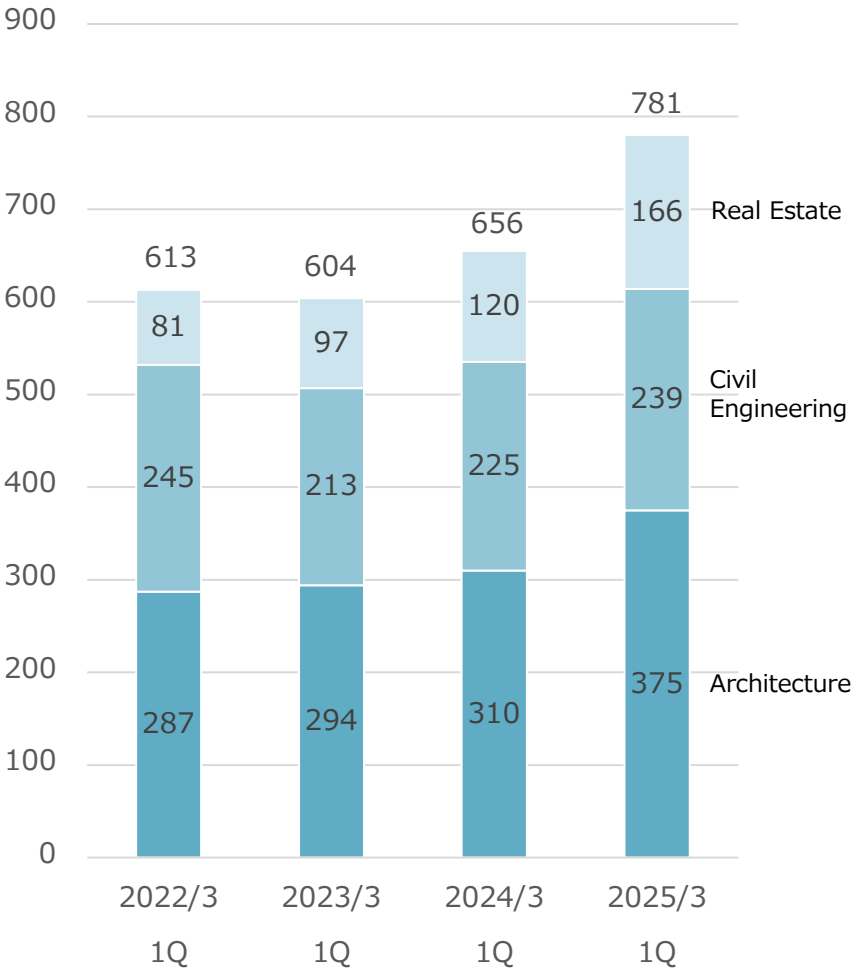
Net sales by segments

◆ Architecture was +20.9% YoY because of increasing in Asunaro Aoki Construction. Civil engineering was +6.4% YoY. Real estate was +38.1% YoY because of increasing in Takamatsu House.

(million yen)

By Segments	2022/3 1Q	2023/3 1Q	2024/3 1Q	2025/3 1Q
Architecture	28,716	29,400	31,064	37,550
Civil Engineering	24,557	21,312	22,513	23,955
Real Estate	8,102	9,714	12,035	16,624
TCG group (Consolidated)	61,377	60,427	65,613	78,130

(100 million yen)



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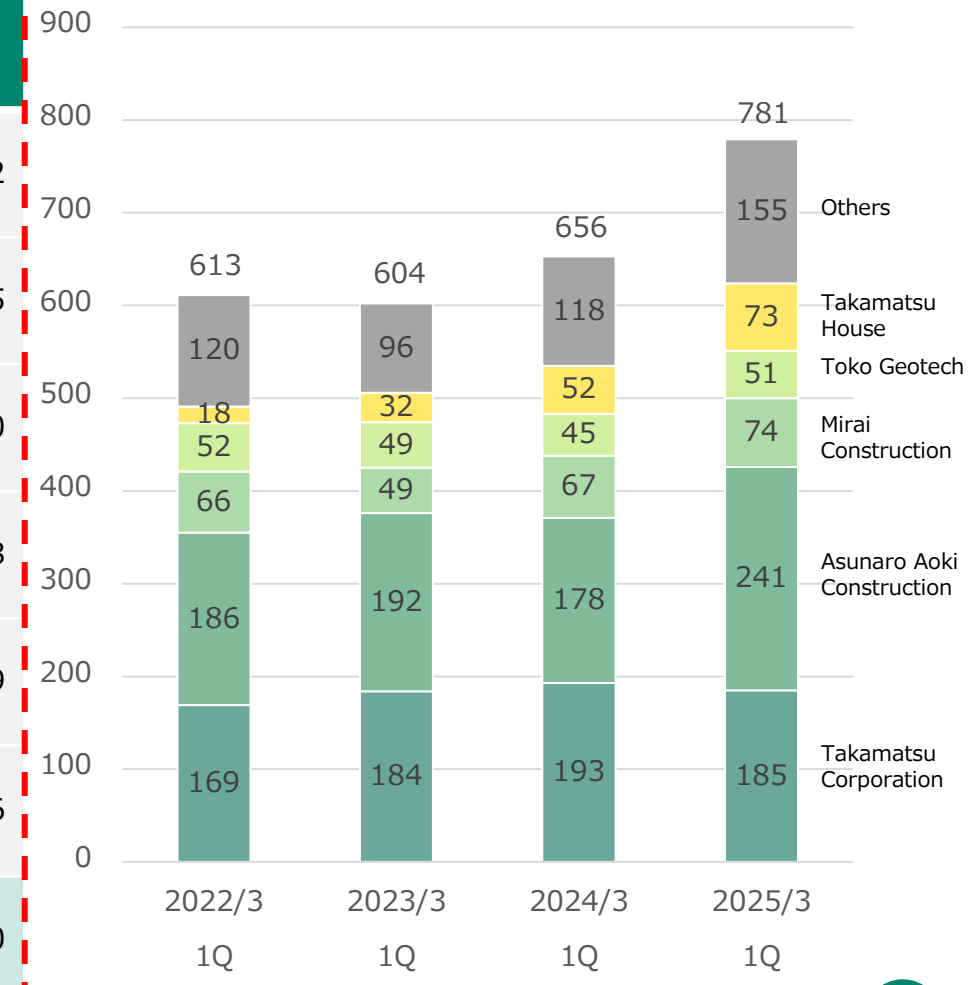
Net sales by core operating companies

◆ Takamatsu Corporation was (4.3%) YoY, due to several projects that were completed at the end of the previous year. Asunaro Aoki Construction's net sales rose sharply by +35.4% YoY because of the good progress of large carry-over construction projects. Mirai Construction was +10.2% YoY and Toko Geotech was +12.6% YoY because of the good progress of carry-over construction projects. Takamatsu House's net sales increased significantly by +39.8%YoY. Net sales of group companies other than the core companies increased significantly by +31.1% YoY.

