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Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 14, 2024

Company name: NIPPON CONCRETE INDUSTRIES CO., LTD.
Listing: Tokyo
Securities code: 5269
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Scheduled date to file semi-annual securities report: November 14, 2024
Scheduled date to commence dividend payments: December 2, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2024	25,597	(3.2)	892	(29.9)	1,245	(18.6)	481	(40.5)
September 30, 2023	26,433	7.4	1,273	-	1,529	320.4	808	-

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 164 million [(93.2) %]
Six months ended September 30, 2023: ¥ 2,433 million [533.0%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	8.86	-
September 30, 2023	14.89	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	77,154	40,158	48.2
March 31, 2024	81,995	40,395	45.7

(Reference) Equity: As of September 30, 2024: ¥ 37,226 million
As of March 31, 2024: ¥ 37,506 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	6.50	-	6.50	13.00
Fiscal year ending March 31, 2025	-	6.50			
Fiscal year ending March 31, 2025 (Forecast)			-	6.50	13.00

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2025 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(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
Full year	57,000	6.2	2,400	32.8	2,800	24.8	1,600	160.5	29.47

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

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

Newly included: - (Company name:)

Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

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

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

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

September 30, 2024: 57,777,432 shares

March 31, 2024: 57,777,432 shares

2) Number of treasury shares at the end of the period:

September 30, 2024: 3,476,694 shares

March 31, 2024: 3,476,234 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 54,306,444 shares

Six months ended September 30, 2023: 54,294,932 shares

* 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

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1. Overview of Business Results, etc.

(1) Overview of Business Results for the Period under Review

In the six months ended September 30, 2024, the economic environment showed a moderate recovery trend led by domestic demand, such as consumer spending and corporate capital investment. Regarding the business environment in which the Group operates, the demand for concrete piles across Japan and concrete pole shipments throughout Japan during the six months ended September 30, 2024 decreased from a year earlier, mainly due to the 2024 problem in construction and logistics, labor shortages, and increasing raw material prices, and severe conditions continued.

In these circumstances, the Group has been addressing the significant issues stated in the Medium-Term Management Plan 2024 formulated in May 2024. As a result, the Group's net sales for the six months ended September 30, 2024, were 25,597 million yen (down 3.2% year-on-year), operating profit was 892 million yen (down 29.9% year-on-year), ordinary profit was 1,245 million yen (down 18.6% year-on-year), and profit attributable to owners of parent was 481 million yen (down 40.5% year-on-year).

An overview of each business for the period under review is as follows.

1) Foundation Business

The demand for concrete piles across Japan during the six months ended September 30, 2024 decreased from a year earlier, and the Group was also affected by a decline in demand. As a result, net sales amounted to 12,265 million yen (down 5.2% year-on-year).

Segment income was 503 million yen (down 8.4% year-on-year) mainly due to deteriorated earnings of manufacturing subsidiaries caused by a decline in production volume, despite our efforts, such as penetration of fair pricing and improvement in construction efficiency.

2) Concrete Secondary Product Business

In the Pole-related Business, which is part of the Concrete Secondary Product Business, concrete pole shipments throughout Japan decreased from a year earlier and the Group's shipment volume also decreased. As a result, net sales amounted to 7,450 million yen (down 2.3% year-on-year).

In the Civil Engineering Product Business, large-scale precast concrete wall projects, which were seen in the first half of the previous fiscal year, decreased in the period under review, but production and acceptance inspection of RC segments intended for the Linear Chuo Shinkansen remained brisk. As a result, net sales were 5,736 million yen (up 0.3% year-on-year).

As a result, net sales in the Concrete Secondary Product Business amounted to 13,186 million yen (down 1.2% year-on-year).

Segment income was 1,140 million yen (down 16.2% year-on-year) mainly due to the impact of the aforementioned drop in sales in large-scale precast concrete wall projects.

3) Real Estate and Solar Power Generation Business

The Company reported steady rental income, and generated and sold electricity for net sales that amounted to

144 million yen (down 3.6% year-on-year) and segment income was 89 million yen (down 6.7% year-on-year).

With regard the future outlook, although demand for concrete piles is expected to recover in the second half of the fiscal year under review, we expect that the current conditions of the business environment in which the Group operates will remain severe due to the on-going risks presented by an unstable international environment and increases in energy, raw material and personnel expenses, in addition to the 2024 logistics problem and construction start delays and extended construction periods and other issues in construction projects.

