



May 10, 2022

To whom it may concern:

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IR Material: Current Management Status of the Group Consolidated Financial Results for the Fiscal Year Ended March 31, 2022

The outline of the consolidated financial results and the current management status of the Group for the fiscal year ended March 31, 2022 are shown below:

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I. Consolidated profit and loss

□ Consolidated operating results

(Millions of Yen)

	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021	FYE March 2022	Year on year	
	Actual	Actual	Actual	Actual	Actual	Increase/decrease	Change
Net sales	91,668	92,754	90,129	106,615	93,090	▲ 13,524	▲ 12.7%
Net sales of completed construction contracts	76,241	77,958	73,881	92,406	78,993	▲ 13,412	▲ 14.5%
Net sales in real estate business and other	15,427	14,796	16,247	14,208	14,096	▲ 111	▲ 0.8%
Gross profit	15,915	16,509	16,300	15,699	14,935	▲ 764	▲ 4.9%
<i>(Gross profit margin)</i>	<i>(17.4%)</i>	<i>(17.8%)</i>	<i>(18.1%)</i>	<i>(14.7%)</i>	<i>(16.0%)</i>		<i>1.3pt</i>
Gross profit on completed construction contracts	10,997	11,738	11,457	11,689	10,379	▲ 1,309	▲ 11.2%
Gross profit on real estate business and other	4,918	4,770	4,842	4,009	4,555	545	13.6%
Selling, general, and administrative expenses	8,226	8,804	8,536	8,336	8,765	428	5.1%
Operating profit	7,689	7,705	7,764	7,362	6,169	▲ 1,193	▲ 16.2%
<i>(Operating profit margin)</i>	<i>(8.4%)</i>	<i>(8.3%)</i>	<i>(8.6%)</i>	<i>(6.9%)</i>	<i>(6.6%)</i>		<i>▲ 0.3pt</i>
Ordinary profit	7,714	7,747	7,829	7,445	6,174	▲ 1,270	▲ 17.1%
<i>(Ordinary profit margin)</i>	<i>(8.4%)</i>	<i>(8.4%)</i>	<i>(8.7%)</i>	<i>(7.0%)</i>	<i>(6.6%)</i>		<i>▲ 0.4pt</i>
Profit attributable to owners of parent	4,085	4,476	5,158	3,292	4,842	1,549	47.1%
<i>(Return on sales)</i>	<i>(4.5%)</i>	<i>(4.8%)</i>	<i>(5.7%)</i>	<i>(3.1%)</i>	<i>(5.2%)</i>		<i>(2.1pt)</i>

□ Summary of orders received

(Millions of Yen)

	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021	FYE March 2022	Year on year	
	Actual	Actual	Actual	Actual	Actual	Increase/decrease	Change
Building construction	57,162	51,504	59,721	52,515	60,072	7,556	14.4%
Civil engineering	29,251	33,773	25,218	28,831	32,567	3,736	13.0%
Total	86,414	85,277	84,939	81,346	92,639	11,293	13.9%

□ Summary of carry forward to the next fiscal year

(Millions of Yen)

	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021	FYE March 2022	Year on year	
	Actual	Actual	Actual	Actual	Actual	Increase/decrease	Change
Building construction	40,020	43,130	58,588	52,469	62,064	9,594	18.3%
Civil engineering	31,099	35,308	30,908	25,967	28,263	2,295	8.8%
Total	71,119	78,439	89,497	78,437	90,327	11,890	15.2%

[Comparison with the results for the previous fiscal year]

(Net sales)

Construction business	...	Significant decrease
(Factor)		Incomplete work at the beginning of the current fiscal year decreased in both building construction and civil engineering.
Real estate business	...	Decrease
(Factor)		Revenue from the condominiums for sale business decreased despite the sales of self-developed real estate properties.
Total	...	Significant decrease
(Factor)		Revenues from construction and real estate businesses decreased.

(Profit)

Construction business	...	Decrease
(Factor)		The decrease in revenue in the construction business.
Real estate business	...	Increase
(Factor)		The sales of self-developed real estate properties contributed to profit.
Total	...	
(Factor)		Profit decreased at each stage of gross profit, operating profit and ordinary profit due to the significant decrease in revenue in the construction business.
		Profit increased as extraordinary income was recognized in the current fiscal year although a large amount of extraordinary loss was recognized in the previous fiscal year.

