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## Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]



October 31, 2024

Company name: Yurtec Corporation  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 1934  
 URL: <https://www.yurtec.co.jp/>  
 Representative: Yoshiharu Ota, Representative Director & President, Chief Executive Officer  
 Contact: Tomohiro Moriyama, General Manager of Accounting Department  
 Phone: +81-22-296-2111  
 Scheduled date of filing semi-annual securities report: November 13, 2024  
 Scheduled date of commencing dividend payments: December 2, 2024  
 Availability of supplementary explanatory materials on financial results: Available  
 Schedule of financial results briefing session: Scheduled (for institutional investors and analysts)

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

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 - September 30, 2024)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2024	111,046	5.0	3,518	103.8	4,345	50.2	2,905	68.9
September 30, 2023	105,807	5.6	1,725	106.8	2,892	57.4	1,720	99.1

(Note) Comprehensive income: Six months ended September 30, 2024: ¥2,739 million [14.1%]

Six months ended September 30, 2023: ¥2,400 million [40.2%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	40.54	—
September 30, 2023	24.02	—

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2024	212,766	143,194	67.3
As of March 31, 2024	231,479	142,406	61.5

(Reference) Equity: As of September 30, 2024: ¥143,133 million

As of March 31, 2024: ¥142,345 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	14.00	—	28.00	42.00
Fiscal year ending March 31, 2025	—	23.00			
Fiscal year ending March 31, 2025 (Forecast)			—	23.00	46.00

(Note) Revision to the dividend forecast announced most recently: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	252,000	3.6	12,200	15.9	12,800	7.7	8,200	9.2	114.46

(Note) Revision to the financial results forecast announced most recently: None

**\* Notes:**

(1) Significant changes in the scope of consolidation during the period under review: None

Newly included: – (Company name: –)

Excluded: – (Company name: –)

(2) Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements: Yes

(Note) For more details, please see page 10 of the attachment, “(4) Notes to Semi-annual Consolidated Financial Statements (Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements)” in “2. Semi-annual Consolidated Financial Statements and Primary Notes.”

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

As of September 30, 2024: 72,224,462 shares

As of March 31, 2024: 72,224,462 shares

2) Total number of treasury shares at the end of the period:

As of September 30, 2024: 527,385 shares

As of March 31, 2024: 566,064 shares

3) Average number of shares during the period (cumulative total):

Six months ended September 30, 2024: 71,674,905 shares

Six months ended September 30, 2023: 71,621,667 shares

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

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

- The forward-looking statements, including earnings forecasts, contained in this document are based on the information currently available to the Company and certain assumptions that it deems to be reasonable. As such, they do not constitute guarantees by the Company of future performance. Actual results may differ materially from these projections due to various factors. For matters regarding financial results forecast, please see page 3 of the attachment, “(4) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” in “1. Overview of Operating Results, etc.”

- The supplementary explanatory materials on financial results will be posted on the Company’s website on the same day.

## (Reference) Summary of Non-consolidated Financial Results

### 1. Non-consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 - September 30, 2024)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2024	98,320	0.7	2,683	64.3	3,501	19.2	2,393	22.0
September 30, 2023	97,628	5.3	1,633	74.0	2,936	33.5	1,962	35.9

	Basic earnings per share
Six months ended	Yen
September 30, 2024	33.40
September 30, 2023	27.40

### (2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2024	183,988	123,985	67.4
As of March 31, 2024	204,381	123,612	60.5

### 2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	226,000	1.8	10,800	9.9	12,000	4.2	8,000	8.4	111.67

(Note) Revision to the financial results forecast announced most recently: None

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

- The forward-looking statements, including earnings forecasts, contained in this document are based on the information currently available to the Company and certain assumptions that it deems to be reasonable. As such, they do not constitute guarantees by the Company of future performance. Actual results May differ materially from these projections due to various factors.
- The supplementary explanatory materials on financial results will be posted on the Company's website on the same day.