In the medium to long term, expectations remained high for high-quality precast concrete products that contribute to productivity enhancement and labor saving to address issues such as a decrease in the construction workforce and the 2024 logistics problem, in addition to the Company's own products and construction methods contributing to preparing for increasingly severe and frequent natural disasters (prevention, mitigation, and recovery). Furthermore, a high level of interests remained for the Company-developed technology for carbon capture and CCUS (carbon dioxide capture, utilization and storage) products, and low-carbon type concrete products from the perspective of carbon neutrality, and therefore opportunities for sustainable growth are considered to be numerous.

In this business environment, while incorporating the market and customer needs outlined in the Medium-Term Management Plan into building and expanding our business and revenue bases, we will further increase revenue through the current sales expansion of a new construction method (Hyper-straight NT method) and low-carbon type concrete products in the Foundation Business, expansion of engineering business in the Pole-related Business, and further promotion of the development of precast concrete wall projects across Japan in the Civil Engineering Product Business, as well as expansion of production volume by reinforcing our order-taking activities and production efficiency.

Furthermore, the Group introduced a shareholder benefit program as disclosed on November 14, 2024, with the aim of enhancing the appeal of the Company's shares and encouraging more people to hold the shares in the medium to long term, amid the further broadening investor base along with the expansion of the Nippon Individual Savings Account (NISA), a tax exemption scheme for small investments, for individual investors and the increasing interest in long-term asset building.

Looking ahead, the Group will continue to play a role in strengthening social infrastructure and contribute to society through offering technology and products to reduce environmental loads. In addition, we will be committed to utilizing the Group's synergy effect and realizing further growth, and by intensifying our efforts on corporate governance and sustainability, we are aiming to realize sustainable growth and enhance our corporate value to meet the expectations of our stakeholders.

(2) Overview of Financial Position for the Period under Review

The Group's financial policies are to reduce total assets so as to improve ROA through measures such as early collection of accounts receivable, optimization of product inventories, and efficient capital investment strategies; and to reduce interest-bearing debts by improving the efficiency of the Group's funds and assets.

Total assets at the end of the six months ended September 30, 2024 were 77,154 million yen, down 4,841 million yen from the end of the previous fiscal year.

Current assets were 31,988 million yen, down 4,429 million yen from the end of the previous fiscal year, and non-current assets were 45,166 million yen, down 412 million yen from the end of the previous fiscal year.

The decrease in current assets was mainly due to decreases in cash and deposits and notes and accounts receivable - trade, and contract assets, and the decrease in non-current assets was mainly due to a decrease in investment securities.

Total liabilities were 36,995 million yen, down 4,604 million yen from the end of the previous fiscal year.

Current liabilities were 23,283 million yen, down 3,603 million yen from the end of the previous fiscal year, and non-current liabilities were 13,711 million yen, down 1,000 million yen from the end of the previous fiscal year.

The decrease in current liabilities was mainly due to decreases in notes and accounts payable - trade and electronically recorded obligations - operating, and the decrease in non-current liabilities was mainly due to a decrease in long-term borrowings.

Total net assets were 40,158 million yen, down 237 million yen from the end of the previous fiscal year. It was mainly due to a decrease in valuation difference on available-for-sale securities.

As a result of the above, the equity ratio came to 48.2%, up from 45.7% at the end of the previous consolidated fiscal year.

Analysis of Cash Flows

Cash and cash equivalents at the end of the six months ended September 30, 2024 amounted to 8,420 million yen.

(Cash flows from operating activities)

Funds provided by operating activities amounted to 7 million yen (as compared to 3,429 million yen in the six months ended September 30, 2023).

This was chiefly because the factors to increase funds, such as 1,252 million yen recorded as profit before income taxes, 858 million yen recorded as depreciation, and a 2,498 million yen decrease in notes and accounts receivable - trade, and contract assets, exceeded the factors to decrease funds, such as a 456 million yen increase in inventories, a 2,450 million yen decrease in trade payables, and 946 million yen recorded as income taxes paid.

(Cash flows from investing activities)

Funds used in investing activities totaled 1,230 million yen (as compared to 609 million yen in the six months ended September 30, 2023).

This was chiefly due to the factors to decrease funds, such as 1,153 million yen recorded as purchase of property, plant and equipment.

(Cash flows from financing activities)

Funds used in financing activities totaled 1,470 million yen (as compared to 849 million yen in the six months ended September 30, 2023).

This was chiefly due to the factors to decrease funds, such as 1,207 million yen recorded as repayments of long-term borrowings.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

There is no change in the consolidated financial results forecast for the fiscal year ending March 31, 2025 announced on May 15, 2024.

2. Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	11,120,707	8,420,788
Notes and accounts receivable - trade, and contract assets	11,259,470	9,252,694
Electronically recorded monetary claims - operating	2,925,147	2,433,809
Merchandise and finished goods	6,950,355	7,253,431
Work in process	740,826	821,586
Raw materials and supplies	2,038,697	2,013,286
Costs on construction contracts in progress	319,817	417,978
Other	1,070,595	1,382,743
Allowance for doubtful accounts	(8,134)	(8,134)
Total current assets	36,417,483	31,988,184
Non-current assets		
Property, plant and equipment		
Land	17,237,062	17,237,062
Other, net	9,051,028	9,139,395
Total property, plant and equipment	26,288,090	26,376,457
Intangible assets	881,242	905,183
Investments and other assets		
Investment securities	14,547,526	14,099,742
Other	3,992,230	3,923,480
Allowance for doubtful accounts	(130,861)	(138,724)
Total investments and other assets	18,408,895	17,884,498
Total non-current assets	45,578,229	45,166,140
Total assets	81,995,712	77,154,325

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,285,032	4,305,545
Electronically recorded obligations - operating	9,864,508	8,393,908
Short-term borrowings	4,084,600	4,204,600
Current portion of long-term borrowings	2,260,089	1,967,616
Income taxes payable	945,725	507,553
Provisions	717,594	706,095
Other	3,730,222	3,198,529
Total current liabilities	26,887,772	23,283,848
Non-current liabilities		
Bonds payable	100,000	80,000
Long-term borrowings	6,533,312	5,718,654
Retirement benefit liability	1,220,462	1,219,463
Other	6,858,210	6,693,460
Total non-current liabilities	14,711,984	13,711,577
Total liabilities	41,599,757	36,995,426
Net assets		
Shareholders' equity		
Share capital	5,111,583	5,111,583
Capital surplus	3,858,899	3,936,336
Retained earnings	18,752,806	18,852,037
Treasury shares	(1,009,783)	(1,009,421)
Total shareholders' equity	26,713,506	26,890,535
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,999,946	4,614,517
Revaluation reserve for land	5,312,368	5,312,368
Foreign currency translation adjustment	(138,068)	(155,814)
Remeasurements of defined benefit plans	618,394	564,808
Total accumulated other comprehensive income	10,792,641	10,335,879
Non-controlling interests	2,889,807	2,932,483
Total net assets	40,395,955	40,158,899
Total liabilities and net assets	81,995,712	77,154,325

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	26,433,569	25,597,584
Cost of sales	21,765,974	21,028,019
Gross profit	4,667,594	4,569,565
Selling, general and administrative expenses	3,394,283	3,677,031
Operating profit	1,273,310	892,533
Non-operating income		
Interest income	4,157	4,373
Dividend income	180,258	225,163
Share of profit of entities accounted for using equity method	120,954	128,812
Other	78,493	84,205
Total non-operating income	383,863	442,554
Non-operating expenses		
Interest expenses	33,681	39,589
Loss on claims	13,964	-
Loss from suspension of plantoperations assets	26,961	23,789
Other	52,638	26,095
Total non-operating expenses	127,246	89,474
Ordinary profit	1,529,928	1,245,613
Extraordinary income		
Gain on sale of non-current assets	1,754	20,710
Gain on sale of investment securities	93,732	-
Total extraordinary income	95,486	20,710
Extraordinary losses		
System failure response costs	28,223	-
Loss on retirement of non-current assets	8,596	13,758
Total extraordinary losses	36,819	13,758
Profit before income taxes	1,588,595	1,252,565
Income taxes - current	652,303	498,005
Income taxes - deferred	15,142	130,458
Total income taxes	667,445	628,464
Profit	921,149	624,101
Profit attributable to non-controlling interests	112,551	142,682
Profit attributable to owners of parent	808,597	481,418

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	921,149	624,101
Other comprehensive income		
Valuation difference on available-for-sale securities	1,466,028	(382,521)
Foreign currency translation adjustment	41,686	(20,318)
Remeasurements of defined benefit plans, net of tax	(7,676)	(54,736)
Share of other comprehensive income of entities accounted for using equity method	11,926	(2,003)
Total other comprehensive income	1,511,965	(459,580)
Comprehensive income	2,433,114	164,521
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,303,251	24,657
Comprehensive income attributable to non-controlling interests	129,862	139,863

