Disclaimer: All financial information has been prepared in accordance with generally accepted accounting principles in Japan. This document is a partial English translation of the Japanese Financial Statements disclosed at the Tokyo Stock Exchange on January 14, 2025 presented solely for the convenience of non-Japanese speaking users. If there is any discrepancy between the translation and the Japanese original, the latter shall prevail.

Summary of Consolidated Financial Results for the Six Months Ended November 30, 2024 [Japanese GAAP]

January 14, 2025

Company name: JDC CORPORATION
Stock exchange listing: Tokyo Stock Exchange
Code number: 1887
URL: https://www.n-kokudo.co.jp/
Representative: Isao Hayashi, Representative Director and President
Contact: Hironori Otoishi, Deputy Director of Management Division and General Manager of Accounting Department
Phone: +81-3-6777-7881
Scheduled date to file semi-annual securities report: January 14, 2025
Scheduled date to commence dividend payments: February 3, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (The session will be held live through the Internet on January 14, 2025, and the video clip will be available on JDC CORPORATION's website later.)

(Amounts of less than one million yen are rounded down.)

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

(1) Consolidated Operating Results (% indicates changes from the corresponding period of the previous fiscal year.)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
November 30, 2024	62,002	(4.7)	2,731	–	2,589	–	1,704	–
November 30, 2023	65,090	0.0	(7,878)	–	(7,998)	–	(5,192)	–

(Note) Comprehensive income: Six months ended November 30, 2024: ¥1,767 million [–%]
Six months ended November 30, 2023: ¥(4,585) million [–%]

	Net Income per Share	Diluted Net Income per Share
Six months ended	Yen	Yen
November 30, 2024	21.10	21.08
November 30, 2023	(62.31)	–

(Note) Diluted net income per share for the six months ended November 30, 2023 is not stated as net loss per share was recorded, although potential shares exist.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
As of November 30, 2024	144,823	67,423	46.5
As of May 31, 2024	145,677	68,591	47.0

(Reference) Equity: As of November 30, 2024: ¥67,272 million
As of May 31, 2024: ¥68,442 million

2. Dividends

	Annual dividends				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended May 31, 2024	–	10.00	–	12.00	22.00
Fiscal year ending May 31, 2025	–	10.00			
Fiscal year ending May 31, 2025 (Forecast)			–	12.00	22.00

(Note) Revision to the dividend forecast announced most recently: No

(Note) Breakdown of dividends

Interim dividends for the six months ended November 30, 2023: ¥10.00 ordinary dividends

Year-end dividends for the fiscal year ended May 31, 2024: ¥10.00 ordinary dividends and ¥2.00 special dividends

Interim dividends for the six months ended November 30, 2024: ¥10.00 ordinary dividends

Year-end dividends for the fiscal year ending May 31, 2025 (forecast): ¥10.00 ordinary dividends and ¥2.00 special dividends

3. Forecast of Consolidated Financial Results for Fiscal Year Ending May 31, 2025 (June 1, 2024 to May 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	110,000	(18.9)	4,000	–	3,400	–	2,600	–	31.00

(Note) Revision to the financial results forecast announced most recently: No

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (JDC Green Energy, LLC)

(2) Accounting policies adopted specially for the preparation of semi-annual consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: No
2) Changes in accounting policies other than 1): No
3) Changes in accounting estimates: No
4) Retrospective restatement: No

(4) Total number of issued shares (common shares)
1) Total number of issued shares at the end of the period (including treasury stock):
November 30, 2024: 93,255,000 shares
May 31, 2024: 93,255,000 shares

2) Total number of treasury shares at the end of the period:
November 30, 2024: 13,672,546 shares
May 31, 2024: 9,735,146 shares

3) Average number of shares during the period:
Six months ended November 30, 2024: 80,784,622 shares
Six months ended November 30, 2023: 83,324,728 shares

(Note) The total number of treasury shares at the end of the period includes shares owned by Custody Bank of Japan, Ltd. (trust account E) as trust property of the Board Benefit Trust (J-ESOP) (775,900 shares as of November 30, 2024 and 821,900 shares as of May 31, 2024). The shares of JDC Corporation owned by Custody Bank of Japan, Ltd. (trust account E) constitute the treasury shares that are deducted in the calculation of the average number of shares during the period (800,438 shares for the six months ended November 30, 2024 and 905,015 shares for the six months ended November 30, 2023).

