



To whom it may concern:

May 13, 2025

Name of the Company: KAWADA TECHNOLOGIES,INC.
Name of the Representative: Tadahiro Kawada
Representative Director and President
(Stock Code: 3443; Prime Market of TSE)
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**Notice on Recording of Non-operating Income and Deferred Tax Assets,
Forecast-Result Gap of Earnings, and Dividends of Surplus**

KAWADA TECHNOLOGIES,INC. (the “Company”) hereby announces that the Company recorded non-operating income and deferred tax assets for the fiscal year ended March 31, 2025 as follows. The Company also announces that there were differences between the full-year consolidated earnings forecasts for the fiscal year ended March 31, 2025 and the results announced today. The details are as follows.

In addition, the Company announces that, at the Board of Directors meeting held today, the Company resolved to pay dividends of surplus with a record date of March 31, 2025 as follows. The Company plans to submit a proposal regarding this matter at the 17th Annual General Meeting of Shareholders scheduled to be held on June 26, 2025.

1. Recording of non-operating income

Due to steady performance of entities accounted for using equity method, the Company recorded an additional ¥983 million as share of profit of entities accounted for using equity method in the fourth quarter.

2. Recording of deferred tax assets

As a result of having carefully considered the recoverability of deferred tax assets, in light of the forecast of future financial results and other factors, the Company recorded an additional ¥1,359 million in deferred tax assets in the fiscal year ended March 31, 2025.

3. Differences between full-year consolidated earnings forecasts and results (from April 1, 2024 to March 31, 2025)

	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
Previous forecast (A)	130,000	8,500	11,200	8,800	508.83
Results (B)	132,905	9,684	12,616	11,107	642.96
Change (B-A)	2,905	1,184	1,416	2,307	
Change (%)	2.2	13.9	12.6	26.2	
(Reference) Results for the fiscal year ended March 31, 2024	129,127	8,734	10,538	7,541	434.06

Reasons for differences

Regarding the full-year earnings forecasts for the fiscal year ended March 31, 2025, net sales, operating profit and ordinary profit exceeded the previously announced forecasts as the Company was able to receive more contract alterations than expected for large construction projects scheduled to be completed in the fiscal year ended March 31, 2025 in the Steel Construction Segment. In addition, profit attributable to owners of parent exceeded the previously announced forecast due to the recording of additional deferred tax assets (decrease (gain) in income taxes - deferred) as mentioned above.

4. Dividends of Surplus

Details of dividend

	Determined amount	Most recent dividend forecast (Announced on February 13, 2025)	Actual results for the previous fiscal year (Fiscal year ended March 31, 2024)
Record date	March 31, 2025	March 31, 2025	March 31, 2024
Dividend per share	¥100	¥85	¥393
Total amount of dividends	¥1,738 million	—	¥2,256 million
Effective date	June 27, 2025	—	June 28, 2024
Source of dividends	Retained earnings	—	Retained earnings

The Company conducted a stock split of common shares at a ratio of 3-for-1 on April 1, 2024.

The amounts shown for the dividends for the fiscal year ended March 31, 2024 are the actual dividend amounts before the share split.

Reasons for revision

Regarding the dividend policy, the Company understands the importance of increasing corporate value and returning profits to shareholders. The Company's basic policy is to aim for a consolidated dividend payout ratio of roughly 30%, excluding profits and losses due to extraordinary factors from profit attributable to owners of parent, and continue to pay stable dividends after comprehensively considering forecasted capital demand for future business expansion, equipment and R&D investment, and improvement of the financial position of the Company in addition to business performance. For details on the dividend policy, please refer to the "Notice Regarding Changes to the Dividend Policy" dated November 12, 2024.

Based on the basic policy and the full-year consolidated earnings for the fiscal year ended March 31, 2025, the Company has revised the forecast of the fiscal year-end dividend for the fiscal year ended March 31, 2025 to ¥100, an increase of ¥15 per share.

(Reference) Breakdown of annual dividends

	Dividend per share (Yen)		
Record date	Second quarter-end	Fiscal year-end	Total
Actual results for the current fiscal year	¥45	¥100	¥145
Actual results for the previous fiscal year (Fiscal year ended March 31, 2024)	—	¥393	¥393

The Company conducted a stock split of common shares at a ratio of 3-for-1 on April 1, 2024. The amounts shown for the dividends for the fiscal year ended March 31, 2024 are the actual dividend amounts before the share split.