(million yen)

By Operating Companies	2022/3 1Q	2023/3 1Q	2024/3 1Q	2025/3 1Q
Takamatsu Corporation (non-consolidated)	16,967	18,402	19,397	18,562
Asunaro Aoki Construction (non-consolidated)	18,634	19,262	17,811	24,125
Mirai Construction (non-consolidated)	6,631	4,946	6,750	7,440
Toko Geotech (non-consolidated)	5,211	4,908	4,564	5,138
Takamatsu House (non-consolidated)	1,854	3,217	5,227	7,309
Others (Including Consolidation Adjustment)	12,080	9,692	11,864	15,556
TCG group (Consolidated)	61,377	60,427	65,613	78,130

(100 million yen)



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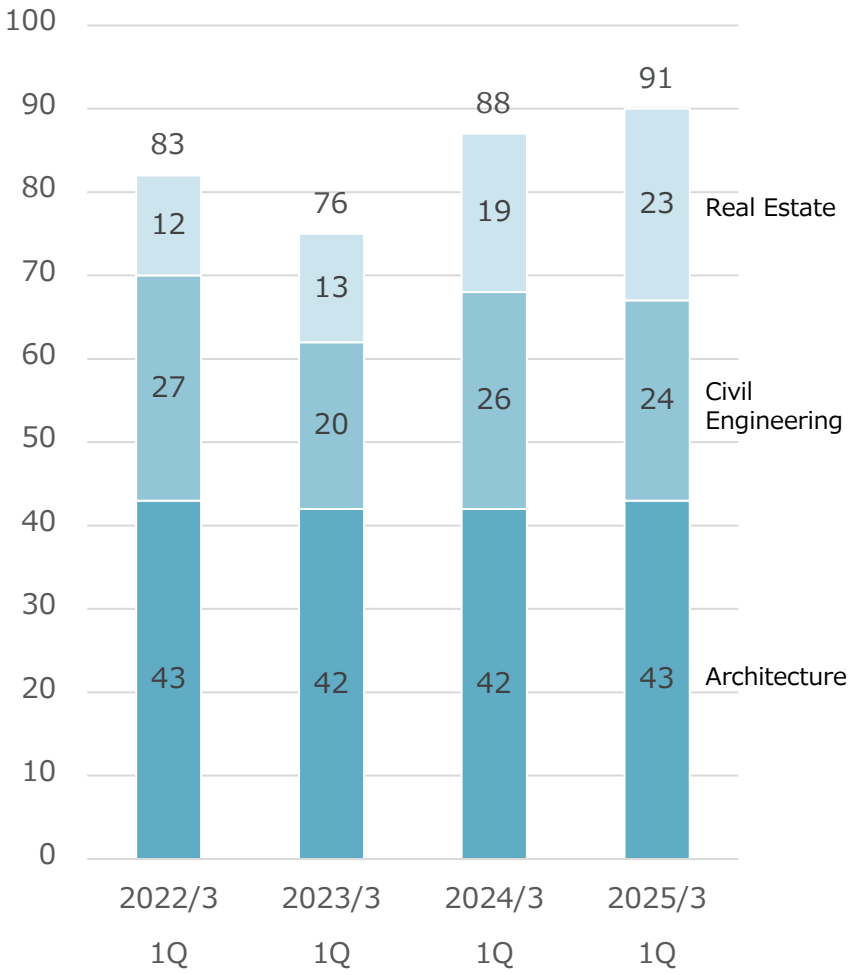
Gross profit by segments

◆ Architecture was +1.9% YoY. Civil engineering was (8.9%) YoY due to decreasing in Asunaro Aoki Construction. Real estate was +23.9% YoY because of increasing in group companies other than the core companies.

(million yen)

By Segments	2022/3 1Q	2023/3 1Q	2024/3 1Q	2025/3 1Q
Architecture	4,337	4,220	4,280	4,361
Civil Engineering	2,760	2,072	2,644	2,408
Real Estate	1,203	1,321	1,927	2,388
TCG group (Consolidated)	8,301	7,613	8,852	9,158

(100 million yen)



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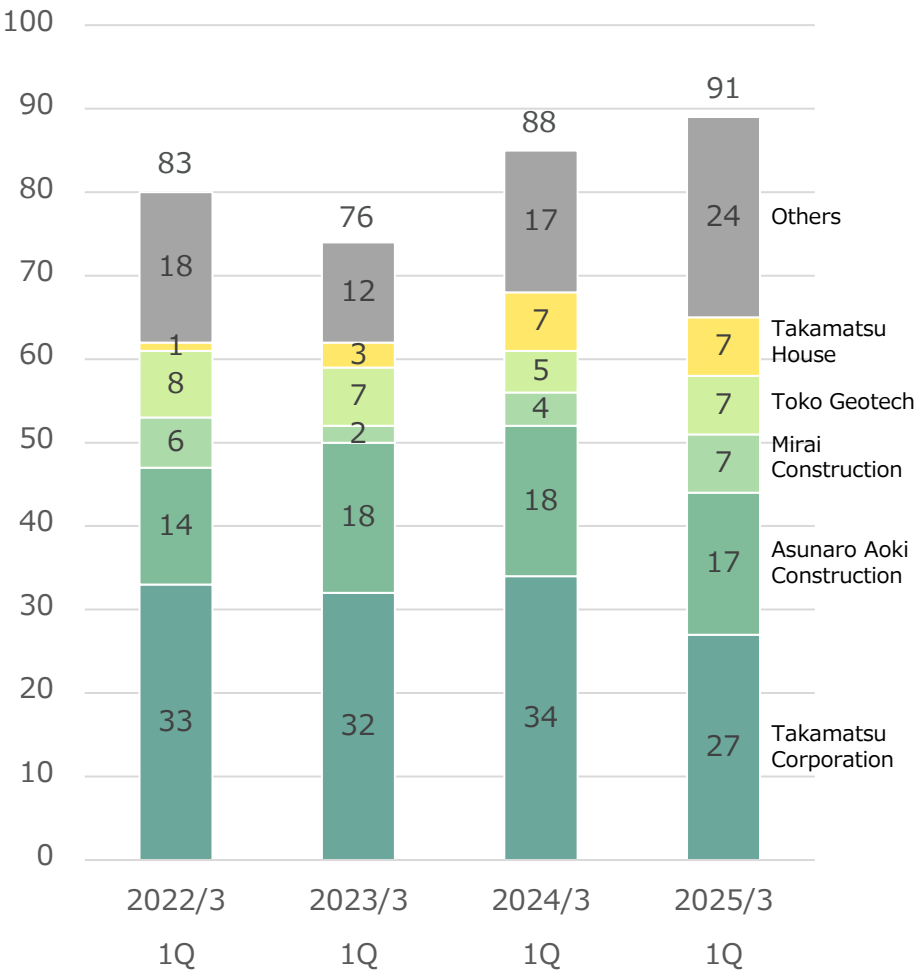
Gross profit by core operating companies