* These semi-annual consolidated financial results are outside the scope of review by certified public accountants or audit firms.

* Explanation of the proper use of financial results forecast and other notes

The forecasts are based on certain assumptions relating to economic situations and market trends deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors.

Financial results briefing will be held live through the Internet on Tuesday, January 14, 2025, and the video clip will be available on JDC CORPORATION's website later. The briefing material used in this session will also be posted on the website immediately after the session ends.

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Six Months Ended November 30, 2024 (June 1, 2024 to November 30, 2024)

(1) Non-consolidated Operating Results

(% indicates changes from the corresponding period of the previous fiscal year.)

	Net Sales		Operating Profit		Ordinary Profit		Profit	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
November 30, 2024	51,526	(6.6)	2,367	–	3,170	–	2,341	–
November 30, 2023	55,167	(2.9)	(8,509)	–	(8,177)	–	(5,318)	–

	Net Income per Share	Diluted Net Income per Share
Six months ended	Yen	Yen
November 30, 2024	28.98	28.96
November 30, 2023	(63.82)	–

(Note) Diluted net income per share for the six months ended November 30, 2023 is not stated as net loss per share was recorded, although potential shares exist.

(2) Non-consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
As of November 30, 2024	117,685	61,810	52.5
As of May 31, 2024	120,088	62,335	51.9

(Reference) Equity: As of November 30, 2024: ¥61,810 million
As of May 31, 2024: ¥62,335 million

2. Forecast of Non-consolidated Financial Results for the Fiscal Year Ending May 31, 2025 (June 1, 2024 to May 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net Sales		Ordinary Profit		Profit		Net Income per Share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	86,000	(24.8)	2,500	–	2,000	–	23.00

(Note) Revision to the financial results forecast announced most recently: No

* Explanation of the proper use of financial results forecast and other notes

The forecasts are based on certain assumptions relating to economic situations and market trends deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors.

2. Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheet

(Million yen)

	As of May 31, 2024	As of November 30, 2024
Assets		
Current assets		
Cash and deposits	21,947	15,076
Notes receivable, accounts receivable from completed construction contracts and other	56,304	60,592
Real estate for sale	9,530	11,979
Costs on construction contracts in progress	1,111	1,894
Costs on development business and other	5,536	4,127
Advances paid	3,892	4,473
Other	2,429	3,077
Allowance for doubtful accounts	(27)	(885)
Total current assets	100,724	100,335
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,206	6,007
Machinery, vehicles, tools, furniture and fixtures, net	11,807	11,472
Land	5,338	5,367
Other, net	3,631	4,856
Total property, plant and equipment	26,983	27,704
Intangible assets	1,814	1,762
Investments and other assets		
Investment securities	11,241	9,904
Retirement benefit asset	2,202	2,308
Deferred tax assets	22	6
Other	2,767	2,880
Allowance for doubtful accounts	(79)	(79)
Total investments and other assets	16,154	15,021
Total non-current assets	44,952	44,488
Total assets	145,677	144,823

(Million yen)

	As of May 31, 2024	As of November 30, 2024
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	26,393	24,201
Short-term borrowings	7,186	13,310
Income taxes payable	332	496
Advances received on construction contracts in progress	6,174	8,900
Advances received on development projects	83	26
Deposits received	4,329	1,571
Provision for warranties for completed construction	967	658
Provision for loss on construction contracts	668	350
Provision for bonuses for directors (and other officers)	38	35
Other	6,508	2,880
Total current liabilities	52,681	52,432
Non-current liabilities		
Long-term borrowings	21,227	21,571
Provision for share awards	419	395
Provision for loss on litigation	–	3
Retirement benefit liability	396	387
Other	2,361	2,610
Total non-current liabilities	24,404	24,968
Total liabilities	77,085	77,400
Net assets		
Shareholders' equity		
Share capital	5,012	5,012
Capital surplus	17,014	17,014
Retained earnings	48,059	48,752
Treasury shares	(3,213)	(5,128)
Total shareholders' equity	66,873	65,651
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,600	1,673
Deferred gains or losses on hedges	0	5
Remeasurements of defined benefit plans	(31)	(57)
Total accumulated other comprehensive income	1,569	1,620
Non-controlling interests	148	151
Total net assets	68,591	67,423
Total liabilities and net assets	145,677	144,823

