

IR Meeting Material

Financial Results for the Second Quarter of the Fiscal Year Ending March 2024

With Our Proud History,
Creating a Desirable Future



Asanuma Corporation
Prime Market of the Tokyo Stock Exchange
Stock Code :1852

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1. FY2023 2 Q Financials



(1) Financial Results / Progress (Consolidated)

- ① In 2Q for the fiscal year ending March 2024, orders received were firm against the backdrop of a favorable order environment. Sales were positive both YoY and versus forecasts due to steady progress in construction work. Profits below Gross Profit fell YoY due to lower profit margins from higher materials price, but the plan was achieved thanks to strong earnings at the Singapore subsidiaries.
- ② FY2023 full year plan is expected to be achieved with the extraordinary income by the transfer of fixed assets.

Major Financial Results & Plans (Consolidated) (Unit: million yen)	FY2021			FY2022			FY2023				
	2 Q Results	Full-Year Results	2Q Progress Rate (%)	2 Q Results	Full-Year Results	2Q Progress Rate (%)	① 2 Q Results	YoY	vs Plan	② Full-Year Plan	2Q Progress Rate (%)
Orders	59,047	136,568	43.2	68,318	144,743	47.1	85,229	16,910	1,929	144,700	58.9
Net Sales	59,689	135,478	44.0	66,888	144,436	46.3	70,040	3,152	5,070	141,800	49.4
Gross Profit	5,720	13,444	42.5	6,760	15,139	44.6	6,276	△483	6	13,950	45.0
GP Rate	9.6%	9.9%	—	10.1%	10.5%	—	9.0%	△1.1P	△0.7P	9.8%	—
SGA cost	4,209	8,609	48.8	4,594	9,447	48.6	4,691	96	△48	9,850	47.6
Operating Profit	1,511	4,835	31.2	2,165	5,691	38.0	1,585	△580	55	4,100	38.7
Net Profit	956	3,748	25.5	2,135	4,200	50.8	1,101	△1,034	246	4,540	24.3
Dividend	—	¥363 ⁽²⁾	—	—	¥191	—	—	—	—	¥197.5	—
Dividend Payout Ratio	—	78.1%	—	—	73.3%	—	—	—	—	70.2%	—

- (1) 'Notice Concerning the Transfer of Non-Current Assets and Posting of Extraordinary Income (Gain on Sale of Non-Current Assets)' disclosed on Nov 8 2023 is already reflected to the full-year-plan
- (2) We split each common share at a rate of 2 shares on August. 1, 2022. Therefore, for the year ended March 2022, the amount of a per-share divide is calculated based on before the stock split.

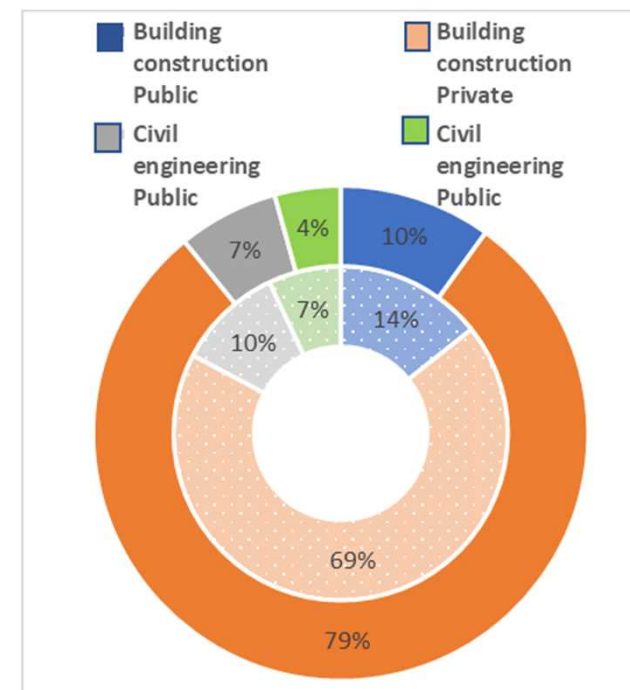
1. FY2023 2 Q Financials

(2) Breakdown of Orders Awarded



- ① Orders received in domestic business grow steadily mainly led by factories and warehouses in private sectors
- ② Orders received in overseas subsidiaries also increased YoY due to large-scale construction orders at a subsidiary in Singapore

