

Kawada Technologies, Inc. (Stock Code: 3443)

Financial Summary for FY202403-2Q

(April 1, 2023 through September 30, 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.



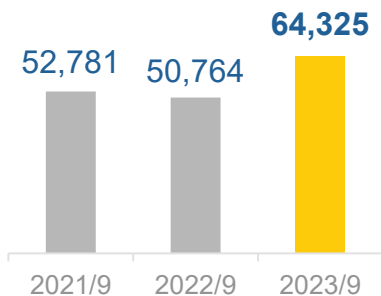
1. Results for FY202403-2Q
2. Forecasts for FY202403 *Revised on Nov 10, 2023

Results for FY202403-2Q

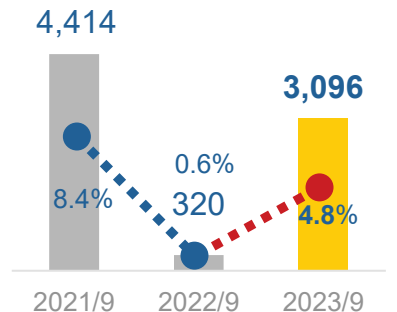
FY202403-2Q Highlights

(Million Yen)

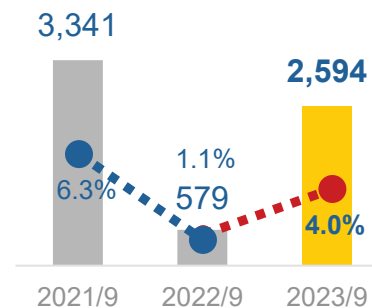
Sales Revenues



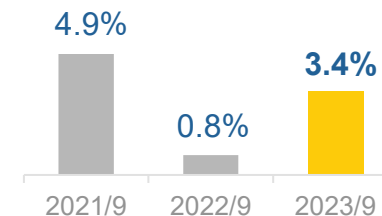
Operating Profit *1



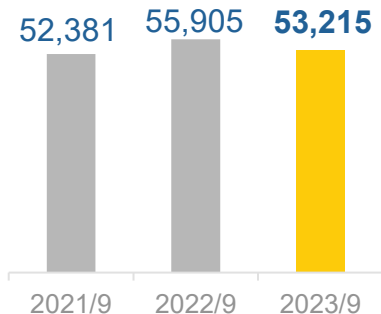
Net Income *1



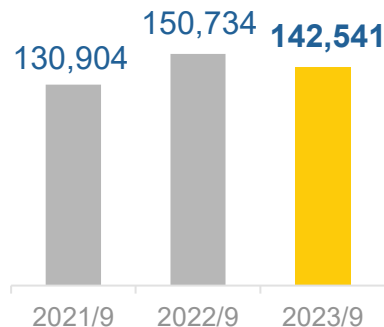
ROE



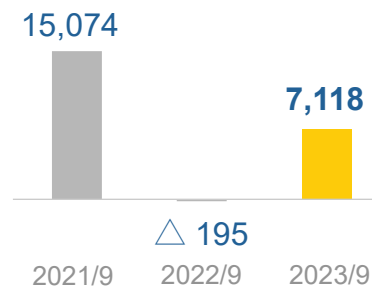
Newly-Received Orders *2



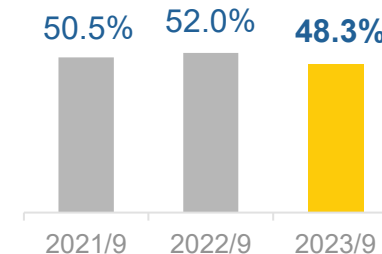
Orders Carried-Forward*2



CFO



Equity Ratio



*1 Line graphs designate ratio to Sales Revenues

*2 Internal Sales between business segments are NOT adjusted.

Sales increased for projects, mainly large ones, progressed steadily. Each profits also increased significantly YoY for awarding contract alterations through 1Q-2Q

(Million Yen)

	Result of FY202303-2Q	Result of FY202403-2Q	YoY
Sales Revenues	50,764	64,325	26.7%
Gross Profit	5,583	8,507	52.4%
Operating Profit	320	3,096	866.6%
Ordinary Profit	1,109	3,695	233.1%
Shares of Profit of Entities Accounted for Using Equity Method	842	743	△11.8%
Net income	579	2,594	347.3%
Attributable to owners of Kawada			

Sales Revenues and Operating Profit (by segment)

Good progress of large projects increased sales in Architecture. Profitability recovered in Architecture and in Civil Engineering. Solution continues sound growth