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

Semi-annual Consolidated Statement of Income

(Million yen)

	For the six months ended November 30, 2023	For the six months ended November 30, 2024
Net sales		
Net sales of completed construction contracts	61,971	54,030
Net sales in development business and other	3,119	7,971
Total net sales	65,090	62,002
Cost of sales		
Cost of sales of completed construction contracts	66,859	49,937
Cost of sales in development business and other	1,687	4,257
Total cost of sales	68,546	54,194
Gross profit		
Gross profit (loss) on completed construction contracts	(4,887)	4,093
Gross profit on development business and other	1,431	3,714
Gross profit (loss) total	(3,455)	7,807
Selling, general and administrative expenses	4,422	5,076
Operating profit (loss)	(7,878)	2,731
Non-operating income		
Interest income	3	38
Dividend income	170	213
Foreign exchange gains	19	–
Surrender value of insurance policies	1	–
Other	57	13
Total non-operating income	252	265
Non-operating expenses		
Interest expenses	153	150
Interest expenses of rental payments	36	30
Commission for commitment line	55	11
Foreign exchange losses	–	122
Non deducted consumption tax	86	20
Other	41	71
Total non-operating expenses	372	406
Ordinary profit (loss)	(7,998)	2,589
Extraordinary income		
Gain on sale of non-current assets	48	73
Gain on sale of investment securities	442	7
Gain on sale of shares of subsidiaries and associates	55	–
Other	–	3
Total extraordinary income	546	84
Extraordinary losses		
Loss on valuation of investment securities	–	199
Compensation for damage, etc.	7	3
Other	0	4
Total extraordinary losses	8	207
Profit (loss) before income taxes	(7,460)	2,466
Income taxes - current	186	464
Income taxes - deferred	(2,464)	286
Total income taxes	(2,278)	750
Profit (loss)	(5,182)	1,716
Profit attributable to non-controlling interests	10	11
Profit (loss) attributable to owners of parent	(5,192)	1,704

Semi-annual Consolidated Statement of Comprehensive Income

(Million yen)

	For the six months ended November 30, 2023	For the six months ended November 30, 2024
Profit (loss)	(5,182)	1,716
Other comprehensive income		
Valuation difference on available-for-sale securities	535	72
Deferred gains or losses on hedges	65	5
Remeasurements of defined benefit plans, net of tax	(4)	(25)
Total other comprehensive income	597	51
Comprehensive income	(4,585)	1,767
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(4,595)	1,756
Comprehensive income attributable to non-controlling interests	10	11

(3) Semi-annual Consolidated Statement of Cash Flows

(Million yen)

