Translation

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

January 14, 2025

Company name: AVANTIA CO.,LTD.
Stock exchange listing: Tokyo, Nagoya
Stock code: 8904 URL https://avantia-g.jp/corp/
Representative: Representative Director President — Yasunari Sawada
Inquiries: Director and Department Manager of Administration — Shoji Higuchi TEL 052-307-5090
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 November 30, 2024 (from September 1, 2024 to November 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 November 30, 2024	12,739	(15.8)	(293)	–	(286)	–	(269)	–
Three months ended November 30, 2023	15,133	48.4	38	(35.6)	40	(39.1)	75	133.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended November 30, 2024	(18.83)	–
Three months ended November 30, 2023	5.27	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of November 30, 2024	66,020	27,211	41.2
As of August 31, 2024	67,375	27,750	41.2

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 August 31, 2024	–	19.00	–	19.00	38.00
Year ending August 31, 2025	–				
Year ending August 31, 2025 (Forecast)		19.00	–	19.00	38.00

3. Forecast of consolidated financial results for the year ending August 31, 2025 (from September 1, 2024 to August 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 February 28, 2025	34,000	6.8	50	–	40	–	26	22.4	1.81
Full year	82,000	15.5	2,200	132.4	2,000	117.6	1,200	103.7	83.69

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended November 30, 2024: No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(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:	No
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 November 30, 2024	14,884,300 shares	As of August 31, 2024	14,884,300 shares

Number of treasury shares at the end of the period

As of November 30, 2024	546,356 shares	As of August 31, 2024	546,356 shares

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

Three months ended November 30, 2024	14,337,944 shares	Three months ended November 30, 2023	14,297,845 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of August 31, 2024	As of November 30, 2024
Assets		
Current assets		
Cash and deposits	14,128,779	11,390,084
Notes receivable, accounts receivable from completed construction contracts and other, contract assets	1,816,990	2,046,720
Real estate for sale	20,112,630	20,209,531
Costs on development business and other	19,486,229	20,655,288
Costs on construction contracts in progress	2,413,736	2,968,488
Raw materials and supplies	9,546	7,879
Other	568,698	465,261
Total current assets	58,536,610	57,743,253
Non-current assets		
Property, plant and equipment	6,130,405	5,519,419
Intangible assets		
Goodwill	1,025,410	988,124
Other	98,690	93,306
Total intangible assets	1,124,100	1,081,431
Investments and other assets		
Investment securities	437,672	423,780
Other	1,146,837	1,252,269
Total investments and other assets	1,584,510	1,676,050
Total non-current assets	8,839,016	8,276,900
Total assets	67,375,627	66,020,154
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	2,509,179	1,808,825
Short-term borrowings	19,279,056	16,782,949
Current portion of bonds payable	30,000	20,000
Current portion of long-term borrowings	1,745,744	2,449,486
Income taxes payable	212,904	110,660
Contract liabilities	1,523,893	2,024,046
Provision for bonuses	151,495	220,019
Provision for warranties for completed construction	28,958	16,176
Provision for share awards	37,145	37,145
Other	1,080,851	821,208
Total current liabilities	26,599,228	24,290,515
Non-current liabilities		
Bonds payable	325,000	310,000
Long-term borrowings	12,211,530	13,778,057
Other	489,324	429,812
Total non-current liabilities	13,025,854	14,517,869
Total liabilities	39,625,082	38,808,385

(Thousands of yen)

	As of August 31, 2024	As of November 30, 2024
Net assets		
Shareholders' equity		
Share capital	3,732,673	3,732,673
Capital surplus	2,970,828	2,970,828
Retained earnings	21,464,588	20,922,174
Treasury shares	(506,720)	(506,720)
Total shareholders' equity	27,661,369	27,118,955
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	89,174	92,813
Total accumulated other comprehensive income	89,174	92,813
Total net assets	27,750,544	27,211,768
Total liabilities and net assets	67,375,627	66,020,154

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended November 30, 2023	Three months ended November 30, 2024
Net sales	15,133,780	12,739,773
Cost of sales	13,232,394	11,215,540
Gross profit	1,901,386	1,524,232
Selling, general and administrative expenses	1,862,985	1,817,647
Operating profit (loss)	38,400	(293,414)
Non-operating income		
Interest income	339	342
Dividend income	381	480
Administrative service fee income	20,995	13,193
RefundedRealEstateAcquisitionTax	18,005	24,229
Other	61,506	39,892
Total non-operating income	101,228	78,137
Non-operating expenses		
Interest expenses	60,737	64,911
Commission for syndicated loans	13,877	–
Other	24,632	6,324
Total non-operating expenses	99,247	71,235
Ordinary profit (loss)	40,381	(286,512)
Extraordinary income		
Gain on sale of non-current assets	49,121	–
Total extraordinary income	49,121	–
Extraordinary losses		
Loss on retirement of non-current assets	4,089	612
gain on differences between the asset retirement obligation balance and the actual retirement costs	–	2,622
Total extraordinary losses	4,089	3,235
Profit (loss) before income taxes	85,413	(289,748)
Income taxes	10,007	(19,755)
Profit (loss)	75,406	(269,993)
Profit (loss) attributable to owners of parent	75,406	(269,993)

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended November 30, 2023	Three months ended November 30, 2024
Profit (loss)	75,406	(269,993)
Other comprehensive income		
Valuation difference on available-for-sale securities	4,371	3,638
Total other comprehensive income	4,371	3,638
Comprehensive income	79,777	(266,354)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	79,777	(266,354)
Comprehensive income attributable to non-controlling interests	–	–