

Kawada Technologies, Inc. (Stock Code: 3443)

Financial Summary for FY2023-03

(April 1, 2022 through March 31, 2023)

Note: This document is an English translation from the original Japanese-language document. All financial information is prepared in accordance with Japanese GAAP.

Kawada Group celebrated the 100th-year anniversary since its foundation in May 2022.

We have and will always contribute to the society through world-class technologies and quality.



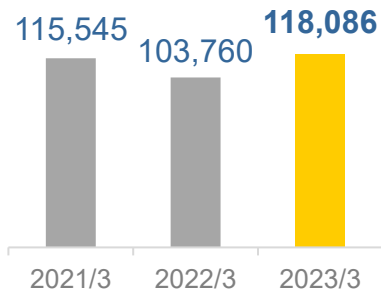
- 1. Results for FY202303**
- 2. Forecasts for FY202403**

Results for FY202303

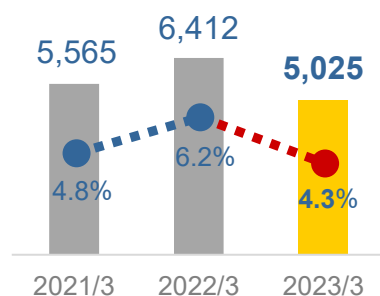
FY202303 Highlights

(Million Yen)

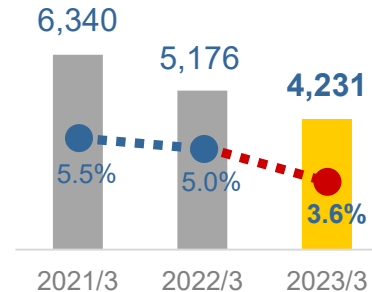
Sales Revenues



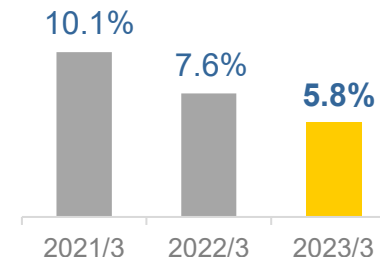
Operating Profit *1



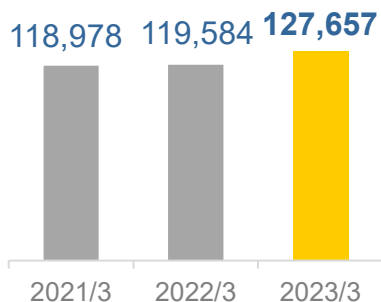
Net Income *1



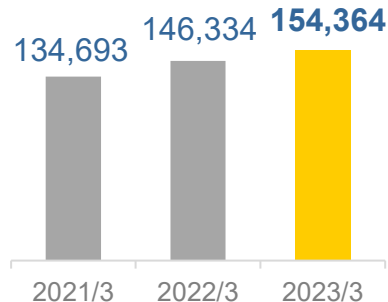
ROE



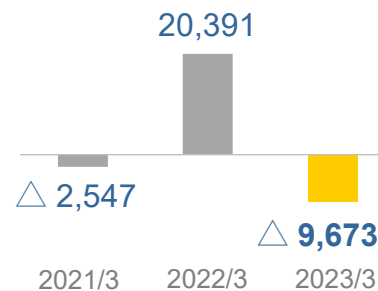
Newly-Received Orders *2



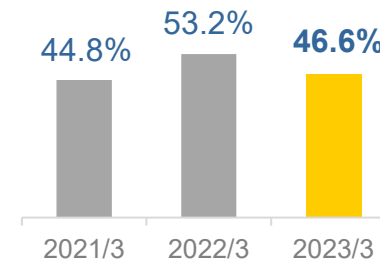
Orders Carried-Forward *2



CFO



Equity ratio



*1 Line graphs designate ratio to Sales Revenues

*2 Internal Sales between business segments are NOT adjusted.