	For the six months ended November 30, 2023	For the six months ended November 30, 2024
Cash flows from operating activities		
Profit (loss) before income taxes	(7,460)	2,466
Depreciation	1,107	1,084
Amortization of goodwill	23	–
Increase (decrease) in allowance for doubtful accounts	13	857
Increase (decrease) in provision for warranties for completed construction	27	(309)
Increase (decrease) in provision for loss on construction contracts	595	(317)
Increase (decrease) in provision for bonuses for directors (and other officers)	(0)	(2)
Increase (decrease) in retirement benefit liability	(61)	(9)
Decrease (increase) in retirement benefit asset	(121)	(106)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(3)	5
Increase (decrease) in provision for loss on litigation	(7)	3
Interest and dividend income	(174)	(251)
Interest expenses and interest expenses of rental payments	189	181
Loss (gain) on cancellation of insurance policies	(1)	–
Foreign exchange losses (gains)	(81)	77
Loss (gain) on sale of non-current assets	(48)	(73)
Loss (gain) on sale of investment securities	(442)	(7)
Loss (gain) on valuation of investment securities	–	199
Loss (gain) on sale of shares of subsidiaries and associates	(55)	–
Decrease (increase) in trade receivables	1	(4,281)
Decrease (increase) in real estate for sale	(3,075)	(2,436)
Decrease (increase) in costs on construction contracts in progress	(1,147)	(783)
Decrease (increase) in costs on uncompleted development projects	(335)	1,408
Decrease (increase) in advances paid	(153)	(581)
Decrease (increase) in consumption taxes refund receivable	1,335	(622)
Increase (decrease) in trade payables	(5,431)	(2,192)
Increase (decrease) in advances received on construction contracts in progress	1,356	2,726
Increase (decrease) in advances received on development projects	17	(57)
Increase (decrease) in deposits received	(1,239)	(2,757)
Increase (decrease) in accrued consumption taxes	222	(3,580)
Other, net	(440)	282
Subtotal	(15,391)	(9,077)
Interest and dividends received	173	841
Interest paid	(189)	(174)
Income taxes paid	(394)	(352)
Net cash provided by (used in) operating activities	(15,802)	(8,762)

(Million yen)

	For the six months ended November 30, 2023	For the six months ended November 30, 2024
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,651)	(1,722)
Proceeds from sale of property, plant and equipment	31	106
Purchase of intangible assets	(1,044)	(49)
Purchase of investment securities	(168)	(4)
Proceeds from sale and redemption of investment securities	691	201
Proceeds from collection of loans receivable	6	4
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	1,404	–
Proceeds from cancellation of insurance funds	1	–
Other, net	0	25
Net cash provided by (used in) investing activities	(729)	(1,437)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	9,034	6,052
Proceeds from long-term borrowings	4,670	1,325
Repayments of long-term borrowings	(750)	(908)
Repayments of lease liabilities	(104)	(104)
Purchase of treasury shares	–	(1,943)
Proceeds from sale of treasury shares	28	5
Dividends paid	(1,345)	(1,010)
Dividends paid to non-controlling interests	(6)	(8)
Net cash provided by (used in) financing activities	11,526	3,406
Effect of exchange rate change on cash and cash equivalents	81	(76)
Net increase (decrease) in cash and cash equivalents	(4,924)	(6,870)
Cash and cash equivalents at beginning of period	23,749	21,947
Cash and cash equivalents at end of period	18,825	15,076

4. Supplementary Information

(1) [Non-consolidated] Status of orders, net sales and projects in process

1) Orders

(Million yen)

Category		For the six months ended November 30, 2023		For the six months ended November 30, 2024		Change		For the fiscal year ended May 31, 2024	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage	Amount	Composition ratio
Civil Engineering Business	Public sector in Japan	10,661	31.1%	7,492	10.3%	(3,169)	(29.7)%	30,489	28.4%
	Private sector in Japan	2,231	6.5%	3,098	4.2%	866	38.8%	8,859	8.3%
	Overseas	–	–	–	–	–	–	–	–
	Subtotal	12,893	37.6%	10,590	14.5%	(2,302)	(17.9)%	39,349	36.7%
Building Business	Public sector in Japan	2,681	7.8%	68	0.1%	(2,613)	(97.5)%	3,870	3.6%
	Private sector in Japan	15,693	45.7%	52,228	71.5%	36,535	232.8%	41,716	38.9%
	Overseas	1,391	4.1%	4,324	5.9%	2,932	210.7%	16,786	15.7%
	Subtotal	19,766	57.6%	56,621	77.5%	36,854	186.5%	62,372	58.2%
Total	Public sector in Japan	13,343	38.9%	7,560	10.4%	(5,782)	(43.3)%	34,359	32.0%
	Private sector in Japan	17,924	52.2%	55,327	75.7%	37,402	208.7%	50,576	47.2%
	Overseas	1,391	4.1%	4,324	5.9%	2,932	210.7%	16,786	15.7%
	Subtotal	32,659	95.1%	67,211	92.0%	34,551	105.8%	101,722	94.8%
Other Business		1,670	4.9%	5,828	8.0%	4,158	248.9%	5,530	5.2%
Grand total		34,330	100.0%	73,040	100.0%	38,709	112.8%	107,252	100.0%