(Million Yen)

	Sales Revenues			Operating Profit		
	202303-2Q	202403-2Q	YoY	202303-2Q	202403-2Q	YoY
Steel Structure	24,499	27,901	13.9%	1,719	798	△53.6%
Civil Engineering	15,678	18,151	15.8%	27	1,372	4,952.4%
Architecture	4,627	11,427	146.9%	△960	1,137	-
Solution	2,879	3,567	23.9%	876	1,367	56.0%
Other	3,820	3,992	4.5%	△78	△255	-

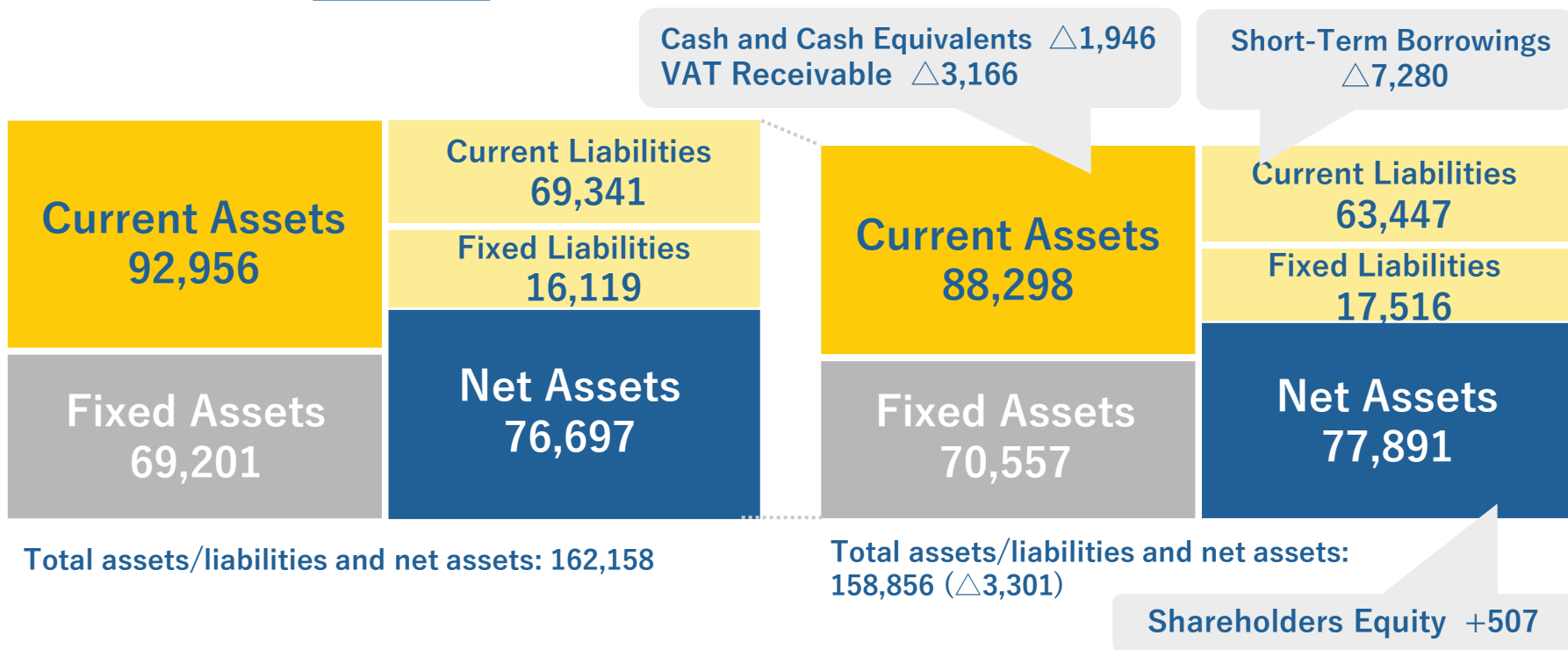
Internal Sales between business segments are NOT adjusted.