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Period under Review

Work orders received on a non-consolidated basis decreased by ¥3,033 million (down 2.2% year on year) to ¥133,072 million. This is a reactionary decline attributable to the orders received for construction at large-scale plants, including semiconductor-related plants, and wind-power generation plants in the previous semi-annual accounting period, despite the increased number of works for air-conditioning and plumbing, and power distribution lines.

Consolidated net sales increased by ¥5,238 million (up 5.0% year on year) to ¥111,046 million, due to steady progress made on large construction projects by the Company and its overseas subsidiaries thanks to a large volume of ongoing construction projects.

Operating profit increased by ¥1,792 million (up 103.8% year on year) to ¥3,518 million thanks to an increase in net sales as well as improved profitability of construction contracts caused by efforts including appropriate transfer of increased labor costs and outsourcing expenses to product prices and thorough cost management. Ordinary profit increased by ¥1,452 million (up 50.2% year on year) to ¥4,345 million, and profit attributable to owners of parent increased by ¥1,185 million (up 68.9% year on year) to ¥2,905 million.

Operating results by segment are as follows.

#### (Facilities engineering business)

The operating results of the facilities engineering business, which forms the core of the Group, were net sales to outside customers of ¥109,470 million, an increase of ¥5,298 million (up 5.1%) year on year, and segment profit of ¥3,116 million, an increase of ¥1,631 million (up 109.9%) year on year.

#### (Other)

The operating results of other businesses, centered on leasing businesses such as vehicles, office equipment, and construction machinery, as well as security business and the production of mineral water, were net sales to outside customers of ¥1,575 million, a decrease of ¥59 million (down 3.6%) year on year, and segment profit of ¥443 million, an increase of ¥157 million (up 55.1%) year on year.

### (2) Overview of Financial Position for the Period under Review

Total assets were ¥212,766 million, a decrease of ¥18,712 million compared with the end of the previous fiscal year. This is mainly attributable to a decrease of ¥20,258 million in notes receivable, accounts receivable from completed construction contracts and other.

Total liabilities were ¥69,571 million, a decrease of ¥19,501 million compared with the end of the previous fiscal year. This is mainly attributable to decreases of ¥10,418 million in electronically recorded obligations - operating and ¥4,836 million in notes payable, accounts payable for construction contracts and other.

Total net assets were ¥143,194 million, an increase of ¥788 million compared with the end of the previous fiscal year. This is mainly attributable to an increase of ¥888 million in retained earnings.

### (3) Overview of Cash Flows for the Period under Review

Cash and cash equivalents (hereinafter “cash”) at the end of the period under review amounted to ¥50,419 million, an increase of ¥5,013 million from the end of the previous fiscal year.

Cash flows in each area of activity and their respective contributing factors for the period under review are as follows.

#### (Cash flows from operating activities)

Cash provided by operating activities was ¥8,533 million, an increase of ¥1,518 million year on year. The main contributing factors were the recording of ¥4,347 million in profit before income taxes and ¥22,393 million in proceeds from the decrease in trade receivables, despite the recording of ¥15,830 million in expenditures from the decrease in trade payables and ¥3,722 million in income taxes paid.

#### (Cash flows from investing activities)

Cash used in investing activities was ¥1,898 million, an increase of ¥10,849 million year on year. The main contributing factors were the recording of ¥1,954 million in payments into time deposits and ¥1,089 million in the purchase of property, plant and equipment, despite the recording of ¥1,001 million in proceeds from the redemption of investment securities.

#### (Cash flows from financing activities)

Cash used in financing activities was ¥1,499 million, a decrease of ¥1,209 million year on year. The main contributing factor was ¥1,998 million in dividends paid.

### (4) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

There have been no changes from the full-year consolidated financial results forecast announced on July 30, 2024.