[Orders received and carry forward to the next fiscal year]

Orders received	...	Increase
(Factor)		Orders received increased for multiple large projects in both building construction and civil engineering.
Carry forward to the next fiscal year	...	Increase
(Factor)		The increase in orders received for the current fiscal year.

[Comparison with the financial forecasts]

(Reference) Consolidated financial forecasts and results for the fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

	(Millions of Yen)			
	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Initial financial forecasts (released on May 10, 2021)	96,000	5,000	5,000	3,400
Revised financial forecasts (released on February 4, 2022)	96,000	6,000	6,000	4,700
Actual	93,090	6,169	6,174	4,842

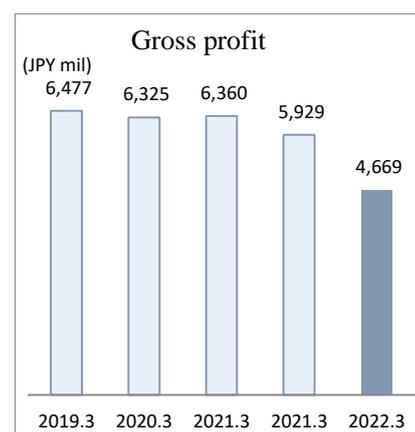
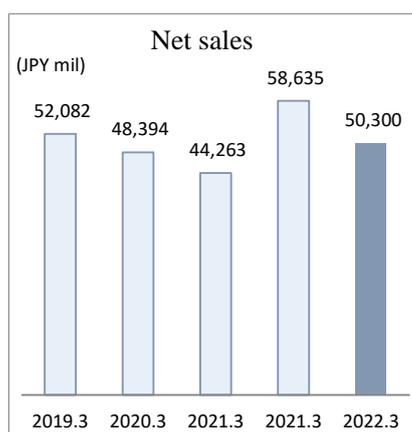
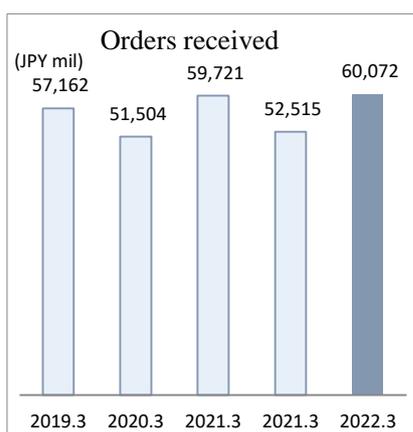
II. Overall status by business

1. Building construction

Orders received, net sales, gross profit, etc.

(Millions of Yen)

	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021	FYE March 2022	Year on year	
	Actual	Actual	Actual	Actual	Actual	Increase/decrease	Change
Consolidated orders received	57,162	51,504	59,721	52,515	60,072	7,556	14.4%
Consolidated net sales	52,082	48,394	44,263	58,635	50,300	▲ 8,334	▲ 14.2%
Consolidated gross profit	6,477	6,325	6,360	5,929	4,669	▲ 1,259	▲ 21.2%
Consolidated gross profit margin	12.4%	13.1%	14.4%	10.1%	9.3%		▲ 0.8pt