(3) Semi-annual Consolidated Statements of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	1,588,595	1,252,565
Depreciation	882,277	858,169
Increase (decrease) in allowance for doubtful accounts	(14,545)	7,863
Increase (decrease) in provision for bonuses	8,346	(8,994)
Increase (decrease) in provision for bonuses for directors (and other officers)	21,221	(33,372)
Increase (decrease) in provision for loss on construction contracts	(12,590)	31,950
Increase (decrease) in retirement benefit liability	25,526	(999)
Decrease (increase) in retirement benefit asset	(15,596)	(75,531)
Share of loss (profit) of entities accounted for using equity method	(120,954)	(128,812)
Interest and dividend income	(184,415)	(229,536)
Interest expenses	33,681	39,589
Loss (gain) on sale of non-current assets	(1,754)	(20,710)
Loss on retirement of non-current assets	8,596	13,758
System failure response costs	28,223	-
Loss (gain) on sale of investment securities	(93,732)	-
Decrease (increase) in accounts receivable - trade, and contract assets	1,539,874	2,498,114
Decrease (increase) in inventories	(854,277)	(456,586)
Increase (decrease) in trade payables	334,991	(2,450,087)
Increase (decrease) in dvance received and contract debt	235,950	(16,674)
Decrease (increase) in accounts receivable - other	334,248	(200,185)
Increase (decrease) in accounts payable - other	(95,655)	(31,187)
Increase (decrease) in accrued consumption taxes	(59,633)	(186,676)
Decrease (increase) in other investments	(3,231)	30,466
Other, net	(21,932)	(191,613)
Subtotal	3,563,213	701,508
Interest and dividends received	217,446	276,086
Interest paid	(36,378)	(43,529)
Income taxes paid	(329,255)	(946,049)
Income taxes refund	42,367	19,116
System failure response costs paid	(28,223)	-
Net cash provided by (used in) operating activities	3,429,170	7,131

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from investing activities		
Purchase of property, plant and equipment	(589,110)	(1,153,704)
Proceeds from sale of property, plant and equipment	1,822	22,527
Payments for retirement of property, plant and equipment	-	(41,342)
Purchase of intangible assets	(119,667)	(37,480)
Purchase of investment securities	(535)	(567)
Proceeds from sale of investment securities	99,510	-
Purchase of investments in non-consolidated subsidiary	-	(20,000)
Other, net	(1,059)	120
Net cash provided by (used in) investing activities	(609,041)	(1,230,446)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	243,600	120,000
Proceeds from long-term borrowings	100,000	100,000
Repayments of long-term borrowings	(1,114,601)	(1,207,131)
Redemption of bonds	(20,000)	(20,000)
Repayments of lease liabilities	(45,589)	(88,652)
Purchase of treasury shares	-	(24)
Dividends paid	-	(355,279)
Dividends paid to non-controlling interests	(12,827)	(12,822)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(35)	(6,250)
Net cash provided by (used in) financing activities	(849,452)	(1,470,160)
Effect of exchange rate change on cash and cash equivalents	7,602	(6,442)
Net increase (decrease) in cash and cash equivalents	1,978,278	(2,699,918)
Cash and cash equivalents at beginning of period	7,136,254	11,120,707
Cash and cash equivalents at end of period	9,114,533	8,420,788

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on Going Concern Assumption)

There is no relevant information.

(Notes in the Case of Significant Changes in the Amount of Shareholders' Equity)

For the six months ended September 30, 2023

1. Dividends paid

There is no relevant information due to non-payment of dividends.

2. Dividends with a record date in the six months ended September 30, 2023 but with an effective date after the end of the period

Resolution	Type of shares	Total amount of dividends paid (Thousand yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
November 30, 2023 Board of Directors' Meeting	Common shares	355,280	6.50	September 30, 2023	December 29, 2023	Retained earnings

(Note) The total amount of dividends based on the resolution of the Board of Directors' Meeting held on November 30, 2023 includes dividend of 873 thousand yen for the Board Incentive Plan Trust (BIP) and dividend of 692 thousand yen for the Stock Granting Trust (J-ESOP).

3. Significant changes in shareholders' equity

There is no relevant information.

For the six months ended September 30, 2024

1. Dividends paid

Resolution	Type of shares	Total amount of dividends paid (Thousand yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
May 24, 2024 Board of Directors' Meeting	Common shares	355,279	6.50	March 31, 2024	June 12, 2024	Retained earnings

(Note) The total amount of dividends based on the resolution of the Board of Directors' Meeting held on May 24, 2024 includes dividend of 873 thousand yen for the Board Incentive Plan Trust (BIP) and dividend of 692 thousand yen for the Stock Granting Trust (J-ESOP).

2. Dividends with a record date in the six months ended September 30, 2024 but with an effective date after the end of the period

Resolution	Type of shares	Total amount of dividends paid (Thousand yen)	Dividend per share (yen)	Record date	Effective date	Source of dividends
November 14, 2024 Board of Directors' Meeting	Common shares	355,279	6.50	September 30, 2024	December 2, 2024	Retained earnings

(Note) The total amount of dividends based on the resolution of the Board of Directors' Meeting held on November 14, 2024 includes dividend of 881 thousand yen for the Board Incentive Plan Trust (BIP) and dividend of 686 thousand yen for the Stock Granting Trust (J-ESOP).