◆ Takamatsu Corporation's gross profit fell sharply by (19.7%) YoY due to lower net sales and a lower gross profit margin. Asunaro Aoki Construction was (2.5%) YoY. Mirai construction's gross profit increased significantly by +50.4% YoY because some projects improved in profitability. Toko Geotech's gross profit recovered from the previous year and increased significantly by +22.2% YoY. Takamatsu House was (0.5%) YoY. Group companies other than the core companies increased significantly by +39.1% YoY.

(million yen)

By Operating Companies	2022/3 1Q	2023/3 1Q	2024/3 1Q	2025/3 1Q
Takamatsu Corporation (non-consolidated)	3,323	3,217	3,483	2,795
Asunaro Aoki Construction (non-consolidated)	1,476	1,814	1,830	1,783
Mirai Construction (non-consolidated)	615	248	478	719
Toko Geotech (non-consolidated)	884	705	575	703
Takamatsu House (non-consolidated)	186	393	758	754
Others (Including Consolidation Adjustment)	1,817	1,236	1,728	2,404
TCG group (Consolidated)	8,301	7,613	8,852	9,158

(100 million yen)



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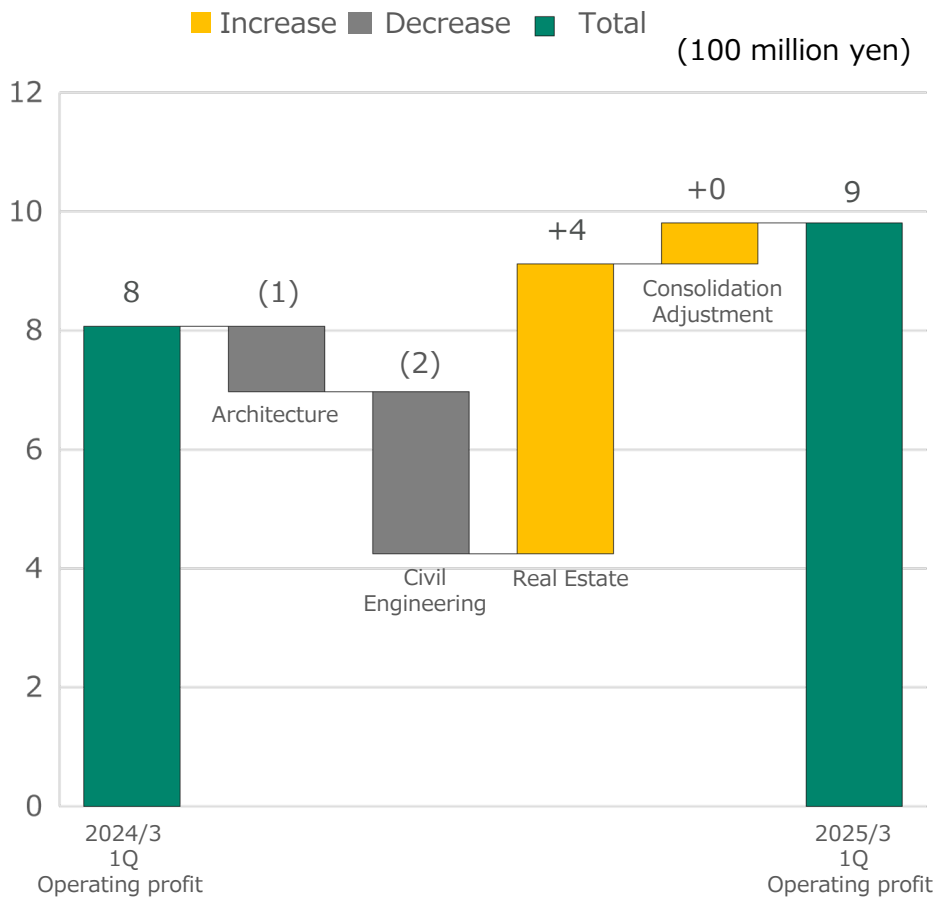
Operating profit by segments

◆ In the architecture segment fell sharply by (79.2%) YoY due to the significant impact of Takamatsu Corporation's operating loss. In the civil engineering segment fell sharply by (23.1%) YoY due to decrease in Asunaro Aoki Construction. In the real estate segment increased significantly by +59.2% YoY because of increasing in group companies other than the core companies.

(million yen)

By Segments	2022/3 1Q	2023/3 1Q	2024/3 1Q	2025/3 1Q
Architecture	185	245	138	28
Civil Engineering	1,467	666	1,176	904
Real Estate	703	608	821	1,308
Consolidation Adjustment	(919)	(1,130)	(1,328)	(1,259)
TCG group (Consolidated)	1,437	390	807	981