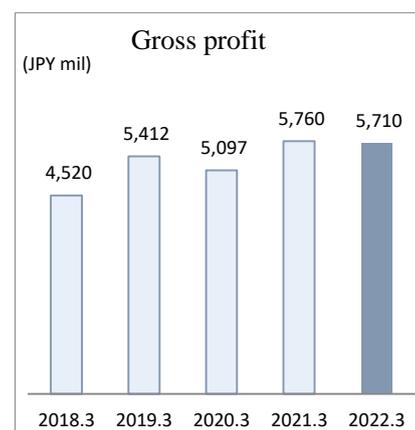
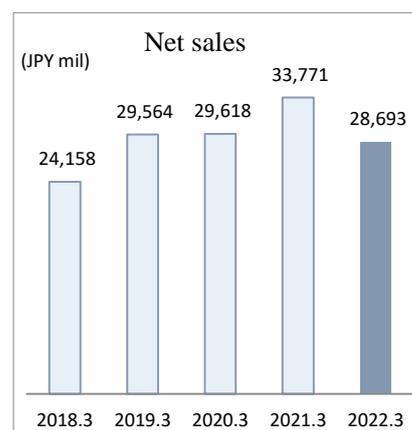
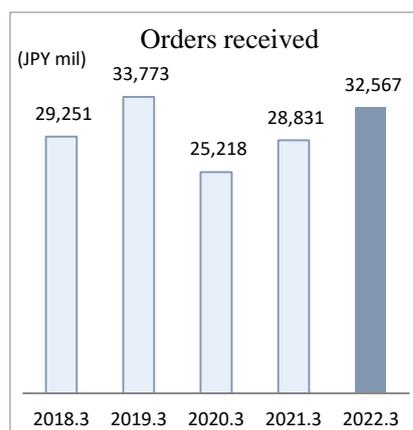


2. Civil engineering

Orders received, net sales, gross profit, etc.

(Millions of Yen)

	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021	FYE March 2022	Year on year	
	Actual	Actual	Actual	Actual	Actual	Increase/decrease	Change
Consolidated orders received	29,251	33,773	25,218	28,831	32,567	3,736	13.0%
Consolidated net sales	24,158	29,564	29,618	33,771	28,693	▲ 5,077	▲ 15.0%
Consolidated gross profit	4,520	5,412	5,097	5,760	5,710	▲ 50	▲ 0.9%
Consolidated gross profit margin	18.7%	18.3%	17.2%	17.1%	19.9%		2.8pt

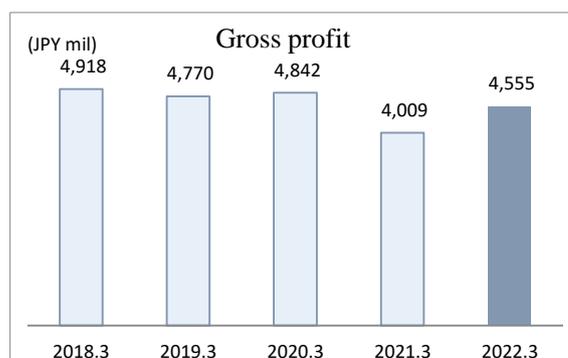
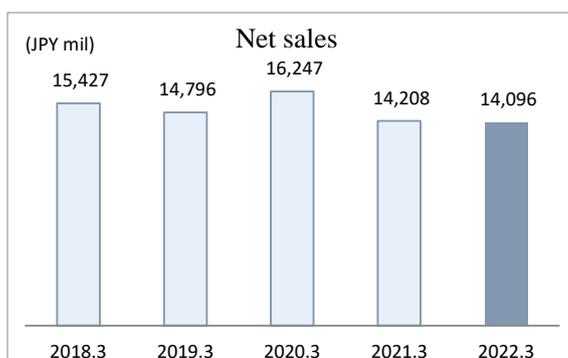


3. Real estate business

☐ Net sales, gross profit, etc.

(Millions of Yen)

	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021	FYE March 2022	Year on year	
	Actual	Actual	Actual	Actual	Actual	Increase /decrease	Change
Consolidated net sales	15,427	14,796	16,247	14,208	14,096	▲ 111	▲ 0.8%
Consolidated gross profit	4,918	4,770	4,842	4,009	4,555	546	13.6%
Consolidated gross profit margin	31.9%	32.2%	29.8%	28.2%	32.3%		4.1pt



☐ Results of condominiums for sale

(Company's share)

	FYE March 2018	FYE March 2019	FYE March 2020	FYE March 2021	FYE March 2022	Year on year	
	Actual	Actual	Actual	Actual	Actual	Increase/ decrease	Change
Number of delivered units	269	293	198	199	180	▲ 19	▲ 9.5%
Number of contracted units	242	290	184	130	194	64	49.2%

III. Consolidated financial position

□ Consolidated balance sheets

(Millions of Yen)

