

# Financial Results Briefing for the Third Quarter of the Fiscal Year Ending March 31, 2022

With Our Proud History,  
Creating a Desirable Future

February 18, 2022 (Friday)

Asanuma Corporation

Securities Code :1852



**This material contains forward-looking statements regarding the Company's business performance and future prospects. These statements are based on currently available information and assumptions regarding uncertain factors that may affect the future. Actual results may differ materially from these statements due to various factors.**

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# Table of Contents



Page	Item
P3	Current status of the Third Quarter of the Fiscal Year Ending March 2022
P4	Current Status of Renovation
P5	Major Measures in the Three-Year Medium-Term Plan
P6	Progress of the Three-Year Medium-Term Plan ① Continue to strengthen renovation business in ASEAN region
P7	Progress of the Three-Year Medium-Term Plan ② Promoting "ReQuality" Renewal Brand Strategy
P8	Progress of the Three-Year Medium-Term Plan ③ Expanding seismic technology and upgrading seismic isolation and <b>shock</b> control technologies
P9	Progress of the Three-Year Medium-Term Plan ④ Promoting cooperation with subcontractors Promoting the Utilization and Introduction of ICT-Related Systems
P10	Progress of the Three-Year Medium-Term Plan ⑤ Momentum to improve corporate reputation through non-financial management activities (ESG, SDGs, etc)
P11	Revised the Three-Year Medium-Term Plan ① Revision of the funding plan
P12	Revised the Three-Year Medium-Term Plan ② Revision of Return Plan to Shareholders
P13	Topix

# Current status of the Third Quarter of the Fiscal Year Ending March 2022



(Unit: 100 million yen)

Major Indicators (Consolidated)	FY2020			FY2021			
	Full year Results	3Q Results	Jan-Mar Results	Full year Plan	3Q Results	YoY	Jan-Mar Forecast
<b>Orders received</b>	1,206	835	371	1,321	<b>721</b>	△114	600
<b>Completed construction contracts</b>	1,378	976	402	1,390	<b>955</b>	△21	435
Gross profit on completed construction contracts	136	97	39	136	<b>90</b>	△7	46
<b>Rate</b>	9.9%	10.0%	△0.1P	9.8%	<b>9.5%</b>	△0.5P	0.3P
<b>SGA cost</b>	87	61	26	86	<b>64</b>	3	22
<b>Operating income</b>	53	39	14	53	<b>28</b>	△11	25
<b>Extraordinary gain/loss</b>	7	7	0	10	<b>0</b>	△7	10
Profit attributable to owners of parent <b>Net income</b>	41	30	11	42	<b>18</b>	△12	24
<b>Dividend</b>	257 yen			363 yen			

# Current Status of Renovation



(Unit: 100 million yen)

## Domestic Building Investment Renovation

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	<b>FY2021</b>	FY2022
<b>Investment</b>	75,284	73,629	76,103	78,282	79,000	72,900	<b>75,400</b>	78,300

By Reserch Institute of Construction and Economy

## Domestic building renovation

	FY2021				FY2022	FY2023
	Full year Plan	3Q results	Full year forecast	YOY	Plan	Plan
Orders received	200	124	164	△36	250	300
NET SALES	200	121	164	△36	250	300
Operating income	12.0	8.3	9.8	△2.2	14.5	17.4

### Target

In fiscal 2023, operating income from the Domestic Renovation Business will increase to 25% of consolidated operating income.

## ASEAN renewal

	FY2021				FY2022	FY2023
	Full year Plan	3Q results	Full year forecast	YOY	Plan	Plan
Orders received	14	17	32	18	65	66
NET SALES	18	13	25	7	63	66
Operating income	0.5	0.1	0.5	0.0	5.6	6.3

### Target

In FY2023, operating income from the ASEAN's Renovation Business will increase to 10% of consolidated operating income.