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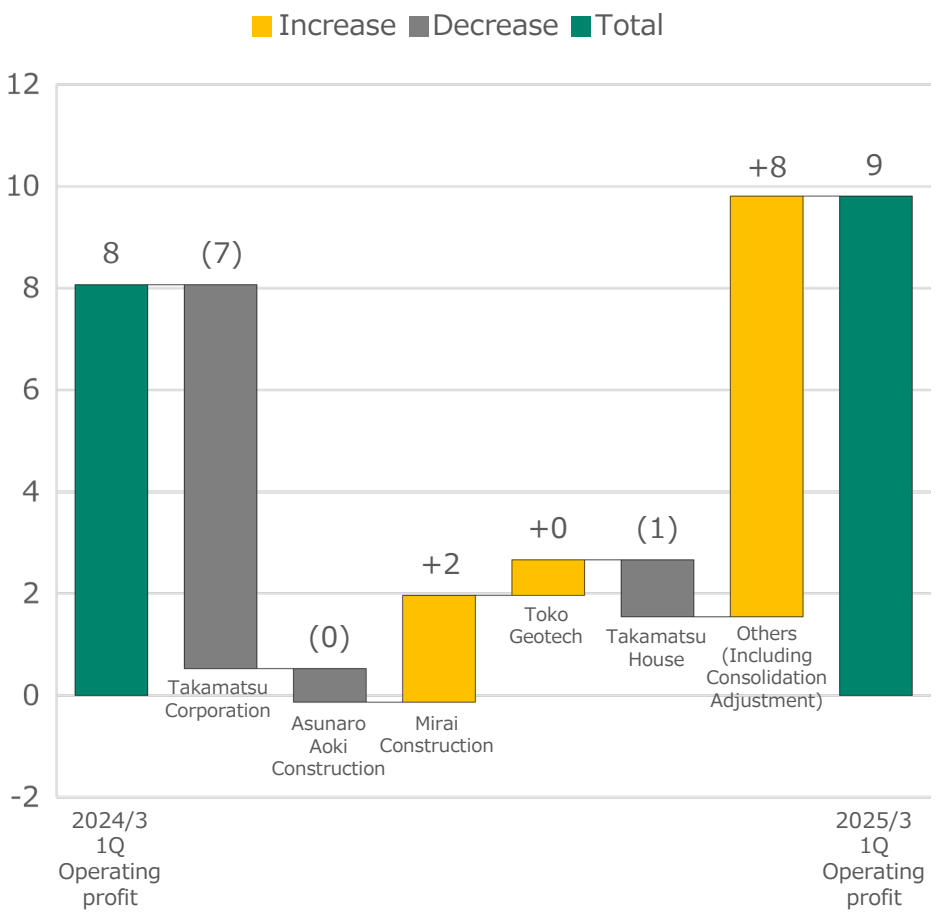
Operating profit by core operating companies

◆ Takamatsu Corporation had an operating loss of approximately 300 million yen due to lower sales, lower gross profit margin and higher labor costs. Asunaro Aoki Construction was (23.3%) YoY, due to lower gross profit margin. Mirai Construction's operating profit was approximately 100 million operating surplus because of increasing net sales and higher gross profit margin. Toko Geotech was +75.5% YoY because of increasing net sales and higher gross profit margin. Takamatsu House's operating profit fell (36.2%) YoY due to a lower gross profit margin and higher labor costs, despite higher net sales. Group companies other than the core companies' operating profit was approximately 500 million operating surplus.

(million yen)

By Operating Companies	2022/3 1Q	2023/3 1Q	2024/3 1Q	2025/3 1Q
Takamatsu Corporation (non-consolidated)	559	395	445	(309)
Asunaro Aoki Construction (non-consolidated)	65	422	286	220
Mirai Construction (non-consolidated)	150	(249)	(32)	178
Toko Geotech (non-consolidated)	466	250	92	162
Takamatsu House (non-consolidated)	67	83	308	196
Others (Including Consolidation Adjustment)	130	(511)	(292)	534
TCG group (Consolidated)	1,437	390	807	981

(100 million yen)



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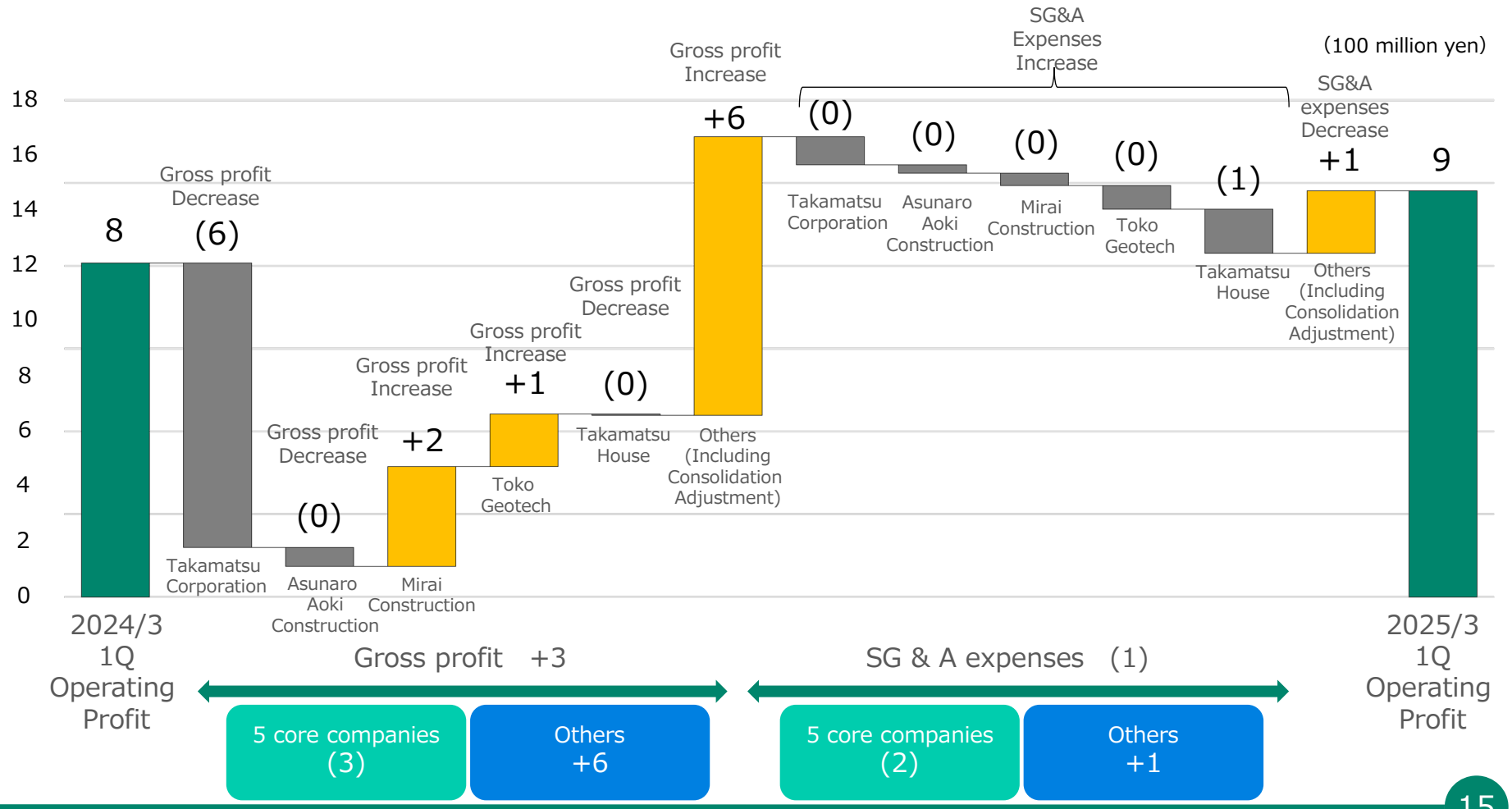
Analysis of Changes in Operating Profit

Increase Decrease Total

- Gross profit increased by approximately 300 million yen YoY, because the decrease in Takamatsu Corporation being compensated for by Mirai Construction, Toko Geotech and group companies other than the core companies.
- SG&A expenses increased by approximately 100 million yen YoY, mainly due to higher labor costs at Takamatsu Corporation and Takamatsu House. Operating profit increased by approximately 100 million yen YoY in consolidated total.