## 2. Semi-annual Consolidated Financial Statements and Primary Notes

### (1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	33,911	33,120
Notes receivable, accounts receivable from completed construction contracts and other	88,413	68,154
Electronically recorded monetary claims - operating	8,486	5,197
Securities	10,978	19,681
Costs on construction contracts in progress	1,120	2,445
Raw materials and supplies	2,288	2,184
Other	8,510	5,911
Allowance for doubtful accounts	(823)	(874)
Total current assets	152,886	135,820
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,808	19,291
Land	20,030	19,897
Other, net	8,442	8,195
Total property, plant and equipment	48,281	47,384
Intangible assets		
Goodwill	3,333	3,189
Other	3,202	3,615
Total intangible assets	6,536	6,804
Investments and other assets		
Other	24,002	22,969
Allowance for doubtful accounts	(227)	(212)
Total investments and other assets	23,775	22,757
Total non-current assets	78,592	76,946
Total assets	231,479	212,766



(Million yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	33,120	28,283
Electronically recorded obligations - operating	16,673	6,254
Short-term borrowings	2,431	2,824
Provision for loss on construction contracts	526	410
Provision for bonuses for directors (and other officers)	82	—
Other	14,064	9,639
Total current liabilities	66,898	47,413
Non-current liabilities		
Long-term borrowings	4,490	4,590
Provision for retirement benefits for directors (and other officers)	43	33
Retirement benefit liability	15,395	15,559
Other	2,245	1,975
Total non-current liabilities	22,174	22,158
Total liabilities	89,073	69,571
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,803	7,803
Capital surplus	7,885	7,923
Retained earnings	124,259	125,147
Treasury shares	(299)	(279)
Total shareholders' equity	139,648	140,594
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	667	595
Revaluation reserve for land	(2,228)	(2,217)
Foreign currency translation adjustment	1,184	1,275
Remeasurements of defined benefit plans	3,073	2,884
Total accumulated other comprehensive income	2,697	2,538
Non-controlling interests	60	61
Total net assets	142,406	143,194
Total liabilities and net assets	231,479	212,766

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

(Million yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	105,807	111,046
Cost of sales	93,936	96,542
Gross profit	11,870	14,503
Selling, general and administrative expenses	10,144	10,985
Operating profit	1,725	3,518
Non-operating income		
Interest income	152	203
Foreign exchange gains	720	328
Other	333	327
Total non-operating income	1,205	859
Non-operating expenses		
Idle assets expenses	18	17
Other	20	15
Total non-operating expenses	38	32
Ordinary profit	2,892	4,345
Extraordinary income		
Gain on sale of non-current assets	0	12
Total extraordinary income	0	12
Extraordinary losses		
Loss on sale of non-current assets	–	0
Impairment losses	0	–
Loss on retirement of non-current assets	0	3
Loss on removal of non-current assets	10	7
Total extraordinary losses	11	10
Profit before income taxes	2,881	4,347
Income taxes - current	1,157	1,451
Income taxes - deferred	(1)	(14)
Total income taxes	1,156	1,437
Profit	1,725	2,909
Profit attributable to non-controlling interests	4	3
Profit attributable to owners of parent	1,720	2,905

## Semi-annual Consolidated Statements of Comprehensive Income

(Million yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	1,725	2,909
Other comprehensive income		
Valuation difference on available-for-sale securities	229	(71)
Foreign currency translation adjustment	596	90
Remeasurements of defined benefit plans, net of tax	(151)	(189)
Total other comprehensive income	675	(170)
Comprehensive income	2,400	2,739
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,396	2,735
Comprehensive income attributable to non-controlling interests	4	3