Orders (Unit: million yen)		FY2022	FY2023	
		2 Q Results	2 Q Results	YoY
Domestic Renovation Business (non- consolidated basis)	Building Construction	52,299	68,388	16,089
	Public	9,040	7,638	△1,402
	Private	43,258	60,749	17,491
	Civil Engineering	10,917	8,352	△2,565
	Public	6,480	5,042	△1,438
	Private	4,437	3,309	△1,127
	Total	63,217	76,740	13,523
	Public	15,521	12,680	△2,840
	Private	47,695	64,059	16,364
Subsidiaries in ASEAN		5,101	8,488	3,386
Consolidated		68,318	85,229	16,910



Pie chart : Orders
(non-consolidated basis)
Outside : FY2023 2 Q
Inside : FY2022 2 Q

2. Progress of the Medium-Term Business Plan



(1) Renovation Business ①FY2023 2Q Results

- The target of achieving an operating profit in the building renovation business of above 35% of consolidated operating profit by the final year of the medium-term plan, FY2023, is expected to be achieved, thanks to strong performance at ASEAN renovation-related subsidiaries.
- In the domestic renovation section, some of the large-scale orders were secured and full-year forecasts were almost achieved as of 2Q, which is expected to contribute to PL.

Operating Profit from Overall Building Renovation Business (FY2023 2Q Results) ((Unit: million yen)

	FY2021	FY2022	FY2023			
	2 Q Results	2 Q Results	2 Q Results	YoY	Full-Year Plan	Progress Rate
Operating Profit	762	480	1,106	626	1,443	76.6%
% of Operating Profit	50.4%	22.2%	69.8%	—	35.2%	—

Domestic Building Renovation

Orders	8,817	10,789	19,600	8,811	20,000	98.0%
Completed Construction	8,313	6,670	8,219	1,549	18,300	44.9%
Operating Profit	768	230	345	115	1,120	30.8%
% of Operating Profit	50.8%	10.6%	21.8%	—	27.3%	—

ASEAN Building Renovation

Orders	691	5,101	8,488	3,386	9,700	87.5%
Completed Construction	842	4,182	4,647	465	10,000	46.4%
Operating Profit ⁽¹⁾	△6	250	761	510	323	235.6%
% of Operating Profit	△0.4%	11.6%	48.0%	—	7.9%	—

(1) A Including goodwill amortization of ASEAN affiliates

(2) Increased in FY2022 due to acquisition of EVERGREEN ENGINEERING & CONSTRUCTION PTE. LTD. into a subsidiary

2. Progress of the Medium-Term Business Plan

(1) Renovation Business ② Promoting 'ReQuality' the Renovation Business Brand

- As part of our value-added offerings, we are proposing renovation projects using our own unique technologies
- Our Nagoya Branch renovation project, a flagship of our renovation business, was awarded in Singapore as well.

Proposing Renovation by Utilizing Proprietary Technologies

Advanced RC examination and diagnosis technology

Based on our own evaluation criteria through a basic examination, we propose a more appropriate or optimal renovation, which also contributes to cost reduction.



The fireld of Examination at our client building

Details



<https://www.requality.jp/service/advance/133/>

'Kantsuchi Block'

Reused the soil left over from construction sites to create these blocks using our technology



Installed the blocks at office building reception of our client JR West Properties Co., Ltd

Details



<https://www.requality.jp/service/advance/140/>

Our Nagoya Branch Renovations Project Wins Singapore Good Design 2023

Our Nagoya Branch Renovation Project received SG Mark, category 'Sustainable Design Winner' in Singapore.



Details



<https://www.requality.jp/works/145/>

2. Progress of the Medium-Term Business Plan

(1) Renovation Business ③Strengthening Business in ASEAN Region



- Two of the acquired subsidiaries in Singapore are performing well and progressing steadily toward the full-year plan.
- The business in Thailand continues to promote the business of reinforcement of bridges, etc (approved as JICA's program).

SINGAPORE

Subsidiary Name	SINGAPORE PAINTS & CONTRACTOR PTE. LTD.					EVERGREEN ENGINEERING & CONSTRUCTION PTE. LTD.				
Acquisition	October 2018					January 2022				
Description of Businesses	Renovation & Painting the Buildings					Maintenance services, Electrical engineering services, Renovation Buildings				
Financials	FY2022	FY2023				FY2022	FY2023			
	2 Q Results	2 Q Results	YoY	Full-Year Plan	Progress Rate(%)	2 Q Results	2 Q Results	YoY	Full-Year Plan	Progress Rate(%)
Orders	2,074	6,538	4,464	5,600	116.7	3,027	1,949	△1,077	4,100	47.5
Net Sales	1,370	2,492	1,121	4,700	53.0	3,487	2,972	△515	5,300	56.1
Operating Profit	11	149	138	110	135.5	411	799	388	560	142.8
Goodwill	17	18	—	—	—	155	169	—	—	—

THAILAND

Subsidiary Name : Thai Asanuma Construction Co.,Ltd.