Analysis of Changes in Operating Profit



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Takamatsu Construction Group
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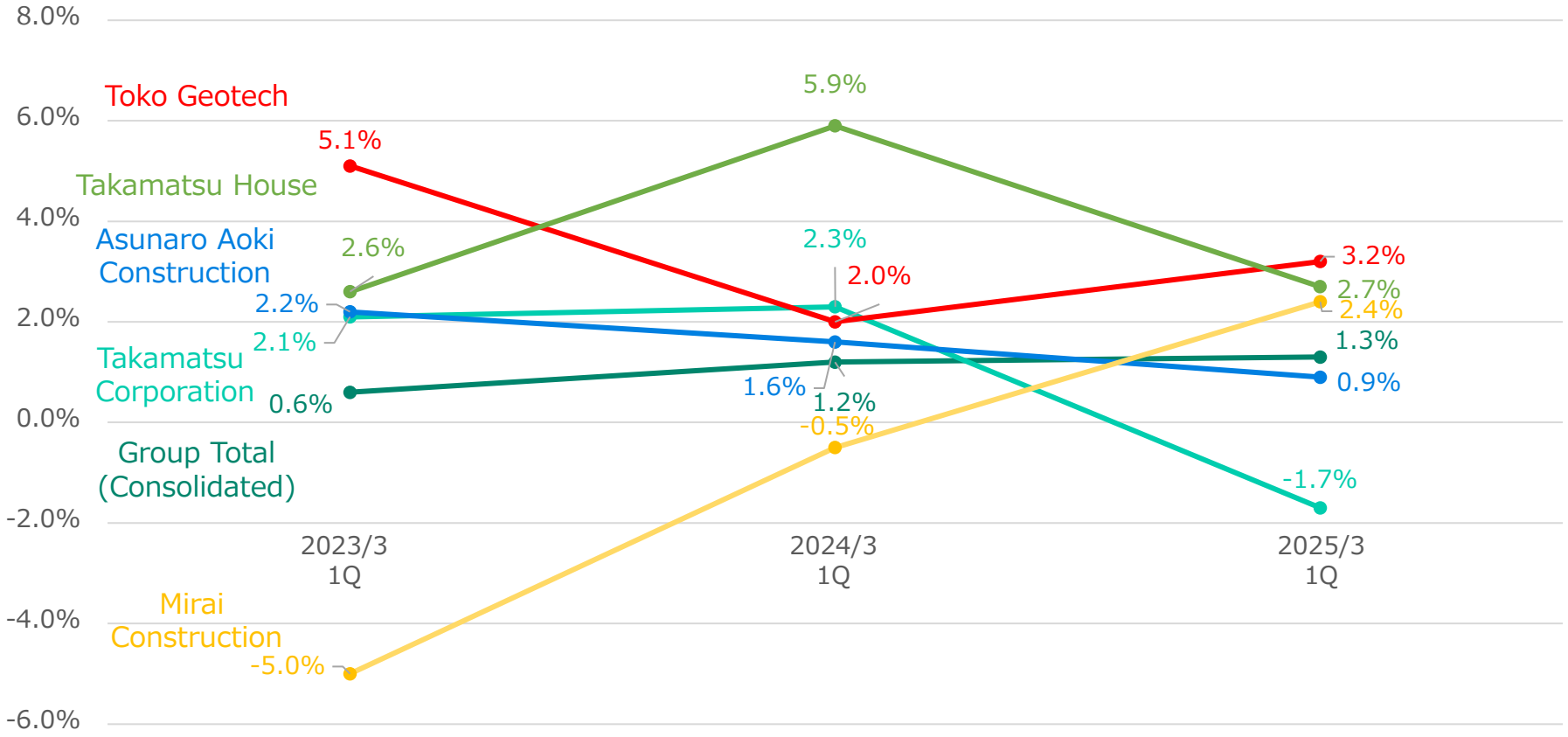
Operating profit ratio by Group Total (Consolidated) and the 5 core companies

- Takamatsu Corporation's gross profit margin fell sharply to (2.9pt) YoY, while labor costs also increased among SG&A expenses, resulting in an operating profit margin of (4pt) YoY.
- Asunaro Aoki Construction’s operating profit margin was (0.7pt) YoY.
- Mirai Construction's gross profit margin increased to +2.6pt YoY and its operating profit margin to +2.9pt, a significant recovery from the negative figure in the same period last year.
- Toko Geotech’s gross profit margin increased +1.1pt YoY and its operating profit margin increased +1.2pt YoY.
- Takamatsu House's gross profit margin fell sharply to (4.2pt) YoY and its operating profit margin fell sharply to (3.2pt) YoY.