Assets		FYE March 2021 Actual	FYE March 2022 Actual	Changes	Liabilities		FYE March 2021 Actual	FYE March 2022 Actual	Changes
Current assets	Cash and deposits	22,091	22,011	▲ 79	Current liabilities	Accounts payable	16,408	10,394	▲ 6,014
	Trade receivables	49,652	32,808	▲ 16,843		Short-term borrowings	37,740	25,400	▲ 12,340
	Costs on construction contracts in progress	3,899	2,534	▲ 1,365		Advances received on construction contracts in progress	3,716	4,780	1,063
	Real estate for sale	15,316	19,884	4,568		Other	3,599	4,573	974
	Other	4,309	3,195	▲ 1,113		Total	61,464	45,148	▲ 16,316
Total		95,268	80,435	▲ 14,833	Long-term liabilities	Long-term borrowings	5,200	5,000	▲ 200
Fixed assets	Property, plant and equipment	25,613	27,272	1,658		Other	8,533	8,743	210
	Intangible assets	392	390	▲ 2		Total	13,733	13,743	10
	Investments and other assets	8,562	8,326	▲ 236	Total liabilities	75,197	58,891	▲ 16,306	
Total		34,568	35,988	1,419	Net assets	54,639	57,532	2,892	
Total assets		129,837	116,423	▲ 13,413	Total liabilities and net assets	129,837	116,423	▲ 13,413	

□ Key management indicators

	FYE March 2018 Actual	FYE March 2019 Actual	FYE March 2020 Actual	FYE March 2021 Actual	FYE March 2022 Actual
Return on assets (ROA)	7.7%	7.4%	7.3%	6.3%	5.0%
Return on equity (ROE)	9.4%	9.5%	10.2%	6.2%	8.6%
Earnings per share (EPS)	¥94.14	¥103.15	¥118.85	¥75.86	¥112.18
Equity ratio	43.7%	45.8%	48.6%	42.1%	49.4%
Interest-bearing debt	14,957	23,737	26,057	42,940	30,400
Net interest-bearing debt (*)	665	9,670	12,281	20,848	8,388

(*) Net interest-bearing debt = interest-bearing debt - cash and deposits

[Comparison with the results for the previous fiscal year]

Total assets	... Decreased by approximately ¥13.4 billion.
Current assets	... Decreased by approximately ¥14.8 billion as trade receivables decreased by approximately ¥16.8 billion.
Fixed assets	... Increased by approximately ¥1.4 billion mainly due to the acquisition of profit-making real estate.
Liabilities	... Decreased by approximately ¥16.3 billion mainly due to a progress in repayment for short-term borrowings.
Net assets	... Increased by approximately ¥2.8 billion mainly due to the recognition of profit.

IV. Forecasts for the next fiscal year

(Millions of Yen)

	FYE March 2022	FYE March 2023	Year on year	
	Actual	Full-year forecasts	Increase/decrease	Change
Net sales	93,090	107,000	13,910	14.9%
Operating profit	6,169	6,000	▲ 169	▲ 2.7%
<i>(Operating profit margin)</i>	<i>(6.6%)</i>	<i>(5.6%)</i>		▲ 1.0pt
Ordinary profit	6,174	6,000	▲ 174	▲ 2.8%
<i>(Ordinary profit margin)</i>	<i>(6.6%)</i>	<i>(5.6%)</i>		▲ 1.0pt
Profit attributable to owners of parent	4,842	4,150	▲ 693	▲ 14.3%
<i>(Return on sales)</i>	<i>(5.2%)</i>	<i>(3.9%)</i>		▲ 1.3pt

[Full-year consolidated financial forecasts for the fiscal year ending March 31, 2023]

The full-year forecasts of net sales, operating profit and profit for the fiscal year ending March 31, 2023 are ¥107.0 billion (highest ever), ¥6.0 billion and ¥4.15 billion, respectively.

(Net sales)

Construction business ... Significant increase

(Factor) Carry forward work from the fiscal year ended March 31, 2022 will increase.

Real estate business ... Same level

(Factor) The sale of large real estate properties is not expected although an increase in revenue is expected in the condominiums for sale business.

Total ... Significant increase

(Factor) Revenue in the construction business is expected to increase significantly.

(Profit)

Construction business ... Decrease

(Factor) Profit margin is expected to decline in spite of an expected revenue increasing effect.