Although sales increased, net income was in decline for three consecutive years
Our efforts to reducing costs and acquiring contract alterations led to profits exceeding the original forecast

	Result of FY202203	Forecast(*) of FY202303	Result of FY202303	(Million Yen) YoY (Result to Result)
Sales Revenues	103,760	116,000	118,086	13.8%
Gross Profit	16,809	15,000	15,626	△7.0%
Operating Profit	6,412	4,000	5,025	△21.6%
Ordinary Profit Shares of Profit of Entities Accounted for Using Equity Method	7,689 883	4,600 1,217	6,298 1,378	△18.1% 13.2%
Net income Attributable to owners of Kawada	5,176	2,800	4,231	△18.3%

* The original forecast announced at 12, May 2022

Sales Revenues and Operating Profit (by segment)

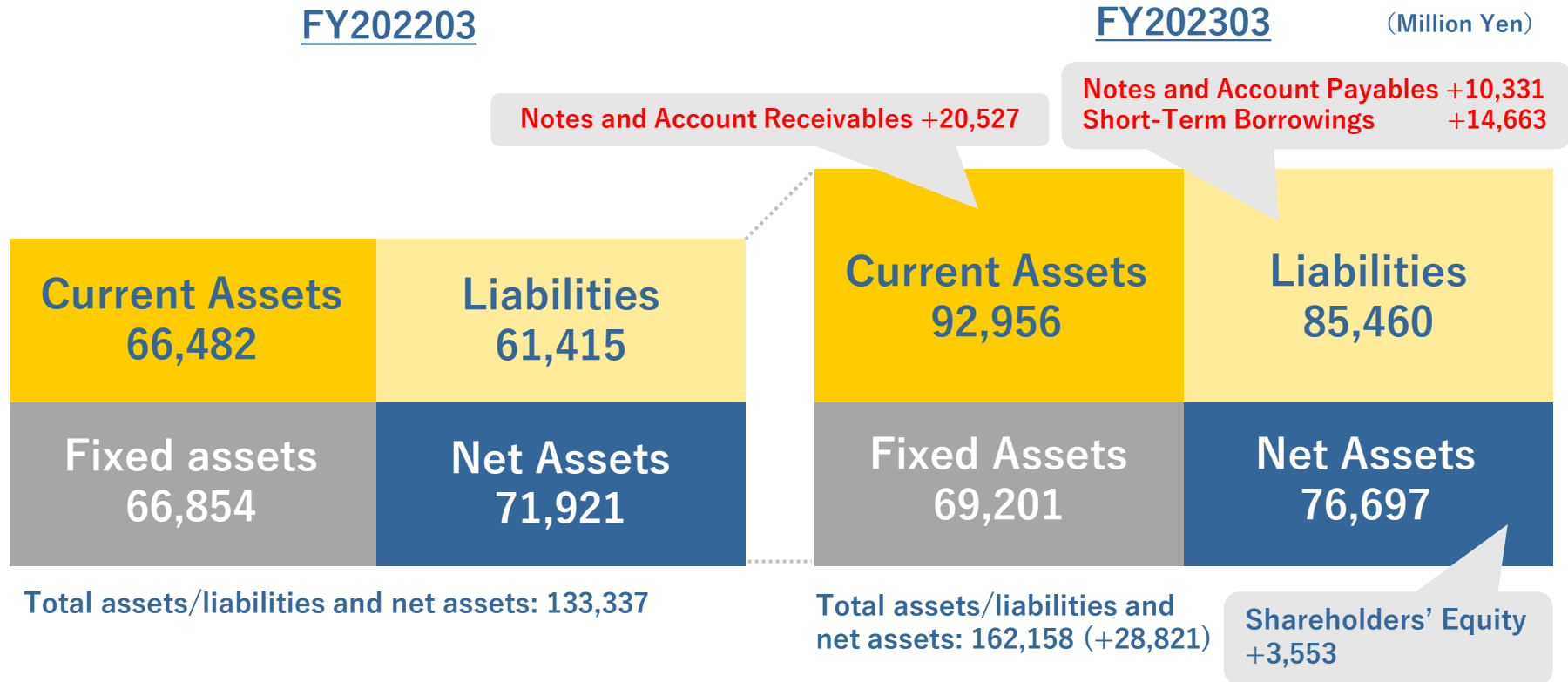
Architecture retrieved its sales volume, but still in red in operating profit
In Solution, sales and operating profit maintained good growth

(Million Yen)