3. Significant changes in shareholders' equity

There is no relevant information.

(Changes in Accounting Policies)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "Revised Accounting Standard in 2022") from the beginning of the six months ended September 30, 2024.

The accounting category of income taxes (taxation on other comprehensive income) has been revised in accordance with the transitional treatment provided for in the proviso to Paragraph 20-3 of the Revised Accounting Standard in 2022 and the transitional treatment provided for in the proviso to Paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "Revised Guidance in 2022"). These changes in accounting policies do not affect the semi-annual consolidated financial statements.

In addition, the Company has applied the Revised Guidance in 2022 from the beginning of the six months ended September 30, 2024 for the revision to the treatment of the consolidated financial statements in case losses or gains on sale of subsidiaries' shares among consolidated companies are deferred for tax purposes. These changes in accounting policies are applied retrospectively, and the semi-annual consolidated financial statements for the six months ended September 30, 2023 and the consolidated financial statements for the previous fiscal year have been adjusted retrospectively. These changes in accounting policies do not affect the semi-annual consolidated financial statements for the six months ended September 30, 2023 or the consolidated financial statements for the previous fiscal year.

(Additional Information)

(A transaction in which the Company's shares are delivered to its employees, etc. through a trust)

(1) Summary of the transaction

As for the Board Incentive Plan Trust (hereinafter referred to as the "BIP Trust") and the Stock Granting Trust (J-ESOP) (hereinafter referred to as the "J-ESOP Trust") introduced in August 2015, the Company resolved at the Board of Directors' Meeting held on August 9, 2024 to continue the BIP Trust and the J-ESOP Trust for a new three-year period (from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2027) and reintroduced them by entering into an agreement to extend their terms, for the purpose of increasing motivation to improve the Company's medium- to long-term performance and raising

awareness toward the contribution to an increase in shareholder value.

(2) The Company's shares remaining in the trust

The Company's shares remaining in the trust are recorded as treasury shares in net assets at their book value (excluding incidental expenses) in the trust. For the BIP Trust, the book value and the number of treasury shares at the end of the six months ended September 30, 2024 are 43,601 thousand yen and 135,686 shares, and for the J-ESOP Trust, 35,184 thousand yen and 105,668 shares.

(Segment Information, etc.)

[Segment Information]

I. For the six months ended September 30, 2023

1. Information on net sales and income by reportable segment

(Thousand yen)

	Reportable segment				Adjustment (Note 1)	Amounts recorded in the semi-annual consolidated statements of income (Note 2)
	Foundation Business	Concrete Secondary Product Business	Real Estate and Solar Power Generation Business	Total		
Net sales						
Net sales to outside customers	12,933,599	13,349,755	150,214	26,433,569	–	26,433,569
Inter-segment net sales or transfers	219	–	–	219	(219)	–
Total	12,933,819	13,349,755	150,214	26,433,788	(219)	26,433,569
Segment income	550,095	1,360,750	95,466	2,006,312	(733,001)	1,273,310

(Notes) 1. The adjustment for segment income mainly includes corporate expenses. Corporate expenses mainly include general and administrative expenses, not attributed to reportable segments.

2. Segment income is adjusted to the operating profit in the semi-annual consolidated statements of income.

II. For the six months ended September 30, 2024

1. Information on net sales and income by reportable segment

(Thousand yen)

	Reportable segment				Adjustment (Note 1)	Amounts recorded in the semi-annual consolidated statements of income (Note 2)
	Foundation Business	Concrete Secondary Product Business	Real Estate and Solar Power Generation Business	Total		
Net sales						
Net sales to outside customers	12,265,839	13,186,907	144,838	25,597,584	–	25,597,584
Inter-segment net sales or transfers	621	–	–	621	(621)	–
Total	12,266,460	13,186,907	144,838	25,598,206	(621)	25,597,584
Segment income	503,916	1,140,291	89,076	1,733,284	(840,750)	892,533

(Notes) 1. The adjustment for segment income mainly includes corporate expenses. Corporate expenses mainly include general and administrative expenses, not attributed to reportable segments.

2. Segment income is adjusted to the operating profit in the semi-annual consolidated statements of income.

(Significant Events after Reporting Period)

There is no relevant information.

3. Other

Significant Events Relating to Going Concern Assumption, etc.

There is no relevant information.