Establishment year : July 2021

Description of Businesses : Maintenance business for highway and bridges

- Jointly promotes the business of reinforcement of bridges with Toray Industries, Inc., and Toray International, Inc.
- Adopted for JICA SDGs Business Support Program in 2021. Strengthening businesses to acquire orders
- Carbon Fiber Sheet Reinforcement and Cross-Sectional Repair of Viaducts in Thailand as a pilot project



1st pilot project in Thailand

2. Progress of the Medium-Term Business Plan

(2) Response to the Decrease in the Production Worker Population Promoting DX (Digitalization)

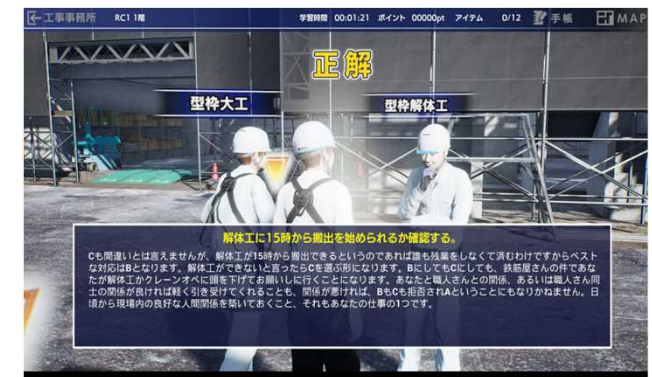


- Jointly developed with other companies “GEMBA Trainer” a virtual field experience-based construction management education software, which reinforces the education for young employees by digitalization.

- Learn in a quiz format by operating an employee avatar in virtual workplaces and discovering problems and precautions
- Released products for various OSs as well as tablets. Enhanced educational programs for young employees by digitalization

Accumulate experiences in the “Adventure Part”, walking around a virtual field, stepping forward to “Exercise Part” learning through the quiz according to the level.

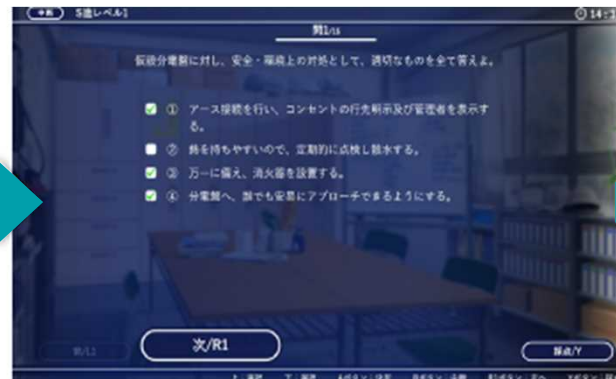
Adventure Part



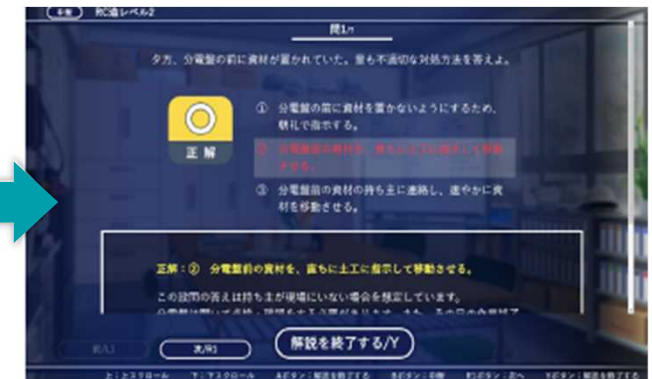
Exercise Part



Start



Q&A



Scoring · Explanation

2. Progress of the Medium-Term Business Plan

(3) Non-Financial Information Management (ESGs, SDGs, etc.) Environmental Conservation Initiatives



- In light of CO₂ savings achieved under Scope 1 and 2 in FY 2022, set higher targets of them in this August (Chart1)
- Continues to promote initiatives to reduce CO₂ Scope 3 Category 11, the target of which was newly added in FY 2023