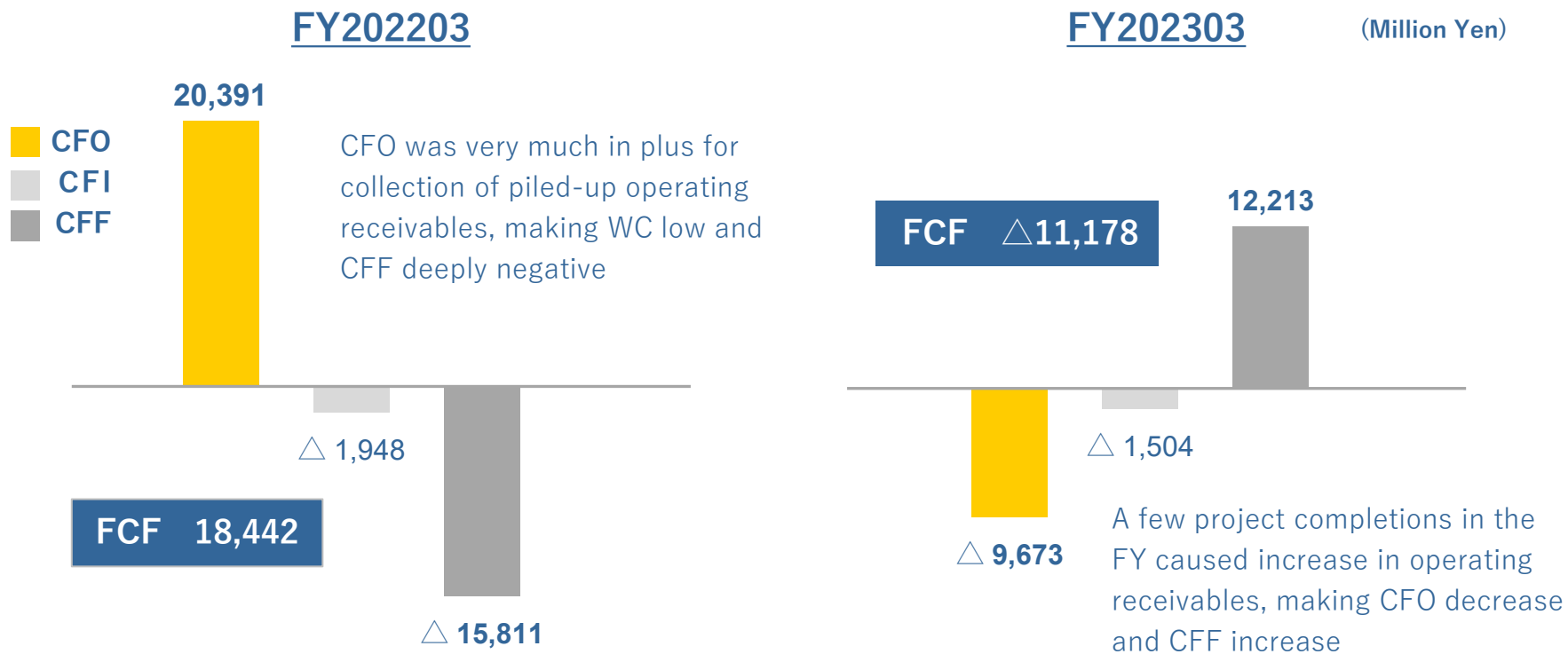
	Sales Revenues				Operating Profit			
	Result of FY 202203	Forecast(*) of FY202303	Result of FY 202303	YoY (Result to Result)	Result of FY 202203	Forecast(*) of FY202303	Result of FY 202303	YoY (Result to Result)
Steel Structure	50,033	57,000	56,071	12.1%	5,425	3,100	4,097	△24.5%
Civil Engineering	33,037	31,000	35,035	6.0%	2,380	1,500	2,067	△13.2%
Architecture	9,607	16,000	14,158	47.4%	56	600	△423	-
Solution	5,603	6,500	6,371	13.7%	1,252	1,400	2,047	63.5%
Other	7,159	8,000	7,989	11.6%	△297	0	△162	-

Internal Sales between business segments are NOT adjusted. * The original forecast announced at 12, May 2022

Operating assets and liabilities surged with the projects' size increasing and term lengthening