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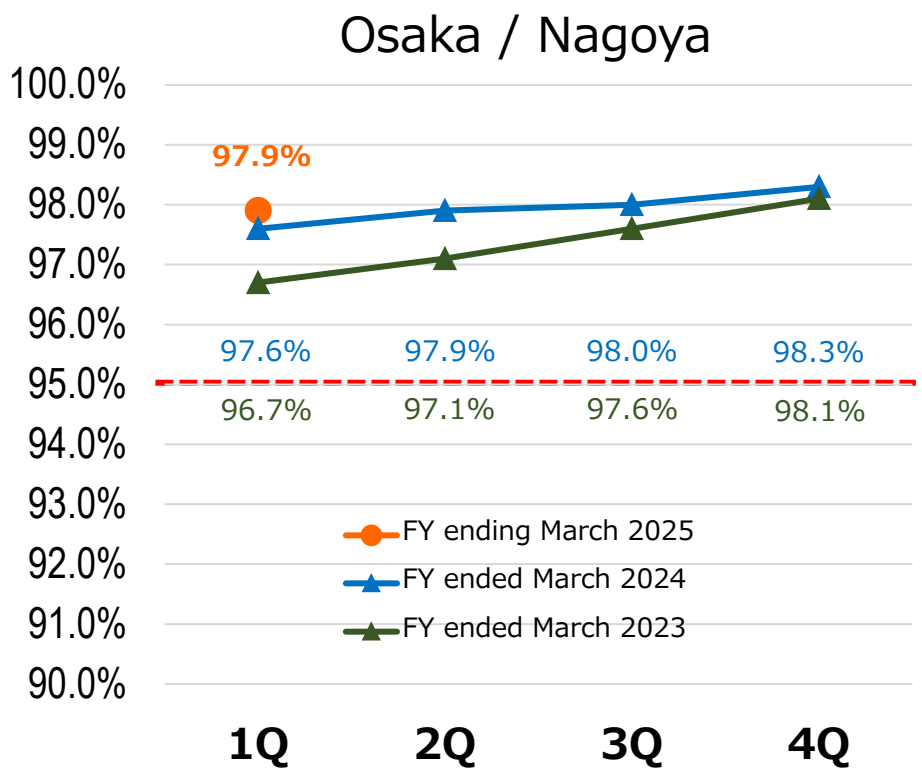
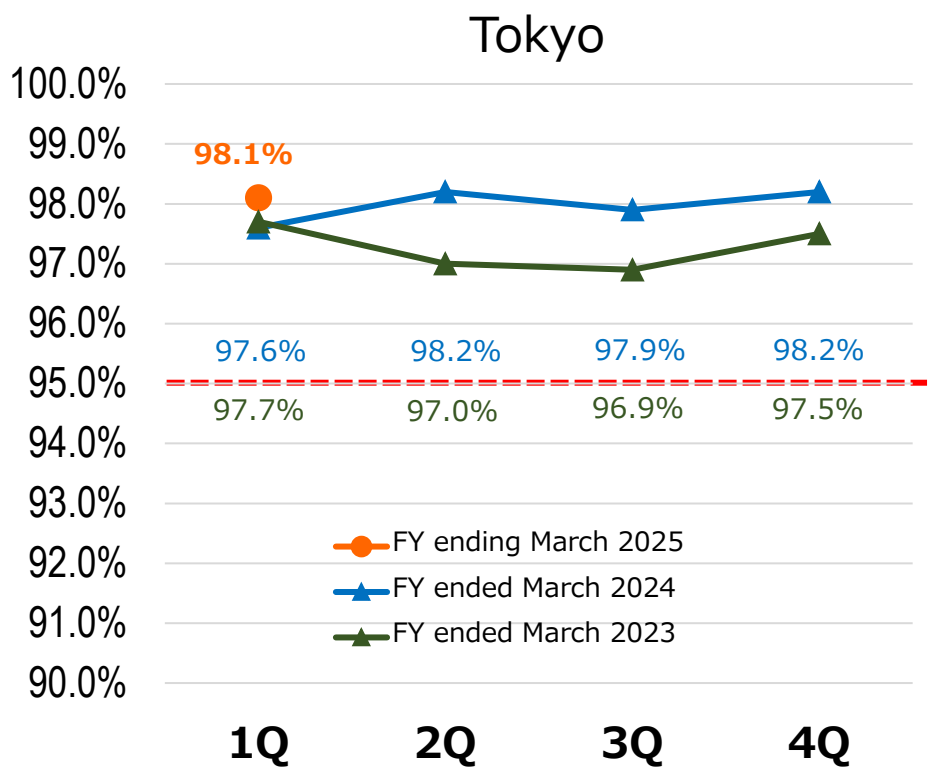
Occupancy Rate of Properties Constructed by Takamatsu Corporation at Takamatsu Estate

◆ Occupancy rates remain above 95% for 1Q FY ending March 2025 in both Osaka and Tokyo.





Definitions
"Osaka/Nagoya" : Osaka, Kyoto, Hyogo, and Nagoya
"Tokyo" : Tokyo, Kanagawa, Saitama, and Chiba
"Occupancy rate" : Number of properties constructed by Takamatsu Corporation managed by Takamatsu Estate that are occupied at the end of each quarter
÷ total number of properties constructed by Takamatsu Corporation managed by Takamatsu Estate at the end of each quarter

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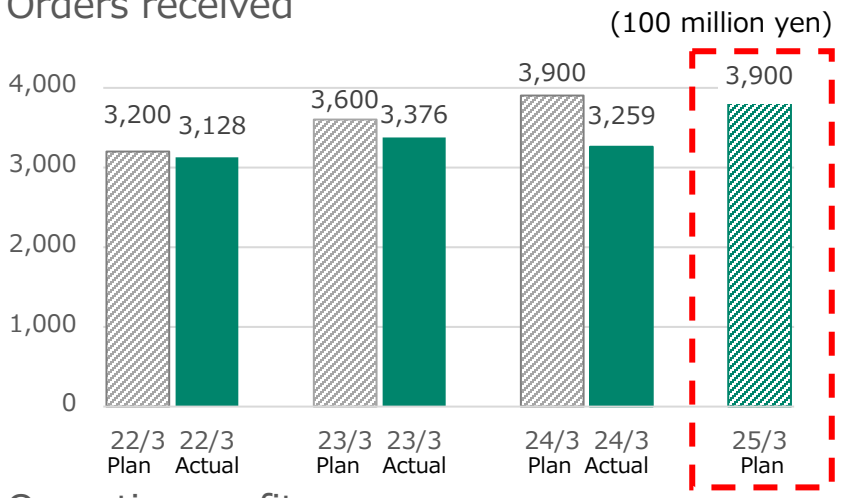
Earnings Forecast & Dividend Forecast for FY ending March 2025

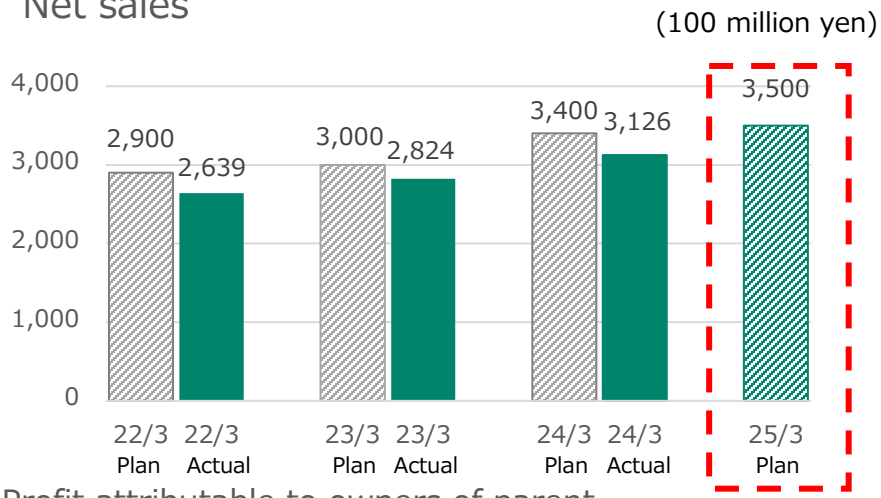
Earnings Forecast for FY ending March 2025

◆ In FY ending March 2025, orders received, net sales and operating profit are all planned to exceed those of the previous year. There is no change from the forecast announced at the beginning of this year.

