Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 6, 2024

Company name: DAISUE CONSTRUCTION CO., LTD.
Stock exchange listing: Tokyo
Stock code: 1814 URL https://www.daisue.co.jp/
Representative: President & Representative Director Kazunori Murao
Inquiries: General Manager of General Affairs Department Yasumi Iwata TEL 06-6121-7121
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 three months ended June 30, 2024 (from April 1, 2024 to June 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	%
Three months ended June 30, 2024	19,901	14.7	520	89.7	557	74.5	379	86.5
Three months ended June 30, 2023	17,353	(7.6)	274	20.3	319	28.7	203	9.9

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	36.51	36.51
Three months ended June 30, 2023	19.44	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	58,952	22,797	38.7
As of March 31, 2024	59,107	22,551	38.2

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	–	35.00	–	35.00	70.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		44.50	–	44.50	89.00

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
Six months ending September 30, 2024	39,200	8.1	790	237.8	800	195.8	510	84.1	49.21
Full year	83,900	7.8	2,600	63.5	2,580	61.0	1,700	37.6	164.05

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 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:	Yes
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 June 30, 2024	10,614,225 shares	As of March 31, 2024	10,614,225 shares

Number of treasury shares at the end of the period

As of June 30, 2024	163,105 shares	As of March 31, 2024	320,978 shares

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

Three months ended June 30, 2024	10,401,133 shares	Three months ended June 30, 2023	10,476,589 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	8,775	13,217
Notes receivable, accounts receivable from completed construction contracts, and contract assets	36,217	33,081
Electronically recorded monetary claims - operating	2,464	983
Real estate for sale	23	23
Costs on construction contracts in progress	771	874
Other	406	431
Allowance for doubtful accounts	(2)	(1)
Total current assets	48,655	48,609
Non-current assets		
Property, plant and equipment		
Land	1,411	1,411
Other, net	1,178	1,171
Total property, plant and equipment	2,589	2,582
Intangible assets		
Goodwill	1,251	1,218
Technology asset	1,901	1,851
Other	717	686
Total intangible assets	3,870	3,756
Investments and other assets		
Investment securities	2,728	2,723
Other	1,263	1,280
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	3,991	4,004
Total non-current assets	10,451	10,343
Total assets	59,107	58,952
Liabilities		
Current liabilities		
Accounts payable for construction contracts	10,147	9,506
Electronically recorded obligations - operating	16,276	16,161
Short-term borrowings	1,300	200
Current portion of long-term borrowings	369	359
Income taxes payable	378	287
Advances received on construction contracts in progress	639	1,925
Provision for warranties for completed construction	479	538
Provision for bonuses	325	569
Provision for loss on construction contracts	0	–
Provision for share awards	–	99
Other	932	1,101
Total current liabilities	30,848	30,750
Non-current liabilities		
Long-term borrowings	3,004	2,916
Retirement benefit liability	1,974	1,922
Deferred tax liabilities	594	519
Provision for share awards	89	–
Other	44	46
Total non-current liabilities	5,707	5,404
Total liabilities	36,556	36,155

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	4,324	4,324
Capital surplus	241	292
Retained earnings	17,095	17,114
Treasury shares	(366)	(186)
Total shareholders' equity	21,295	21,545
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,163	1,159
Remeasurements of defined benefit plans	91	92
Total accumulated other comprehensive income	1,255	1,252
Share acquisition rights	0	–
Total net assets	22,551	22,797
Total liabilities and net assets	59,107	58,952

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales		
Net sales of completed construction contracts	16,608	19,695
Net sales in real estate business and other	744	206
Total net sales	17,353	19,901
Cost of sales		
Cost of sales of completed construction contracts	15,939	17,992
Cost of sales in real estate business and other	145	166
Total cost of sales	16,084	18,158
Gross profit		
Gross profit on completed construction contracts	669	1,703
Gross profit on real estate business and other	599	40
Total gross profit	1,268	1,743
Selling, general and administrative expenses	994	1,223
Operating profit	274	520
Non-operating income		
Interest income	0	0
Dividend income	49	52
Other	6	3
Total non-operating income	57	56
Non-operating expenses		
Interest expenses	0	8
Commission expenses	10	10
Other	1	0
Total non-operating expenses	12	19
Ordinary profit	319	557
Profit before income taxes	319	557
Income taxes - current	142	265
Income taxes - deferred	(26)	(88)
Total income taxes	115	177
Profit	203	379
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	203	379

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	203	379
Other comprehensive income		
Valuation difference on available-for-sale securities	248	(3)
Remeasurements of defined benefit plans, net of tax	3	1
Total other comprehensive income	252	(2)
Comprehensive income	456	377
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	456	377
Comprehensive income attributable to non-controlling interests	–	–