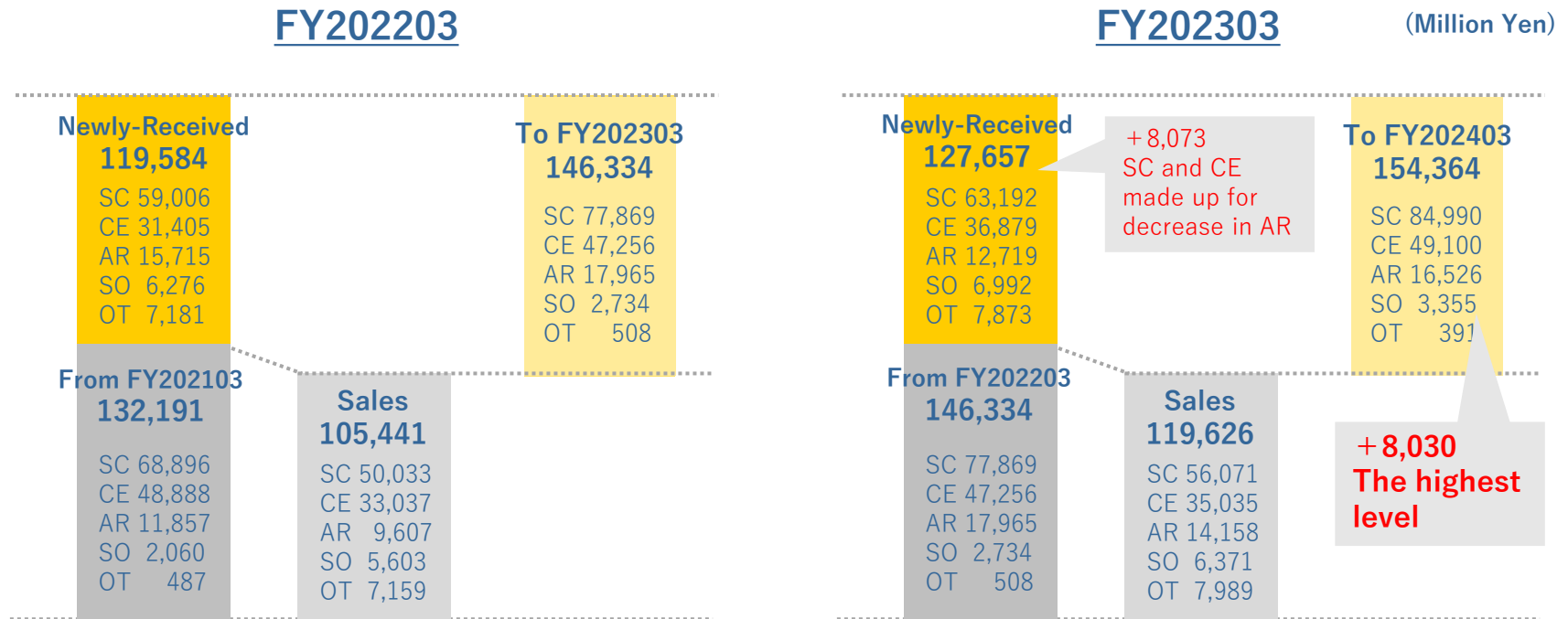


CFO went negative due to rapid increase in operating assets



Orders State Summary

With numerous newly-received orders, carried-forward orders reached the highest level ever



SC: Steel Construction CE: Civil Engineering
AR: Architecture SO: Solution OT: Other

Internal Sales between business segments are NOT adjusted.