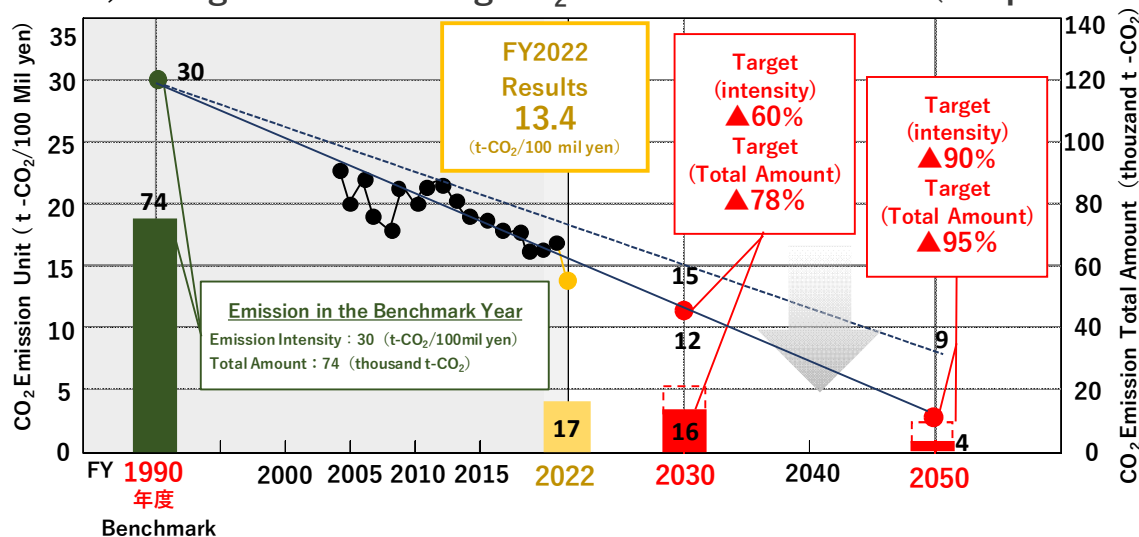
(Chart 1) CO₂ Reduction Targets

CO2 Emission	Unit		Benchmark		Results	Targrt	
			FY	Amount of Emissions	FY2022	FY2030	FY2050
Scope 1+2 (Building Construction only)	Emission Intensity	t-CO ₂ /100 mil yen *	1990	30	13.4 ▲55%	12.0 ▲50%	3.0 ▲90%
	Total Amount	t-CO ₂	1990	74,193	17,000 ▲77%	16,322 ▲78%	3,710 ▲95%
Scope 3, Category 11 (In-house + out-sourced designed buildings)	Total Amount	t-CO ₂	2021	693,428	647,430 ▲8%	589,414 ▲15%	450,728 ▲35%

* Emissions per 100 million yen of completed construction

In light of the FY 2022 results, the targets of Scope 1 and 2 for FY 2030 and 2050 set higher in this August.

(Chart 2) Targets for reducing CO₂ at construction sites (Scope 1 and 2)



(Reference)

- Scope 1 : CO₂ generated from our business activities
- Scope 2 : CO₂ of indirect emissions from the use of electrics and gases
- Scope 3 : CO₂ emitted from the building after delivered to customers and during the use of buildings
- Category 11

2. Progress of the Medium-Term Business Plan

(3) Non-Financial Information Management (ESGs, SDGs, etc.) CSR Activities



- Supporting sports for the people with disabilities as part of CSR activities.
- Sponsored Japan Dream Baseball League (baseball players with disabilities) since 2018.
In September, also sponsored the world championship held for the first time in five years.
- Continued sponsorship of Japan Blind Tennis Federation, which started sponsoring in 2018

Asanuma's CSR Policy

In order to realize the ideal of society as a member of society, every employee is aware of his/her responsibilities and actively promotes social contribution activities.



WORLD DREAM BASEBALL 2023

6th 'Maido-okini! Friendly Cup'

3. Topics

大和ハウス
DPL新横浜Ⅲが完成
3.5万²m、設計・施工浅沼組

大和ハウス工業が「DPL新横浜プロジェクト」として2020年7月から横浜市都筑区に整備してきた3棟のマルチテナント型物流施設のうち、最後の1棟となる「DPL新横浜Ⅲ」が9月29日に完成した。Ⅲは延べ約3・5万平方メートル、プロジェクト全体では1・Ⅲ棟総延べ約23・3万平方メートルになる。羽田空港（東京都大田区）や横浜港にも近づく、輸出入拠点としての役割

全棟竣工したDPL新横浜プロジェクト。右からⅠ、Ⅱ、Ⅲ（報道発表資料から）



Two of three buildings
were constructed by us

Ⅲの所在地は川向町2001の14ほか。建物は柱RC梁S一部S造6階建て延べ3万5470平方メートル規模。設計・施工は浅沼組が担当した。

Ⅰ(延べ9万9644平方 m^2)は22年3月に同社の設計・施工で竣工した。Ⅱ(延べ9万8589平方 m^2)は22年11月に銭高組の設計・施工で竣工した。3棟ともBCP(事業継続計画)対応として免震・耐震構造を採用し、非常用蓄電池も完備。Ⅰには太陽光発電システムを搭載済みで、Ⅱ、Ⅲ各棟にも今後搭載する予定。