## — Basic Policy —

"Challenge change" by deeping dive into the unique characteristics of ASANUMA CORPORATION

<b>Take on the challenge Changes in the external environment</b>	★ Domestic construction investment, which is shrinking over the long term, and domestic maintenance and repair investment, which is steady due to the aging of infrastructure and Building Construction structures.
	1. Continue to strengthen renovation business in ASEAN region. 2. Promoting "ReQuality" Renewal Brand Strategy. 3. Strengthen initiatives for disaster prevention and mitigation and national resilience-related projects by expanding seismic technologies and upgrading seismic isolation and shock control technologies .
	★ Decline in the productive labor force in the construction sector.
	1. Promoting cooperation with subcontractors. 2. Promoting the Utilization and Introduction of ICT-Related Systems.
	★ Momentum to improve corporate reputation through non-financial management activities (ESG, SDGs, etc).
	1. "E": Promotion of "Eco-Friendly ASANUMA21". 2. "S": Obtaining WELL certification as part of "ReQuality". 3. "G": Reduction of Policy Holding Shares.

## Continue to strengthen renovation business in ASEAN region

### Acquisition of subsidiaries

Name	Evergreen Engineering & Construction Pte. Ltd.
Address	Singapore
Description of Businesses	Building construction, mechanical and electrical engineering services, maintenance services
Equity stake	January 2022 Acquired 80% of shares April 2024 Scheduled to acquire 20% of shares
Reasons for Acquisition	Strengthen renovation business in ASEAN region.

### Establishment of local subsidiaries

①	Name	Thai Asanuma Holdings Co.,Ltd.
	Description of Businesses	Holding company
	Incorporation	June 2021
②	Name	Thai Asanuma Construction Co.,Ltd.
	Description of Businesses	Renovation business
	Incorporation	July 2021
Purpose of Incorporation		Started maintenance of aging highways and bridges in Thailand



## Promoting "ReQuality" Renewal Brand Strategy

### First renovation of the Nagoya Branch of "ReQuality"

- Under the theme of "Creating a Better Cycle".  
Environmentally conscious renewal using natural materials .(Soil and Wood)
- Reduce CO2 emissions by 85% compared to rebuilding as a new building.
- Acquired ZEBready certification to reduce energy consumption by 52% compared to pre-renovation.
- Scheduled to acquire WELL certification for assessing buildings based on health/comfort standards. (It was the first time in Japan to renovate the entire 30-year-old building and receive official certification.)



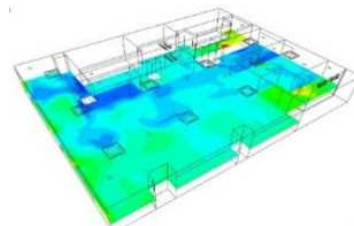
### Diverse proprietary techniques of "ReQuality"



Healthcare Space Retrofit



Soil wall construction system



Environmental simulation technology



Environmentally Conscious Concrete



Seismic monitoring system

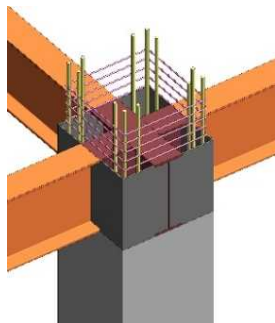


## Expanding seismic technology and upgrading seismic isolation and shock control technologies

### Development of new construction methods and design methods for large distribution warehouses

#### ○ Development of Column RC Beam S Hybrid Construction Method

- Cost can be reduced by about 10% in the frame compared with the S structure .(steel frame structure)
- Large span space is possible by utilizing the characteristics of S structure.



Joint Details of Column RC Beams S Hybrid Construction Method

#### ○ Development of rationalization method for steel frame construction

Development of various methods that can reduce the amount of steel used in steel frames.

#### ○ Development of design method using energy method to Optimize Vibration Structure

- Improves vibration control efficiency and reduces costs.
- New design method that makes effective use of vibration dampers and achieves both superior seismic resistance and economic efficiency in comparison with the general design method.

The building absorbs the energy that acts during an earthquake by shaking it.

Amount of energy that a building can absorb > Amount of energy that acts on buildings during an earthquake



## Promoting cooperation with subcontractors

<p>Promotion of the Construction Carrier-Up System (CCUS)</p>	<p>○To improve the attractiveness of the construction industry, this system aims to improve the treatment of construction technicians, clarify the career paths, and visualize construction capabilities.</p> <ul style="list-style-type: none"> <li>• Support Secretariat established from October 1, 2021 to March 31, 2022</li> <li>• Implementation of online briefing sessions (six times from September to December)</li> </ul>
<p>Introduction of CI-NET systems</p>	<p>○In order to improve the productivity of the construction industry as a whole, we are introducing a system (CI-NET) that enables various companies to exchange information such as contracts, estimates, volume, and billing.</p>
<p>Awards and presentation sessions for productivity improvement measures at work sites</p>	<p>○Joint efforts with subcontractors to raise productivity at various worksites, commendation, and presentation sessions.(Octorber 29,2021) (cost reduction, shortening of construction period, etc.)</p>