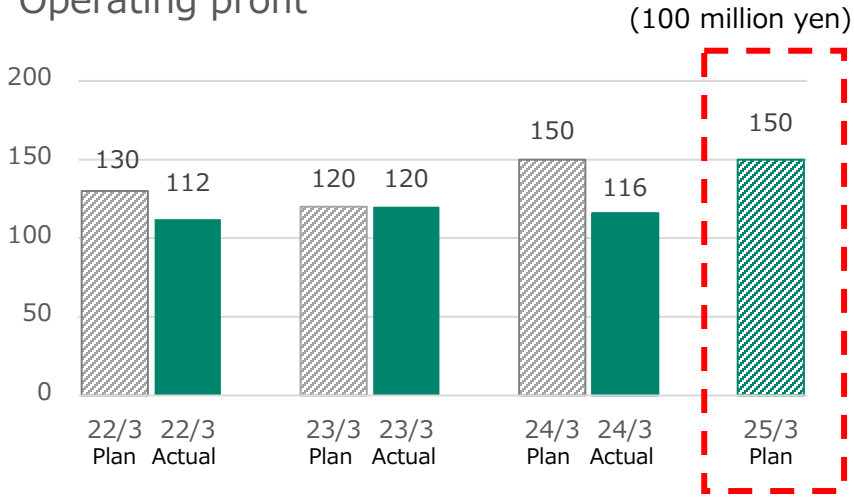
Orders received



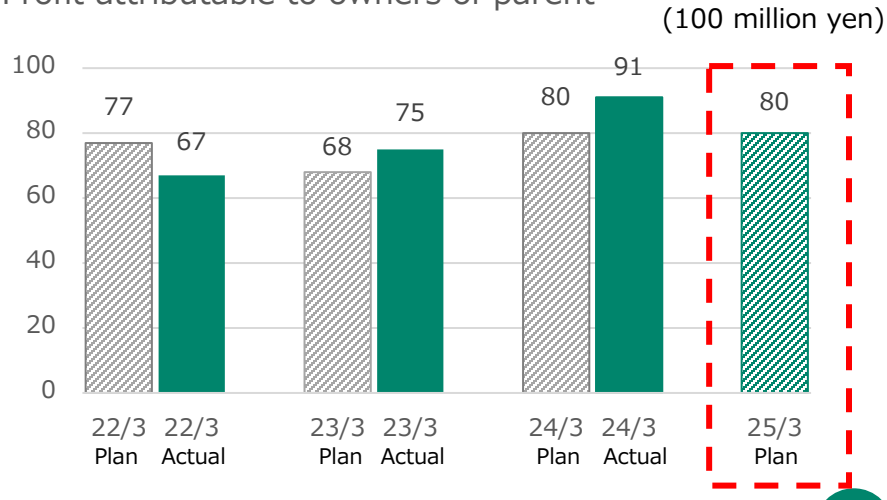
Net sales



Operating profit



Profit attributable to owners of parent



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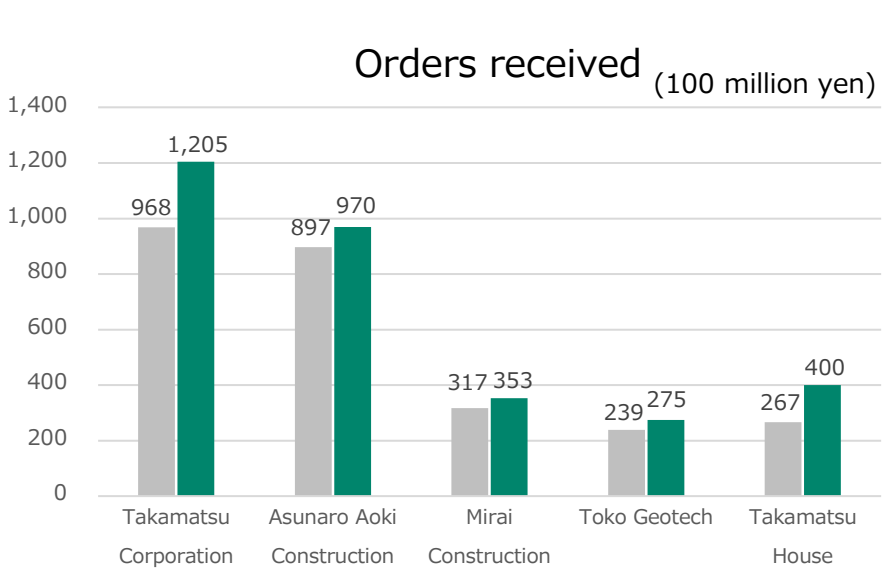
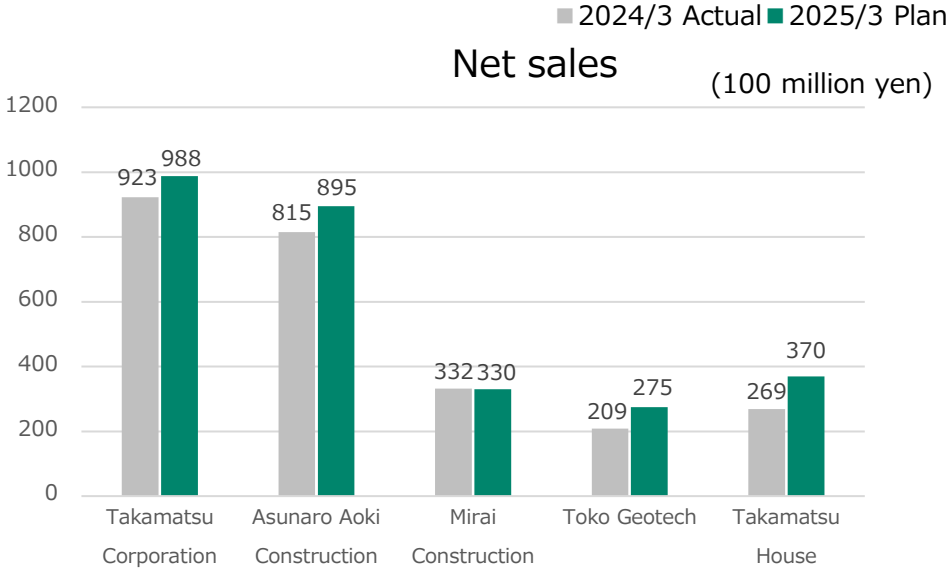
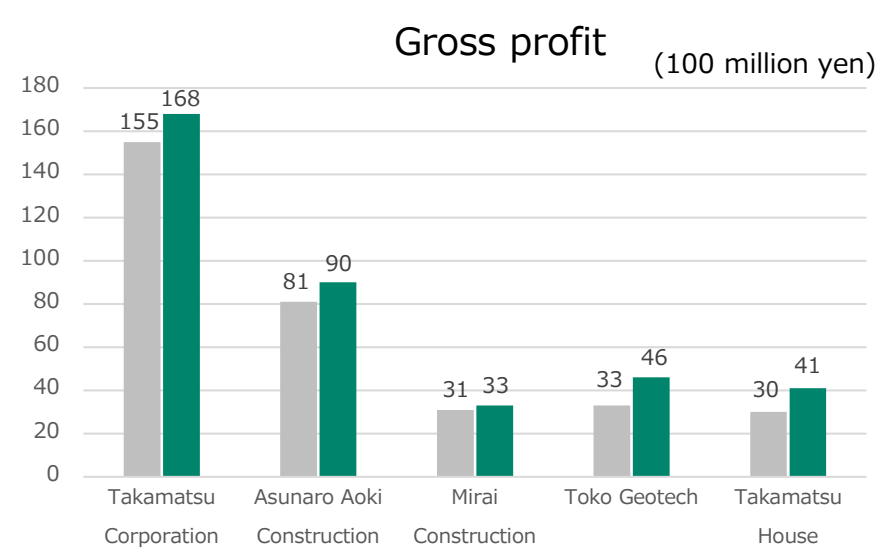
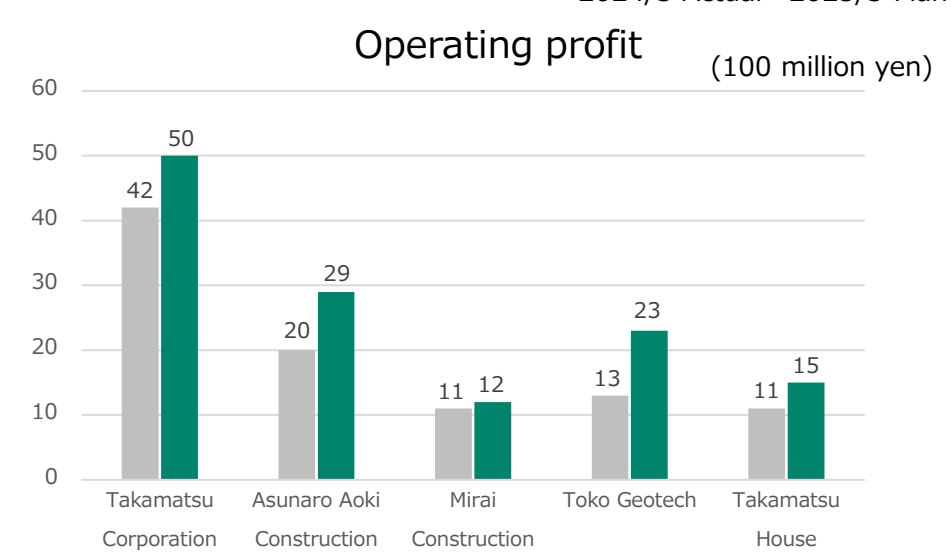
FY2024 results and annual management plan for FY2025 by core operating companies