Short-term borrowings decreased for a moment, as account receivables and VAT refund were collected

FY202303

FY202403-2Q

(Million Yen)



Operating receivables collection improved CFO and short-term borrowings are repaid temporarily

FY202303-2Q

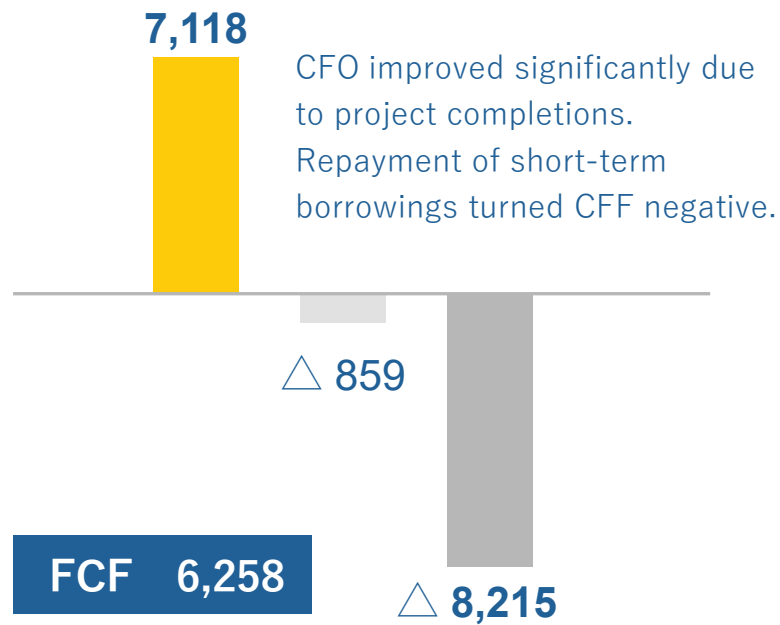
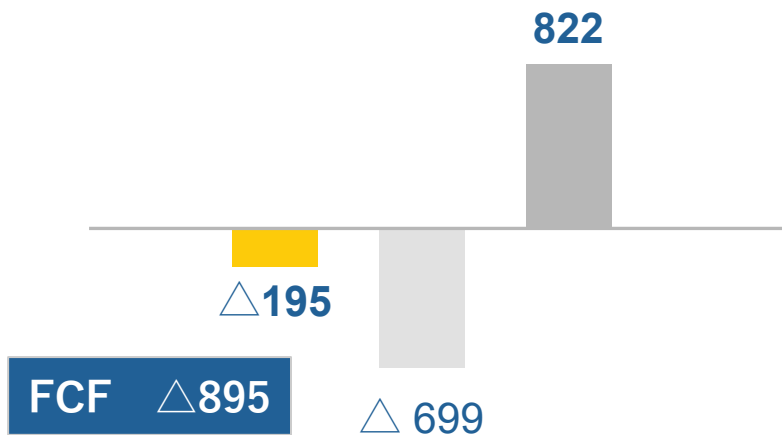
FY202403-2Q

(Million Yen)

- CFO
- CFI
- CFF

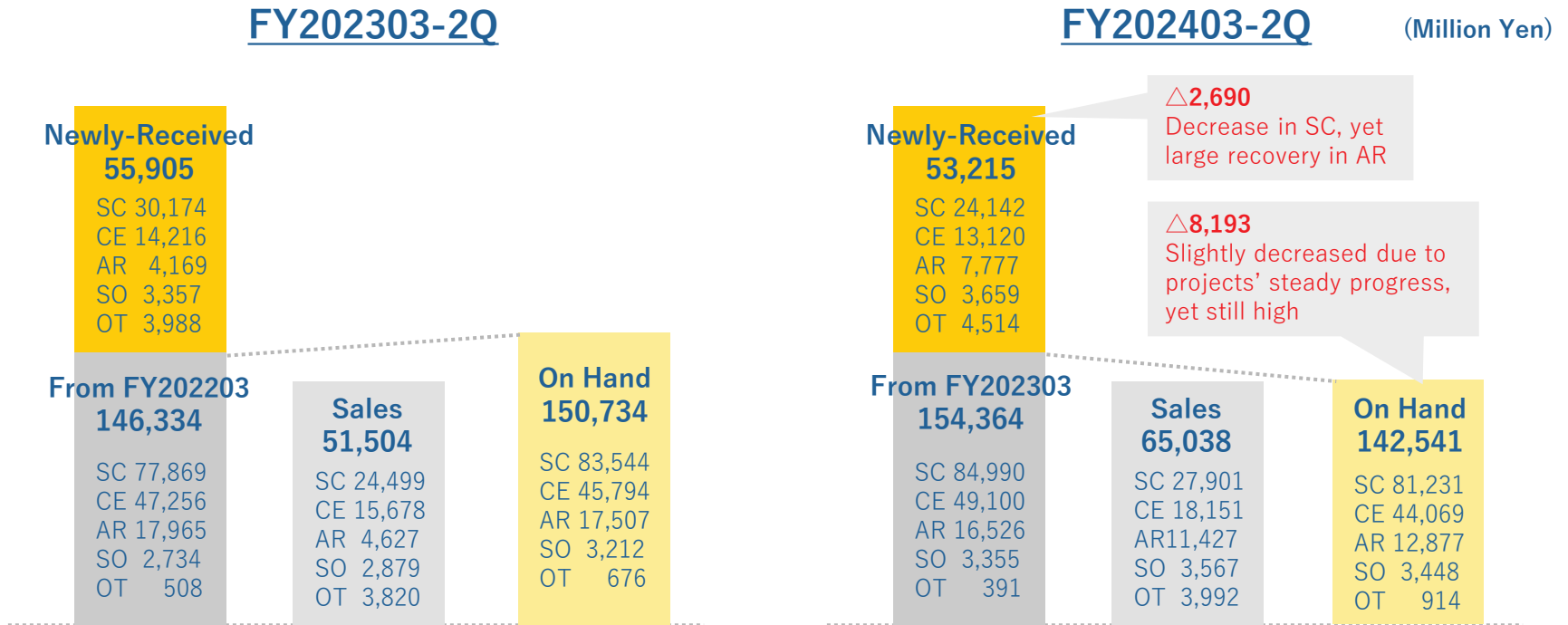
Negative CFO for few completions.
Working capital covered by CFF.