IとIIは、多様な労働者の確保のためオールジェンダートイレや祈とう室を設けたほか、テナント企業従

3棟の総敷地面積は9万8009平方メートル。首都高速湾岸線横浜港北出入り口から約100メートル、第三京浜道路港北ICから約300メートルに立地し、都心部だけでなく、首都圏や東海エリアへの配送にも対応可能。羽田空港や国際コンテナ戦略港湾の横浜港に車で30分以内アクセスでき、輸出入の拠点にもなる。

現場トレーナーを6月リリース

現場トレーナー製作委員会

なびやネコ、8社と「コミュニティ」タレント研究所CSTで構成する「現場ナレーター製作委員会」は、B・M・Mモデルを使ったり「ウチラ」南上で進行管理のノウハウを蓄積する体験型「管理教育システム」「現場ナレーター」を開発した。ゲーム開発のタツフも加わり、従来のB・Mを飞越えた操作はビジュアルで若い世代が親しみやすい内容に、またヤコン8社が「施工現場のノウハウ」を「ゲーム感



松井氏(左)と藤田氏

した。また、このように、日本企業は、海外に拠点を設けるに際して、現地の文化や習慣に合わせることを重視している。これは、日本企業の特徴である。また、日本企業は、海外に拠点を設けるに際して、現地の文化や習慣に合わせることを重視している。これは、日本企業の特徴である。



010438

バーチャル空間でノウハウ取得

松井議長は「現場には安全品質、監理、工程、環境の5つの重要な要素があり、何らかの問題が起きたときにはそれらのなかから優先順位を付けて対処する必要がある。決まった答えはなく、状況に応じて優先順位は変わるため、ベターリアーしていへ。」

る。それをトレーニングしてほしい」と語る。

とときの対応として、A「予定の15時に到着しなかったのが悪いので今日の乗入は諦めさせる」、B「型枠解体工に15時から撤出を始めるから確認」、C「鉄筋工の撤入は17時から」として、クリーンのオペレーターに残業できるか確認」の3つの選択肢が提示される。



現場の中でさまざまなイベントが
発生し問題を解決していく

とポイントが付与され、ミ
キングを表すさまざまなゲ
の業を積極的に採用して
の建設に、5月の新入
教育から現場トレーナ
を入れた。同社も主任クラ
社員が不足し、若の教育
不安を抱えて、加藤副関
本部人事部長は、現場
本人に「忙しくて教えられる
から基礎教育をある程度
から送り出してほしい」と
われ、教えられる立場に
少ないため、共同開発を
することにした。頭がす

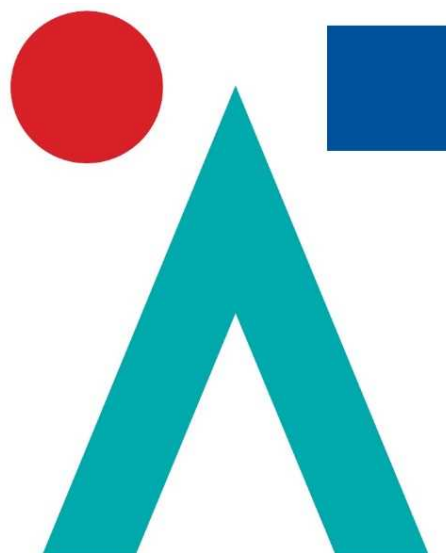
で、「ベテラン社員はノウハウを手伝い、若い社員から意識を知ってから現場に送り出す」と期待する。福利活動にも使用する予定で、工管理の仕事内容を分かり

の差別化に利用する。

今後は土木分野や専門工業向けにコンテンツの拡充が予定する。松井社長は「コンテンツを増やすことで、目論みあったコンテンツを組み合わせることで教員プランをつくれるがベスト」とし、それを主眼とする授業の活用を目指す。

The article regarding 'Gemba Trainer' on May 31, 2023
by Architectures, Constructions & Engineerings News

The article regarding the warehouse constructions on November 6, 2023
by Architectures, Constructions & Engineerings News



FY2023

Contacts

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CSR Report 2023

(in Japanese)



<https://www.asanuma.co.jp/csr/report.html>

With Our Proud History,
Creating a Desirable Future



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