2) Net sales

(Million yen)

Category		For the six months ended November 30, 2023		For the six months ended November 30, 2024		Change		For the fiscal year ended May 31, 2024	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage	Amount	Composition ratio
Civil Engineering Business	Public sector in Japan	3,946	7.2%	7,725	15.0%	3,778	95.8%	11,596	10.1%
	Private sector in Japan	9,895	17.9%	4,976	9.7%	(4,918)	(49.7)%	16,442	14.4%
	Overseas	–	–	–	–	–	–	–	–
	Subtotal	13,841	25.1%	12,701	24.7%	(1,139)	(8.2)%	28,038	24.5%
Building Business	Public sector in Japan	278	0.5%	1,220	2.4%	941	338.2%	1,296	1.1%
	Private sector in Japan	35,446	64.3%	26,541	51.5%	(8,905)	(25.1)%	71,803	62.8%
	Overseas	3,942	7.1%	5,229	10.1%	1,287	32.7%	7,728	6.8%
	Subtotal	39,667	71.9%	32,990	64.0%	(6,676)	(16.8)%	80,827	70.7%
Total	Public sector in Japan	4,224	7.7%	8,945	17.4%	4,720	111.7%	12,892	11.3%
	Private sector in Japan	45,341	82.2%	31,518	61.2%	(13,823)	(30.5)%	88,245	77.1%
	Overseas	3,942	7.1%	5,229	10.1%	1,287	32.7%	7,728	6.8%
	Subtotal	53,508	97.0%	45,692	88.7%	(7,815)	(14.6)%	108,866	95.2%
Other Business		1,658	3.0%	5,833	11.3%	4,174	251.7%	5,531	4.8%
Grand total		55,167	100.0%	51,526	100.0%	(3,640)	(6.6)%	114,398	100.0%

3) Projects in process

(Million yen)

Category		For the six months ended November 30, 2023		For the six months ended November 30, 2024		Change		For the fiscal year ended May 31, 2024	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage	Amount	Composition ratio
Civil Engineering Business	Public sector in Japan	30,526	22.2%	42,471	24.6%	11,944	39.1%	42,703	28.2%
	Private sector in Japan	23,633	17.2%	21,836	12.6%	(1,797)	(7.6)%	23,715	15.7%
	Overseas	–	–	–	–	–	–	–	–
	Subtotal	54,160	39.4%	64,307	37.2%	10,147	18.7%	66,419	43.9%
Building Business	Public sector in Japan	4,034	2.9%	3,054	1.8%	(980)	(24.3)%	4,206	2.8%
	Private sector in Japan	57,543	41.8%	72,896	42.2%	15,353	26.7%	47,209	31.2%
	Overseas	21,772	15.8%	32,476	18.8%	10,703	49.2%	33,381	22.1%
	Subtotal	83,350	60.6%	108,426	62.8%	25,076	30.1%	84,796	56.1%
Total	Public sector in Japan	34,561	25.1%	45,525	26.4%	10,963	31.7%	46,909	31.0%
	Private sector in Japan	81,176	59.0%	94,733	54.8%	13,556	16.7%	70,924	46.9%
	Overseas	21,772	15.8%	32,476	18.8%	10,703	49.2%	33,381	22.1%
	Subtotal	137,510	100.0%	172,734	100.0%	35,223	25.6%	151,215	100.0%
Other Business		42	0.0%	24	0.0%	(18)	(42.5)%	29	0.0%
Grand total		137,553	100.0%	172,758	100.0%	35,205	25.6%	151,244	100.0%

(2) [Non-consolidated] Order forecasts for Construction Business

(Million yen)

	For the fiscal year ended May 31, 2024		For the fiscal year ending May 31, 2025	
	Full-year result	Year-on-year change (%)	Full-year forecast	Year-on-year change (%)
Civil Engineering Business	39,349	56.7%	33,300	(15.4)%
Building Business	62,372	(20.9)%	77,000	23.5%
Total	101,722	(2.2)%	110,300	8.4%