Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

February 12, 2025

Company name: TOKYU CONSTRUCTION CO., LTD.
Listing: TSE Prime
Securities code: 1720
URL: https://www.tokyu-cnst.co.jp/en/
Representative: Mitsuhiro Terada ,Representative Director,President
Inquiries: Seiichi Ishiyama ,General Manager,Finance Departmant
Telephone: +81-3(5466)5061

Notice of Revision to Earnings Forecast

Based on recent performance trends, we have revised the full-year earnings forecast for the fiscal year ending March 2025, which was announced on May 9, 2024, as follows.

1 . Earnings forecasts

Revision of consolidated financial forecast 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
Previously announced forecast (A)	Millions of yen 310,000	Millions of yen 5,000	Millions of yen 5,800	Millions of yen 4,400	Yen 41.70
Revised forecast (B)	294,000	6,900	7,000	5,000	47.22
Amount of increase / decrease (B-A)	(16,000)	1,900	1,200	600	
Increase / decrease rate (%)	(5.2)	38.0	20.7	13.6	
(Reference) Results for the previous period (Fiscal year ending March 31, 2024)	285,681	8,155	9,736	7,266	68.99

Revision of non-consolidated earnings forecast for the fiscal year ending March 31, 2025
(April 1, 2024 - March 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit	Basic earnings per share
Previously announced forecast (A)	Millions of yen 282,000	Millions of yen 3,000	Millions of yen 3,600	Millions of yen 2,900	Yen 27.48
Revised forecast (B)	267,000	5,000	4,800	3,600	34.00
Amount of increase / decrease (B-A)	(15,000)	2,000	1,200	700	
Increase / decrease rate (%)	(5.3)	66.7	33.3	24.1	
(Reference) Results for the previous period (Fiscal year ending March 31, 2024)	260,626	5,752	6,996	5,147	48.86

Reason for the Revision

Non-consolidated Earnings Forecast:

Net sales are expected to fall short of the previous forecast by 15.0 billion yen due to a decrease in completed construction work in overseas civil engineering projects and domestic building construction projects, mainly as a result of the effect of delays in the timing of orders for planned projects that had been anticipated.

In terms of profit, despite selling, general and administrative expenses are expected to increase, mainly due to an increase in IT related expenses, operating profit is expected to exceed the previous forecast by 2.0 billion yen due to an increase in gross profit on completed construction contracts as a result of additional change orders and improved profitability in domestic building construction projects, as well as an increase in gross profit from the real estate business through the sale of real estate for sale. Additionally, ordinary profit is expected to exceed the previous forecast by 1.2billion yen, and profit by 0.7billion yen, despite an increase in foreign exchange loss on assets denominated in foreign currencies.

Furthermore, the total gross profit margin is projected to be 8.3% (building construction 7.6%, civil engineering 10.3%).

Consolidation Earnings Forecast:

The revisions are made for the same reasons as the non-consolidated earnings forecast.

There is no change in the dividend forecast for the fiscal year ending March 2025 from the previously announced figures. Based on a dividend policy that targets a dividend on equity (DOE) ratio of 4.0% or more, we plan an annual dividend of 38 yen per share (19 yen interim and 19 yen year-end).

Note: The forecast figures above are based on information available as of the date of this announcement. Actual results may differ from the forecast figures due to various factors in the future.