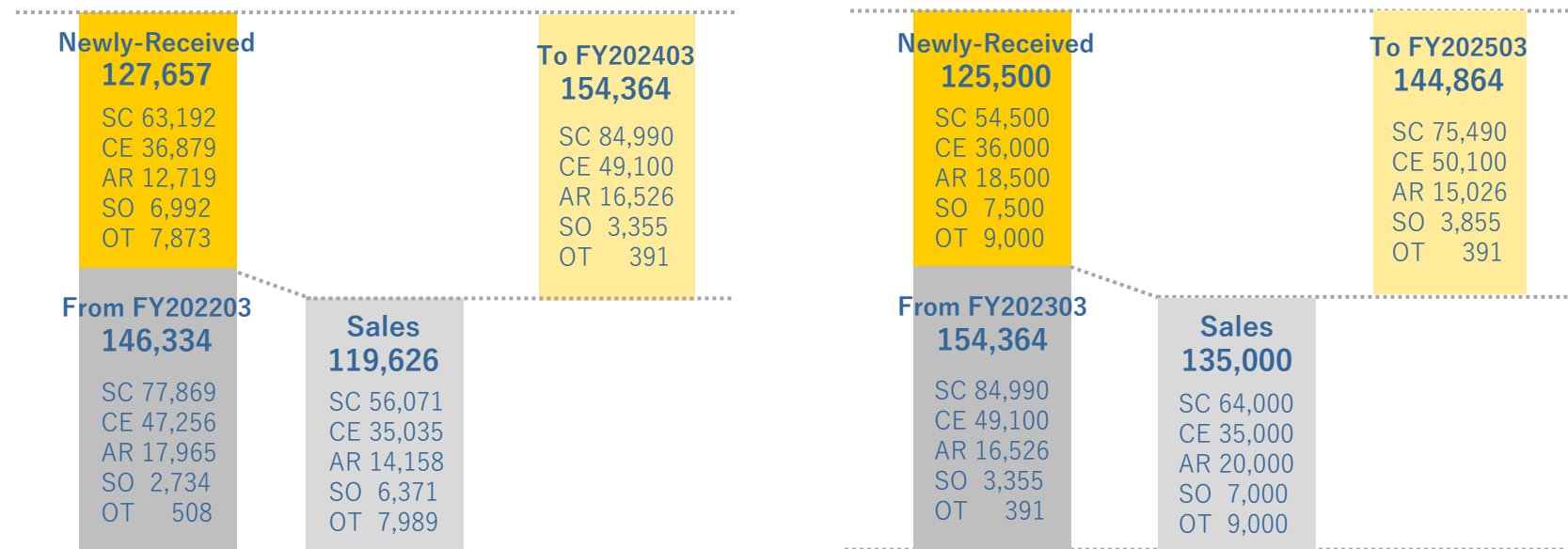
Forecasts for FY202403

Orders State Summary (Forecast)

Continue to maintain large volume with good new orders and plenty of carried-forward orders

FY202303

FY202403 Forecast (Million Yen)



SC: Steel Construction **CE:** Civil Engineering
AR: Architecture **SO:** Solution **OT:** Other

Internal Sales between business segments are NOT adjusted.

P/L Summary (Forecast)

The highest sales are expected, yet profits to decrease at the moment

(Million Yen)

	FY202303	FY202403 (Forecast)	YoY
Sales Revenues	118,086	133,000	12.6%
Gross Profit	15,626	15,600	△0.2%
Operating Profit	5,025	4,600	△8.5%
Ordinary Profit	6,298	5,100	△19.0%
Shares of Profit of Entities Accounted for Using Equity Method	1,378	900	△34.7%
Net income Attributable to owners of Kawada	4,231	3,900	△7.8%

Sales Revenues and Operating profits (Forecast)