CFO improved significantly due to project completions.
Repayment of short-term borrowings turned CFF negative.



Orders State Summary

With plenty carried from the previous FY, orders on hand are still at a high level



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

Internal Sales between business segments are NOT adjusted.

Forecasts for FY202403

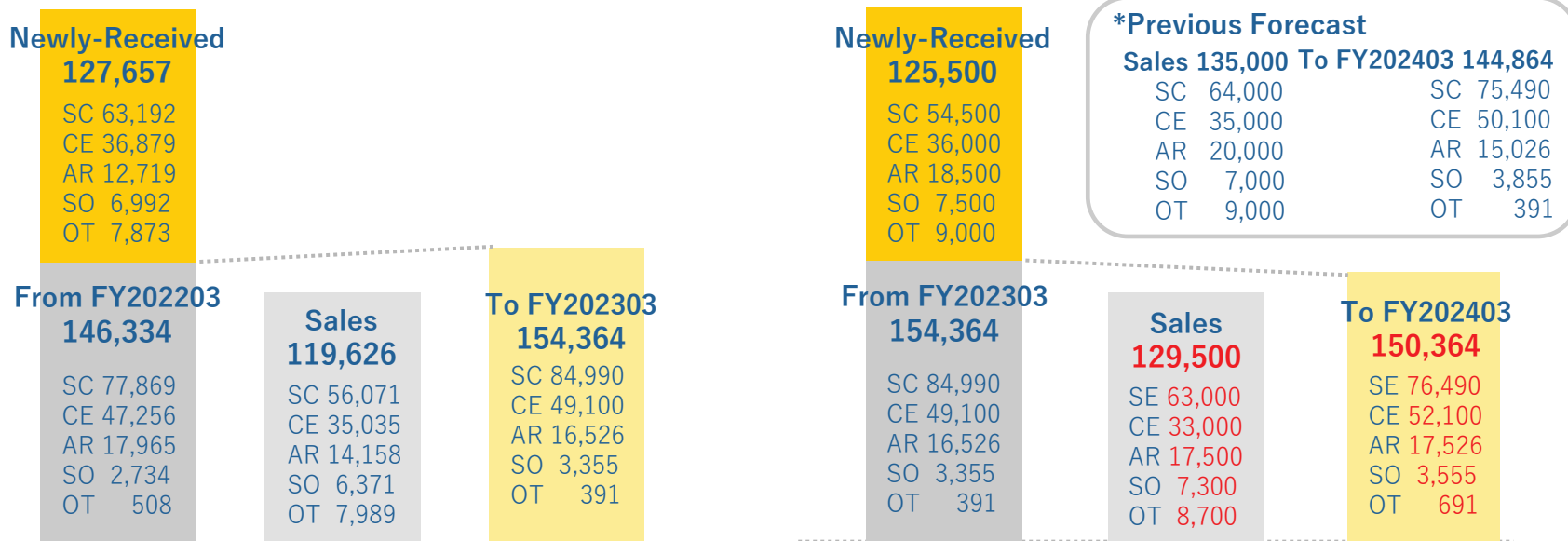
※ Revised on Nov 10, 2023

Orders State Summary (Forecast)

With plenty orders from the previous FY and continuing solid new orders, year-end orders will be high

FY202303-2Q

FY202403-2Q (Million Yen)



*Previous Forecast	
Sales 135,000	To FY202403 144,864
SC 64,000	SC 75,490
CE 35,000	CE 50,100
AR 20,000	AR 15,026
SO 7,000	SO 3,855
OT 9,000	OT 391

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

Internal Sales between business segments are NOT adjusted.