Real estate business ... Increase

(Factor) Revenue in the condominiums for sale business is expected to increase.

Total ... Decrease

(Factor) Operating profit and ordinary profit are expected to be at the same level as those for the current fiscal year.

Profit is expected to be below the result for the current fiscal year, for which an extraordinary income was recognized.

V. Dividends

	FYE March 2018 Actual	FYE March 2019 Actual	FYE March 2020 Actual	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Forecast
Interim dividend	¥12	¥12	¥16	¥17	¥17	¥19
Year-end dividend	¥12	¥12	¥18	¥17	¥21	¥19
Annual dividends	¥24	¥28	(*) ¥34	¥34	¥38	¥38
Payout ratio (consolidate)	20.4%	27.1%	28.6%	44.8%	33.9%	39.4%

(*) Including commemorative dividend of ¥4 for the 70th anniversary of foundation

VI. Reference information

1. Consolidated financial results (for the last 5 years) and forecasts

(Millions of Yen)

	FYE March 2018 Actual	FYE March 2019 Actual	FYE March 2020 Actual	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Forecast
Net sales	91,668 (2.7%)	92,754 (1.2%)	90,129 (▲2.8%)	106,615 (18.3%)	93,090 (▲12.7%)	107,000 (14.9%)
Operating profit	7,689 (1.1%)	7,705 (0.2%)	7,764 (0.8%)	7,362 (▲5.2%)	6,169 (▲16.2%)	6,000 (▲2.7%)
Ordinary profit	7,714 (0.8%)	7,747 (0.4%)	7,829 (1.1%)	7,445 (▲4.9%)	6,174 (▲17.1%)	6,000 (▲2.8%)
Profit attributable to owners of parent	4,085 (▲19.8%)	4,476 (9.6%)	5,158 (15.2%)	3,292 (▲36.2%)	4,842 (47.1%)	4,150 (▲14.3%)

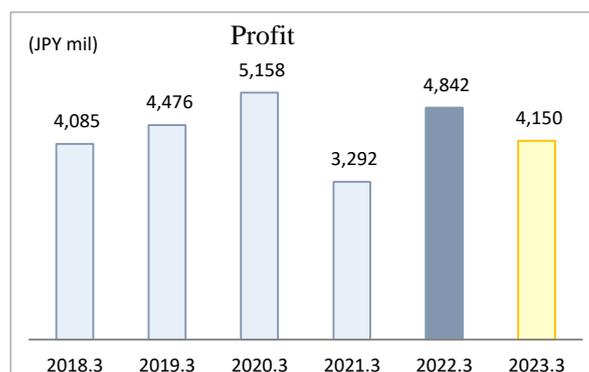
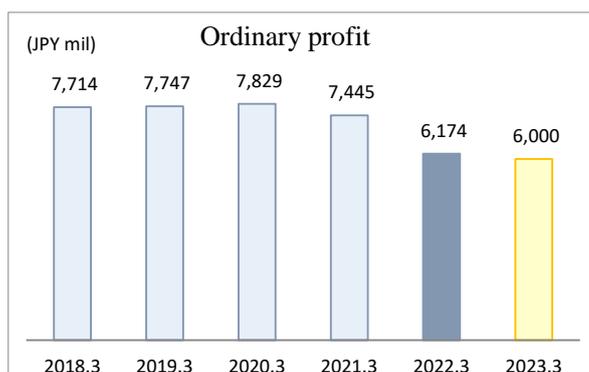
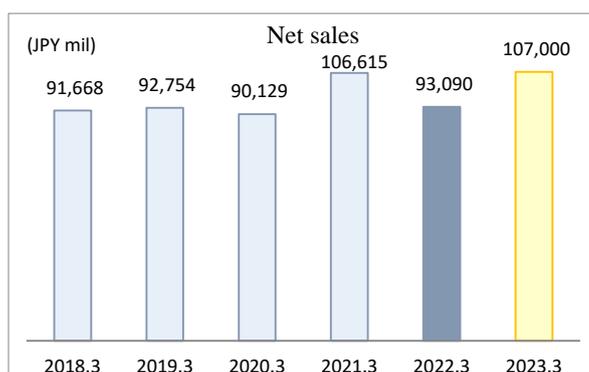
Note: Numbers in parentheses indicate percentage changes from the previous fiscal year.