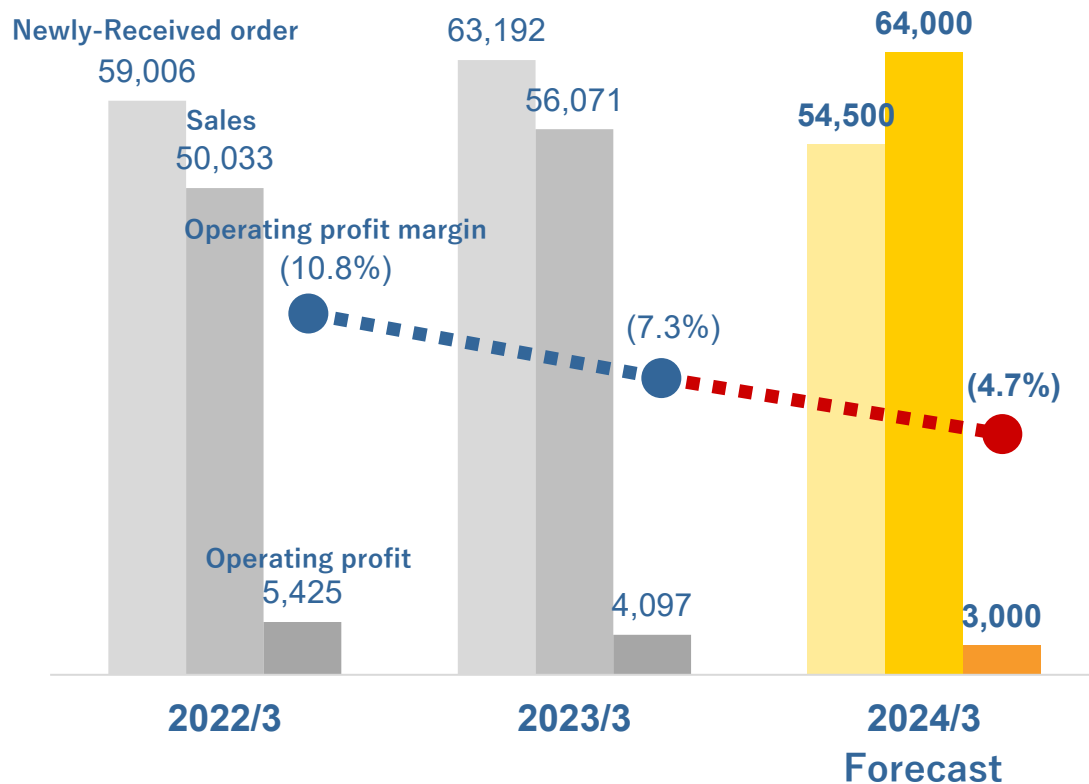
With unclear outlook for contract alterations, profits are expected to decrease in Steel Construction and Civil Engineering

(Million Yen)

	Sales Revenues			Operating Profits		
	FY202303	FY202403 (Forecast)	YoY	FY202303	FY202403 (Forecast)	YoY
Steel Construction	56,071	64,000	14.1%	4,097	3,000	△26.8%
Civil Engineering	35,035	35,000	△0.1%	2,067	1,750	△15.3%
Architecture	14,158	20,000	41.3%	△423	150	-
Solution	6,371	7,000	9.9%	2,047	2,350	14.8%
Other	7,989	9,000	12.7%	△162	△150	-

Internal Sales between business segments are NOT adjusted.

(Million Yen)



FY2024/3 (Forecast)

Newly-Received Order	54,500
Sales Revenue	64,000
Operating Profit (margin)	3,000 (4.7%)