## Promoting the Utilization and Introduction of ICT-Related Systems

<p>Establishment of DX Promotion Committee</p>	<p>○Company-wide centralized management organization to promote the introduction of construction-related digital technologies and systems</p>
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## Momentum to improve corporate reputation through non-financial management activities (ESG, SDGs, etc)

### Enhancing corporate governance

### Sustainability Initiatives

#### ○ Sustainability Promotion Committee established (November 2021)

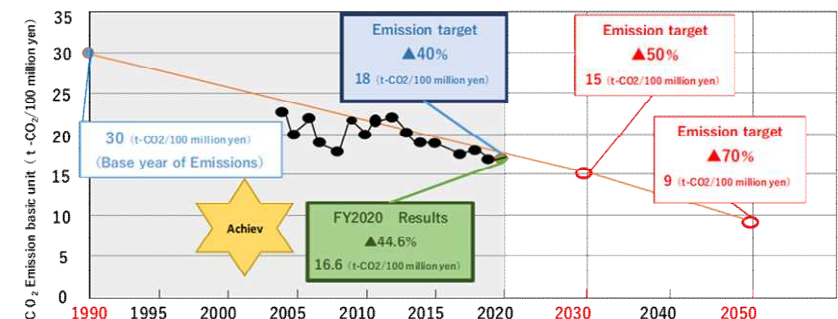
- Promotion of environmental management (introduction and development of environmental technologies, examination of non-financial KPIs)

#### ○ Activities related to TCFD (Task Force on CLIMATE-RELATED FINACIAL DISCLOSURES)

- Supporting TCFD recommendations (November 2021)
- Participation in TCFD Consortium
- Started disclosing climate-related information in line with TCFD recommendations (governance, risk management, strategy, metrics and targets)

#### TCFD metrics and targets

In the revision of “Eco-Friendly ASANUMA21” in April 2021, we set a medium-to long-term targets of "ReduceCO2 emissions per 100 million yen of construction to 50% by FY2030 and 70% by FY2050 compared to FY1990", and are promoting efforts to decarbonize our business activities.



## Revision of the Fund Injection Plan

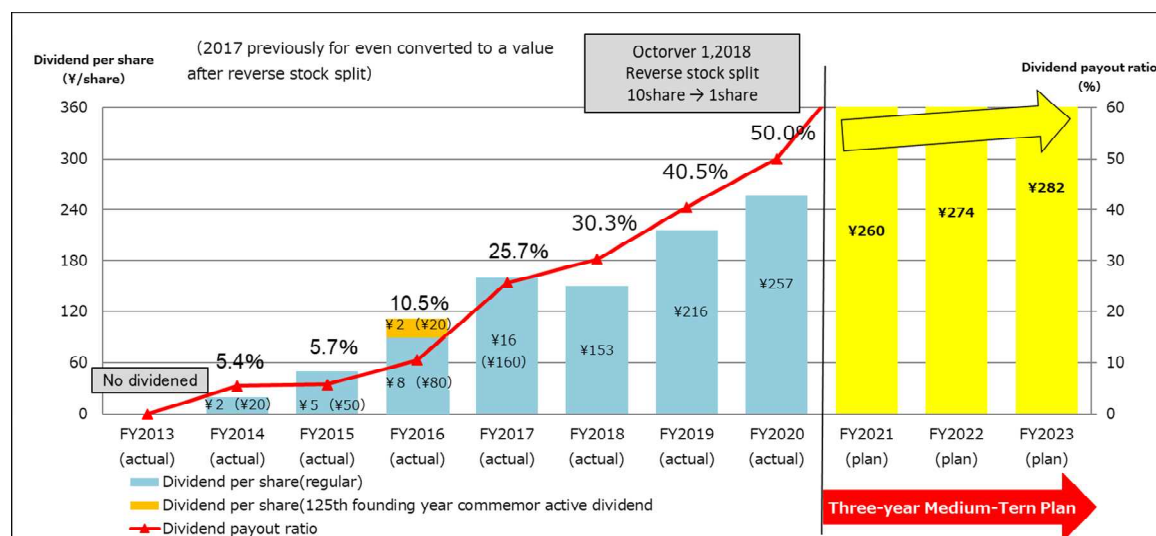
Shareholder returns increased due to a reduction in the initial funding plan following a review and revision of the overall funding plan, including investments associated with the promotion of concession business and other initiatives, and investments related to technology development and ICT-related investments, in light of the finalization of a portion of the investment amount for "investments related to new domains (expansion of ASEAN regional renewal business, promotion of concession business, etc.)."