<Reference>

First year for which consolidated financial statements were prepared FYE March 1991

Highest records

Net sales	FYE March 2021	¥106,615 million
Operating profit	FYE March 2020	¥7,764 million
Ordinary profit	FYE March 2020	¥7,829 million
Profit attributable to owners of parent	FYE March 2020	¥5,158 million



2. Status of consolidated subsidiaries

Name	Address	Share capital (Millions of yen)	Fiscal year end	Business description	Results for the current
					Net sales (Millions of yen)
YAHAGI REAL ESTATE Co., Ltd.	Higashi-ku, Nagoya	800	March	Condominiums for sale business, real estate development business, real estate leasing business, real estate brokerage business	8,931
YAHAGI BUILDING AND LIFE CO., LTD.	Higashi-ku, Nagoya	400	March	Apartment management business, real estate management business, construction business, signage business, property casualty insurance business, WOOD-PITA (a seismic retrofitting method using external reinforcing for existing wooden detached houses) business	3,441
YAHAGI GREEN Co., Ltd.	Higashi-ku, Nagoya	100	March	Greenery business, golf course management business	2,743
Techno Support Co., Ltd.	Higashi-ku, Nagoya	50	March	PAN Wall (an earth reinforcement method using panels and "soil nails" for slope protection) business, PITA Column (a seismic retrofitting method using external reinforcing for existing buildings) business, construction work, technological development, trial experience production	1,464
YAHAGI ROAD CO., LTD.	Toyota, Aichi	300	March	Paving business, civil engineering business, manufacture and sales of asphalt mixture, recycling business	6,763
STYLE LINK CO., LTD.	Chuo-ku, Tokyo	50	March	Customer service business for condominiums for sale	141
Nanshin Takamori Development Co., Ltd.	Takamori-machi, Shimoina-gun, Nagano	50	March	Operation of golf courses (Takamori Country Club)	273

- Notes:
1. YAHAGI REAL ESTATE Co., Ltd., YAHAGI BUILDING AND LIFE CO., LTD., YAHAGI GREEN Co., Ltd., Techno Support Co., Ltd., YAHAGI ROAD CO., LTD., and STYLE LINK CO., LTD. (six companies in total) are wholly owned subsidiary of YAHAGI CONSTRUCTION CO., LTD.
 2. STYLE LINK CO., LTD., engaged in customer service business for condominiums for sale, and YAHAGI BUILDING AND LIFE CO., LTD. , engaged in apartment management business and other businesses, merged on April 1, 2022, with YAHAGI BUILDING & LIFE Co., Ltd. as a surviving company and STYLE LINK CO., LTD., as an absorbed company.

3. Orders received, net sales, and carry forward to the next fiscal year (consolidated)

□ Orders received

(Millions of Yen)

Category			FYE March 2021 Actual	FYE March 2022 Actual	Year on year	
					Increase/decrease	Change
Construction	Building construction	Public	▲ 7	0	7	—
		Private	52,523	60,072	7,549	14.4%
	Total		52,515	60,072	7,556	14.4%
	Civil engineering	Public	12,119	8,704	▲ 3,414	▲28.2%
		Private	16,711	23,863	7,151	42.8%
	Total		28,831	32,567	3,736	13.0%
	Total	Public	12,111	8,704	▲ 3,407	▲28.1%
		Private	69,235	83,935	14,700	21.2%
		Total	81,346	92,639	11,293	13.9%

□ Net sales

(Millions of Yen)

Category			FYE March 2021 Actual	FYE March 2022 Actual	Year on year	
					Increase/decrease	Change
Construction	Building construction	Public	—	0	0	—
		Private	58,635	50,300	▲ 8,335	▲14.2%
	Total		58,635	50,300	▲ 8,334	▲14.2%
	Civil engineering	Public	14,877	8,946	▲ 5,930	▲39.9%
		Private	18,893	19,747	853	4.5%
	Total		33,771	28,693	▲ 5,077	▲15.0%
	Subtotal	Public	14,877	8,946	▲ 5,930	▲39.9%
		Private	77,528	70,047	▲ 7,481	▲9.7%
	Subtotal		92,406	78,993	▲ 13,412	▲14.5%
Real estate business and other			14,208	14,096	▲ 111	▲0.8%
Total			106,615	93,090	▲ 13,524	▲12.7%