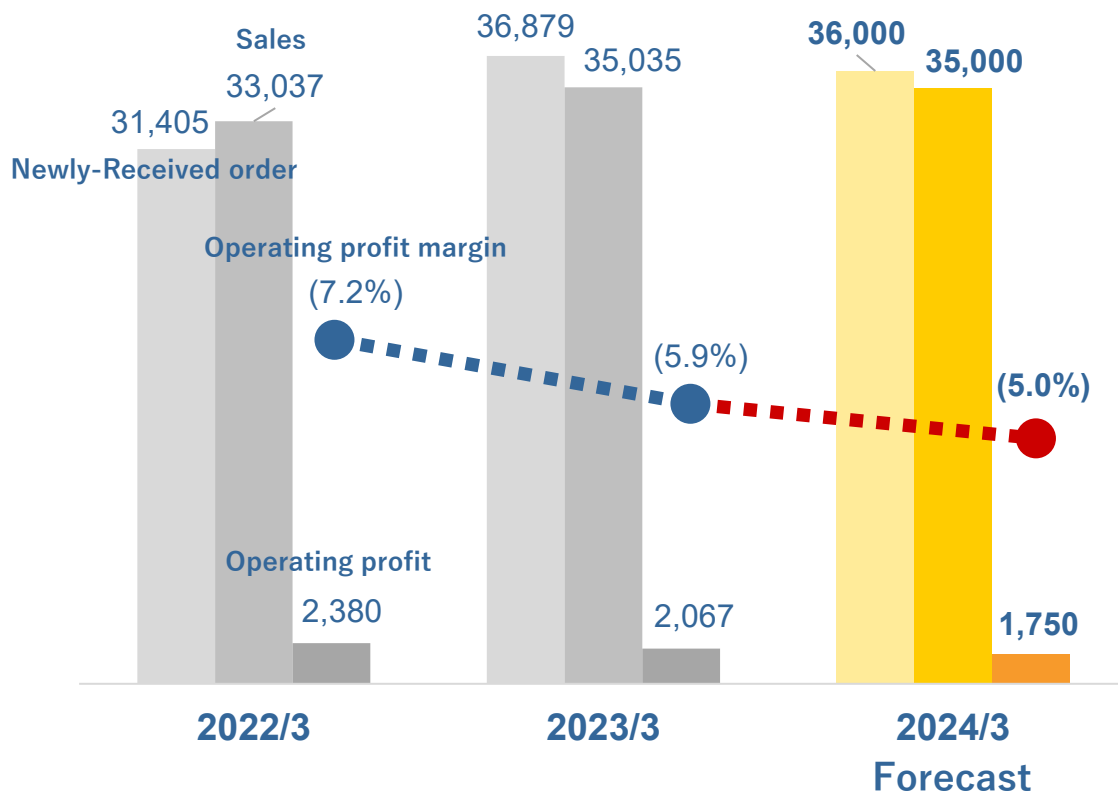
Steel Bridge Business

While new projects are expected to diminish gradually in the long term, renewal/maintenance projects of aging bridges are in rapid increase at present

Architectural Steel Business

Expects to continue to receive large projects such as redevelopments in metropolitan areas, construction of datacenters, semiconductor plants, etc.

(Million Yen)



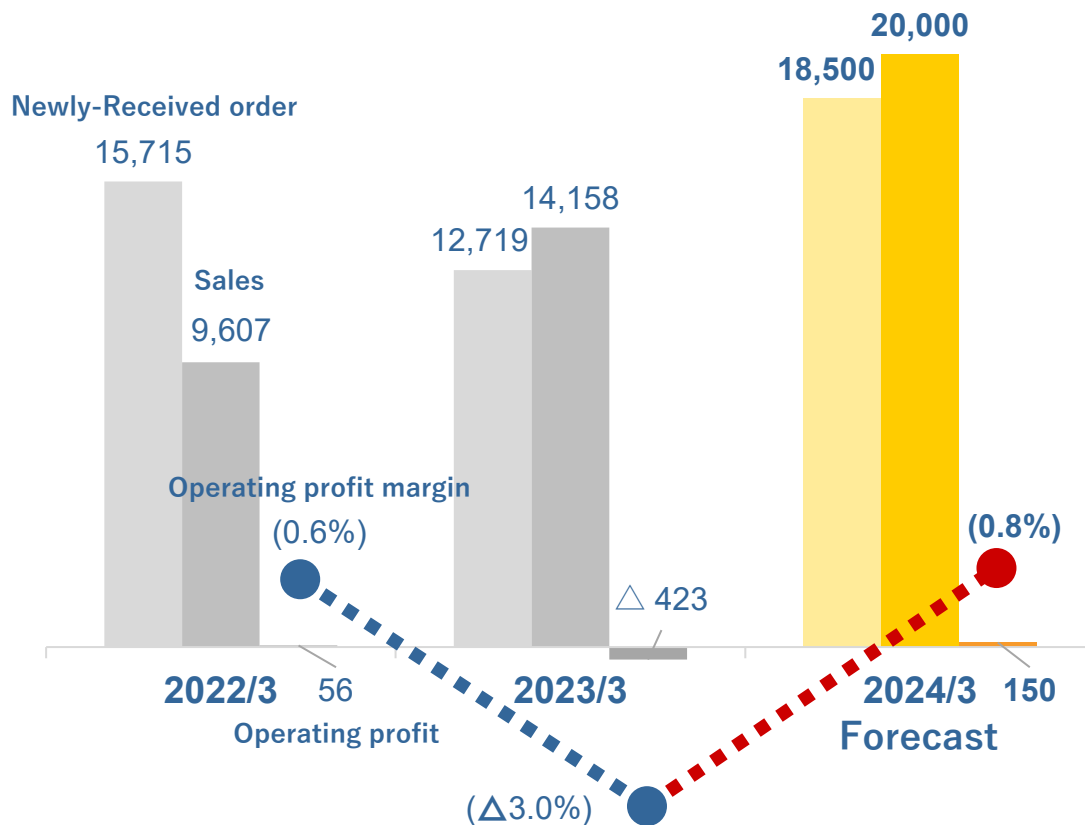
FY202403 (Forecast)

Newly-Received Order	36,000
Sales Revenue	35,000
Operating Profit (margin)	1,750 (5.0%)