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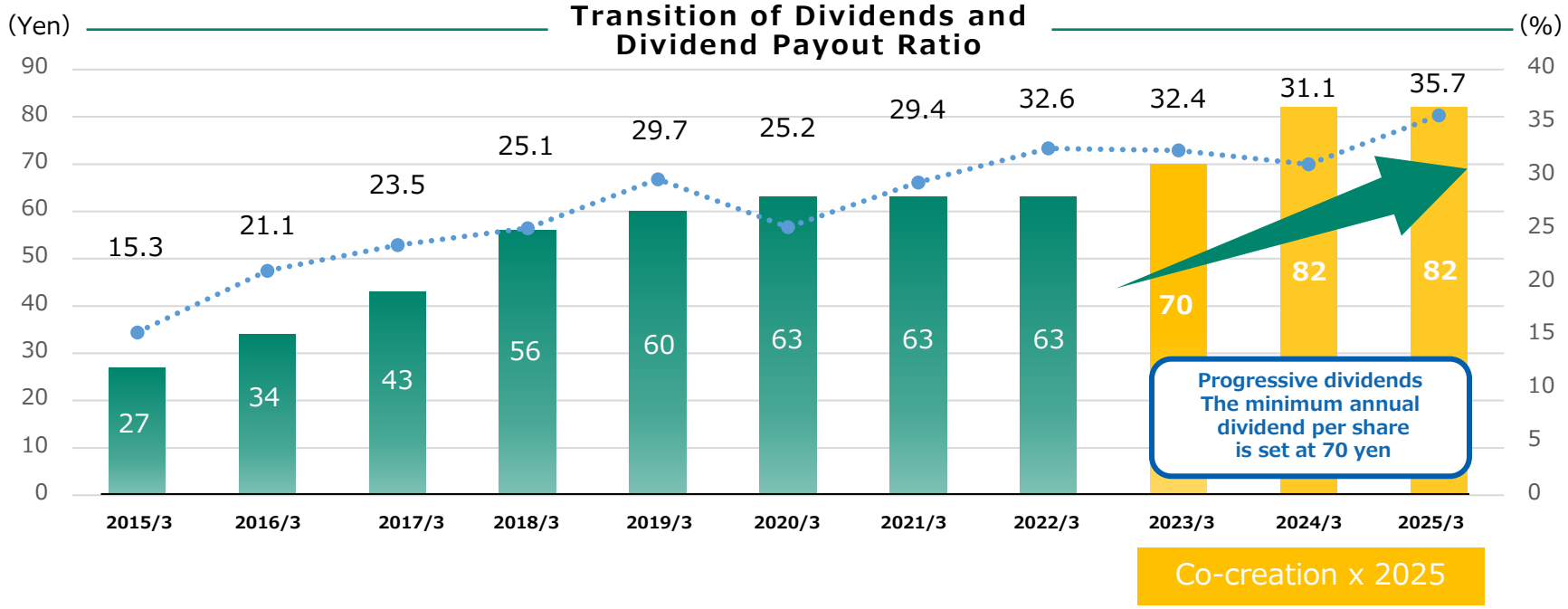
Dividends Forecast for FY ending March 2025 (dividend amount and payout ratio)

- The basic policy is to pay progressive dividends during the target years of the medium-term management plan “Co-creation x 2025” (FY ended March 2023 to FY ending March 2025). The minimum annual dividend per share is set at 70 yen. Profit returns will be linked to business performance.
- The dividend for FY ending March 2025 is planned to be 82 yen per share and dividend payout ratio is planned to be 35.7%.



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