□ Carry forward to the next fiscal year

(Millions of Yen)

Category			FYE March 2021 Actual	FYE March 2022 Actual	Year on year	
					Increase/decrease	Change
Construction	Building construction	Public	—	—	—	—
		Private	52,469	(62,241) 62,064	9,594	18.3%
	Total		52,469	(62,241) 62,064	9,594	18.3%
	Civil engineering	Public	9,318	(9,076) 8,677	▲ 640	▲6.9%
		Private	16,649	(20,765) 19,585	2,936	17.6%
	Total		25,967	(29,841) 28,263	2,295	8.8%
	Total	Public	9,318	(9,076) 8,677	▲ 640	▲6.9%
		Private	69,119	(83,007) 81,650	12,530	18.1%
		Total	78,437	(92,083) 90,327	11,890	15.2%

(Note) Amounts reflecting projects whose implementation plans were changed or cancelled due to changes in economic situations and other reasons (orders received for them amounting to ¥1,180 million) and effects of changes in accounting standards (¥575 million) were deducted from the carry forward to the next fiscal year. Numbers in parentheses denote amounts before deduction.

4. Orders received, net sales, and carry forward to the next fiscal year (non-consolidated)

Orders received

(Millions of Yen)

Category			FYE March 2021 Actual	FYE March 2022 Actual	Year on year	
					Increase/decrease	Change
Construction	Building construction	Public	▲ 7	0	7	—
		Private	54,691	65,627	10,936	20.0%
	Total		54,683	65,627	10,943	20.0%
	Civil engineering	Public	8,240	5,070	▲ 3,169	▲ 38.5%
		Private	14,115	18,502	4,386	31.1%
	Total		22,355	23,573	1,217	5.4%
	Total	Public	8,232	5,070	▲ 3,161	▲ 38.4%
		Private	68,807	84,129	15,322	22.3%
	Total		77,039	89,200	12,161	15.8%

Net sales

(Millions of Yen)

Category			FYE March 2021 Actual	FYE March 2022 Actual	Year on year	
					Increase/decrease	Change
Construction	Building construction	Public	—	0	0	—
		Private	62,546	53,549	▲ 8,997	▲ 14.4%
	Total		62,546	53,549	▲ 8,996	▲ 14.4%
	Civil engineering	Public	11,101	5,356	▲ 5,745	▲ 51.7%
		Private	15,338	15,320	▲ 18	▲ 0.1%
	Total		26,440	20,676	▲ 5,763	▲ 21.8%
	Subtotal	Public	11,101	5,356	▲ 5,745	▲ 51.7%
		Private	77,885	68,869	▲ 9,015	▲ 11.6%
	Subtotal		88,987	74,226	▲ 14,760	▲ 16.6%
Real estate business and other			1,156	3,456	2,300	199.0%
Total			90,143	77,683	▲ 12,460	▲ 13.8%

Carry forward to the next fiscal year

(Millions of Yen)

Category			FYE March 2021 Actual	FYE March 2022 Actual	Year on year	
					Increase/decrease	Change
Construction	Building construction	Public	—	—	—	—
		Private	55,255	(67,332) 67,155	11,900	21.5%
	Total		55,255	(67,332) 67,155	11,900	21.5%
	Civil engineering	Public	7,834	(7,548) 7,150	▲ 684	▲ 8.7%
		Private	15,783	(18,965) 17,785	2,002	12.7%
	Total		23,617	(26,514) 24,936	1,318	5.6%
	Total	Public	7,834	(7,548) 7,150	▲ 684	▲ 8.7%
		Private	71,038	(86,298) 84,941	13,902	19.6%
	Total		78,872	(93,847) 92,091	13,218	16.8%

(Note) Amounts reflecting projects whose implementation plans were changed or cancelled due to changes in economic situations and other reasons (orders received for them amounting to ¥1,180 million) and effects of changes in accounting standards (¥575 million) were deducted from the carry forward to the next fiscal year. Numbers in parentheses denote amounts before deduction.

End