Becoming harder to receive projects solely as projects' increasing in size, we aim to utilize methods such as creating a joint-venture

We will keep stable level of sales and profits, also striving for more profit efficiency

(Million Yen)

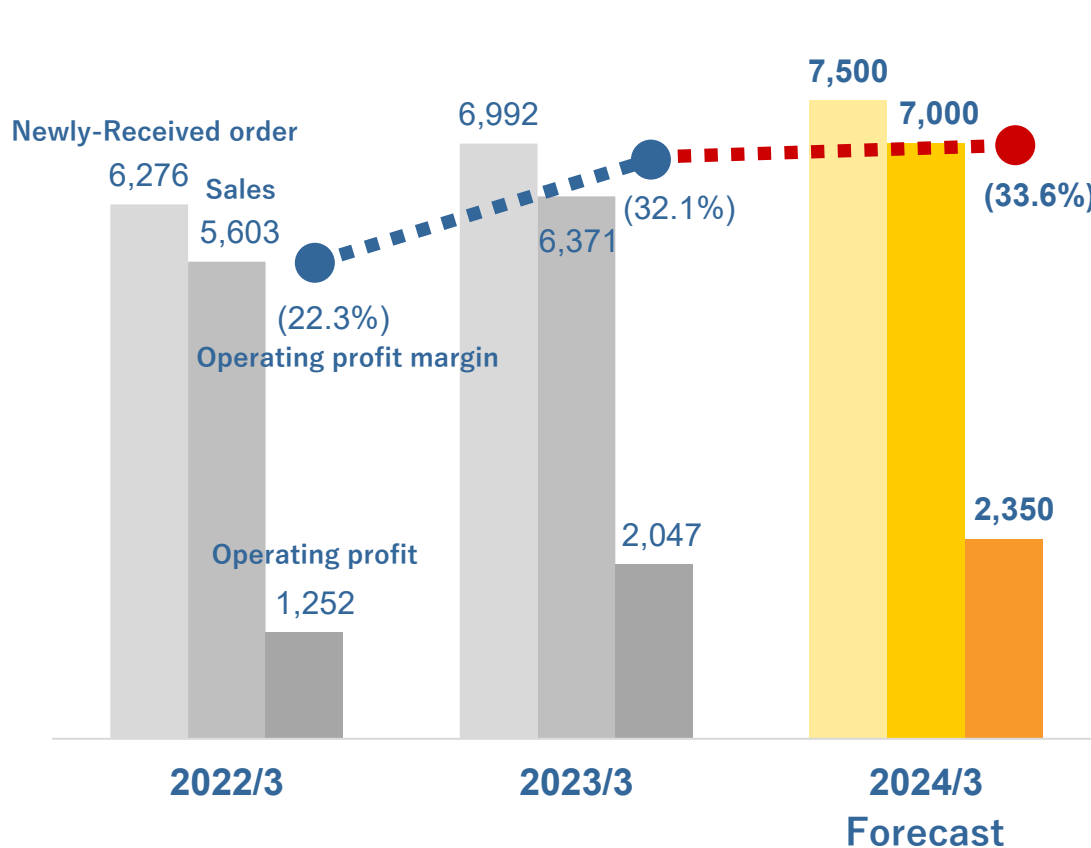


FY202403 (Forecast)

Newly-received Order	18,500
Sales revenue	20,000
Operating Profit (margin)	150 (0.8%)

With our Kawada Building System, we will strive to make the best use of large demand in distribution warehouse market

Due to completion of some less-profitable projects in hand, we expect to be going back into black this FY



FY202403(Forecast)

Newly-Received Order	7,500
Sales Revenue	7,000
Operating Profit (margin)	2,350 (33.6%)

Software-related Business

Software business grows as MLIT(*) promotes BIM/CIM

Bridge design business also grows as renewal/maintenance projects of aging bridges increase

Robotics-related Business

Still struggles to make a profit. For production has been stumbling for shortage of semiconductors, both orders and sales show little growth

* Ministry of Land, Infrastructure, Transport and Tourism

The information in this document is based on assumption in light of information available as of the date of announcement of this material, and the factors of uncertainty that may possibly impact the future results of operations. These forward-looking statements involve risks, uncertainties and other factors that may cause actual results and achievements to differ from those anticipated in these statements.

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