### (3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	2,881	4,347
Depreciation	2,237	2,185
Impairment losses	0	—
Loss on retirement of property, plant and equipment	0	3
Amortization of goodwill	158	130
Increase (decrease) in allowance for doubtful accounts	(26)	(19)
Increase (decrease) in retirement benefit liability	(110)	(120)
Increase (decrease) in provision for loss on construction contracts	(36)	(116)
Interest and dividend income	(185)	(242)
Interest expenses	11	5
Foreign exchange losses (gains)	(721)	(335)
Loss (gain) on sale of property, plant and equipment	(0)	(12)
Decrease (increase) in trade receivables	12,683	22,393
Decrease (increase) in costs on construction contracts in progress	(1,755)	(1,331)
Decrease (increase) in advances paid	7	2,956
Increase (decrease) in trade payables	(2,744)	(15,830)
Increase (decrease) in advances received on construction contracts in progress	(1,054)	41
Increase (decrease) in accrued consumption taxes	(883)	(1,390)
Other, net	(471)	(645)
Subtotal	9,993	12,019
Interest and dividends received	184	241
Interest paid	(12)	(4)
Income taxes paid	(3,149)	(3,722)
Net cash provided by (used in) operating activities	7,015	8,533
Cash flows from investing activities		
Payments into time deposits	(346)	(1,954)
Proceeds from withdrawal of time deposits	334	300
Payments of deposit	(20,180)	—
Proceeds from withdrawal deposit	12,240	—
Purchase of securities	—	(698)
Purchase of property, plant and equipment	(3,127)	(1,089)
Proceeds from sale of property, plant and equipment	0	165
Purchase of intangible assets	(252)	(727)
Purchase of investment securities	(2)	(2)
Proceeds from sale and redemption of investment securities	—	1,001
Proceeds from collection of long-term loans receivable	39	35
Payments of the outstanding balance from the previous fiscal year for purchases of investments in subsidiaries with changes in scope of consolidation	(360)	(20)
Other, net	(1,093)	1,090
Net cash provided by (used in) investing activities	(12,747)	(1,898)

(Million yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	686	421
Repayments of lease liabilities	(11)	(7)
Proceeds from long-term borrowings	1,300	1,300
Repayments of long-term borrowings	(1,261)	(1,211)
Purchase of treasury shares	(0)	(0)
Dividends paid	(1,001)	(1,998)
Dividends paid to non-controlling interests	(2)	(2)
Net cash provided by (used in) financing activities	(289)	(1,499)
Effect of exchange rate change on cash and cash equivalents	398	(122)
Net increase (decrease) in cash and cash equivalents	(5,623)	5,013
Cash and cash equivalents at beginning of period	36,334	45,406
Cash and cash equivalents at end of period	30,710	50,419

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements)

(Tax expense calculation)

The Company calculates tax expenses by making a reasonable estimate of the effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year including the semi-annual accounting period and multiplying the profit before income taxes by the estimated effective tax rate. However, the statutory effective tax rate will be applied if such tax expenses are found to be very unreasonable after calculation based on the relevant estimated effective tax rate.

(Notes to segment information, etc.)

I. For the six months ended September 30, 2023

Information on net sales and income by reportable segment

(Million yen)

	Reportable segment	Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Semi-annual Consolidated Statements of Income (Note 3)
	Facilities Engineering Business				
Net sales					
Net sales to outside customers	104,172	1,635	105,807	–	105,807
Inter-segment net sales or transfers	70	5,571	5,641	(5,641)	–
Total	104,242	7,206	111,448	(5,641)	105,807
Segment profit	1,484	285	1,770	(44)	1,725

- (Notes) 1. The “Other” category refers to business segments that are not included in the reportable segment and includes the leasing business, security business, real estate business, manufacturing business, waste treatment business, and electricity business.
2. The adjustment amount for segment profit is the elimination of inter-segment transactions.
3. Segment profit is adjusted with operating profit in the semi-annual consolidated statements of income.

II. For the six months ended September 30, 2024

1. Information on net sales and income by reportable segment

(Million yen)

	Reportable segment	Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Semi-annual Consolidated Statements of Income (Note 3)
	Facilities Engineering Business				
Net sales					
Net sales to outside customers	109,470	1,575	111,046	–	111,046
Inter-segment net sales or transfers	66	6,168	6,235	(6,235)	–
Total	109,537	7,744	117,282	(6,235)	111,046
Segment profit	3,116	443	3,559	(41)	3,518

- (Notes) 1. The “Other” category refers to business segments that are not included in the reportable segment and includes the leasing business, security business, real estate business, manufacturing business, waste treatment business, and electricity business.
2. The adjustment amount for segment profit is the elimination of inter-segment transactions.
3. Segment profit is adjusted with operating profit in the semi-annual consolidated statements of income.