<p>Before correction</p>	<ul style="list-style-type: none"> <li>◆ Technology and research, ICT : ¥3 billion</li> <li>◆ Investment related to new areas : ¥5 billion</li> </ul> <p style="text-align: right;">Total ¥8 billion</p>
<p><b>After correction</b></p>	<ul style="list-style-type: none"> <li>◆ Technology and research, ICT : <b>¥2.9 billion</b></li> <li>◆ Investment related to new areas : <b>¥3.4 billion</b></li> </ul> <p style="text-align: right;"><b>Total ¥6.3 billion</b></p>

## Revision of Return Plan to Shareholders

### Revision of Dividend Plan per Share

	FY2021	FY2022	FY2023
Before correction	We will maintain a consolidated dividend payout ratio of over 50%.		
	260 yen	274 yen	282 yen
After correction	<b>We aim for a consolidated dividend payout ratio of over 70%.</b>		
	<b>363 yen</b>	<b>382 yen</b>	<b>395 yen</b>







Renovation articles at Nagoya Branch  
 ・ SHINKENCHIKU 2021 10

Other media

- ・ NIKKEI ARCHITECTURE 2021 11-11
- ・ FRAU 2022 JAN.1



**協働の成果を共有**  
 浅沼組 浅沼組は、第3回となる「協力会社協働による作業所生産性向上策の表彰式・発表会」を開いた。広く募集した各作業所での生産性向上策の中から、社員投票と審査によって選ばれた社長賞2件と優秀賞3件を表彰した。それぞれ5件の受賞事例の発表もあった。生産性の向上にとって新技術への対応だけでなく、努力と創意工夫が重要であることを相互に共有した。この取り組みは、協力会社で構成する弥生会との定期的な意見交換会から生まれた施策の1つとなる。

生産性向上策や創意工夫策こそが「浅沼組らしさ」の大きな柱の1つだと確信している」と強調した。写真。

続けて「作業所の生産性を向上させるには、協力会社との協働による作業所独自のアイデアをもとに具現化した取り組みを情報収集し、会社全体に水平展開することが非常に有効だ。今回の発表内容に刺激を受けることで、ともに作業所で働く協力会社と知恵を出し合い、さらにたくさんの方の生産性向上策が集まることを期待している」と述べた。

受賞事例は次のとおり。

〈社長賞〉

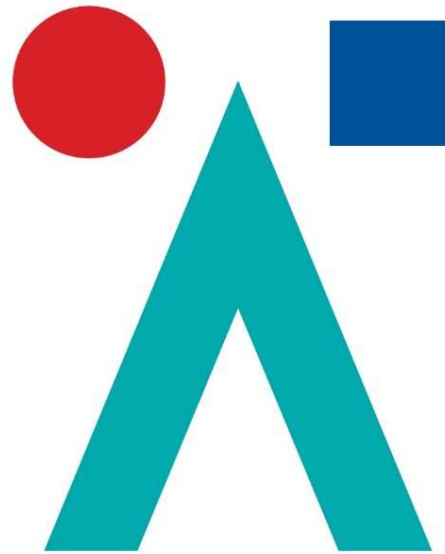
- ▽ユニット型枠による型枠施工の歩掛かり向上施策Ⅱ大和郡山市新庁舎建設工事作業所(第五建設)
- ▽既設シールド接続工における機内薬液注入工法の採用Ⅱ広島旭町シールド作業所(ライト工業)

〈優秀賞〉

- ▽開口養生システムを用いた開閉可能な雨養生Ⅱ京セラ株式会社滋賀八日市工場1階設置付帯設備工事作業所(南都産業)
- ▽床打継レベルアングル固定の省力化Ⅱ(仮称)DPL横浜港北1新築工事作業所(アシスト高橋)
- ▽TNF工法についてⅡ(仮称)伊勢原新工場作業所(東北企業)

2021/11/11 The daily Kensetsu-Tsushin Newspaper





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