P/L Summary (Forecast)

Compared to the previous forecast, sales are expected to decrease due to projects delays etc., still each profits to increase

(Million Yen)

	FY202403 Previous	FY202403 Revised	Change
Sales Revenues	133,000	128,000	△5,000
Gross Profit	15,600	17,400	1,800
Operating Profit	4,600	6,400	1,800
Ordinary Profit Shares of Profit of Entities Accounted for Using Equity Method	5,100 900	6,900 900	1,800
Net income Attributable to owners of Kawada	3,900	4,700	800

Sales Revenues and Operating Profits (Forecast)

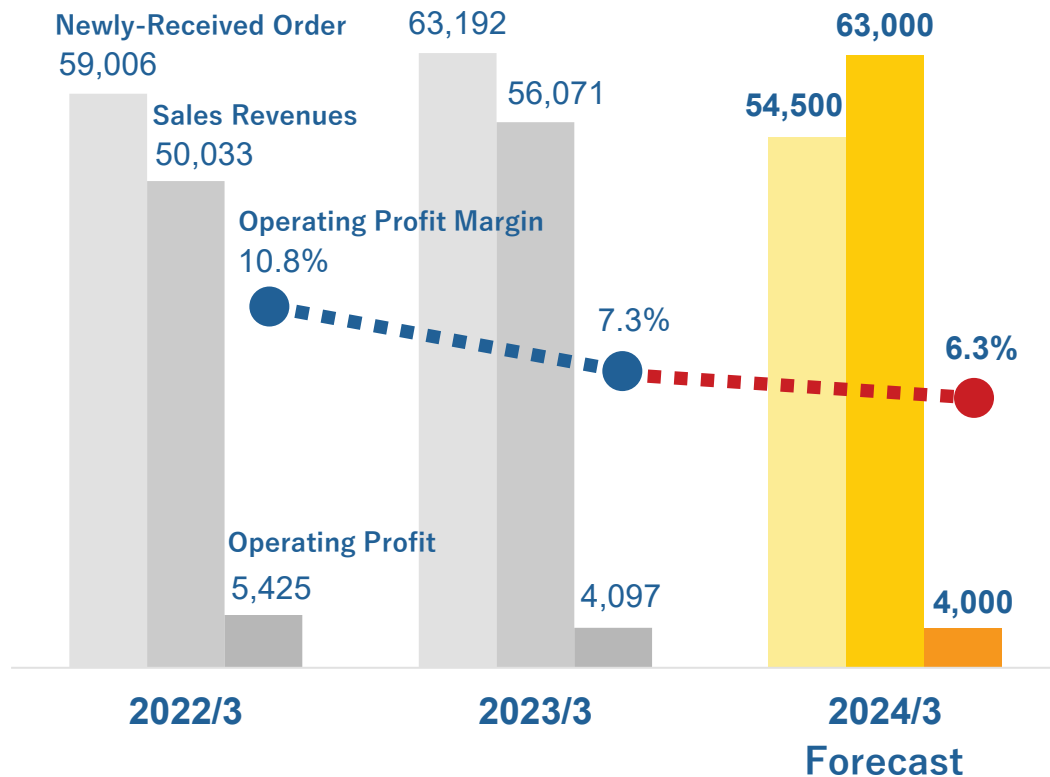
With more contract alterations and further cost reductions expected, profits are estimated to increase in Steel Construction and Civil Engineering

(Million Yen)

	Sales Revenues			Operating Profits		
	FY202403 Previous	FY202403 Revised	Change	FY202403 Previous	FY202403 Revised	Change
Steel Construction	64,000	63,000	△1,000	3,000	4,000	1,000
Civil Engineering	35,000	33,000	△2,000	1,750	1,750	0
Architecture	20,000	17,500	△2,500	150	1,250	1,100
Solution	7,000	7,300	300	2,350	2,500	150
Other	9,000	8,700	△300	△150	△500	△350

Internal Sales between business segments are NOT adjusted.

(Million Yen)



FY202403 (Forecast)

Newly-Received Orders	54,500
Sales Revenues	63,000
Operating Profit (Margin)	4,000 (6.3%)

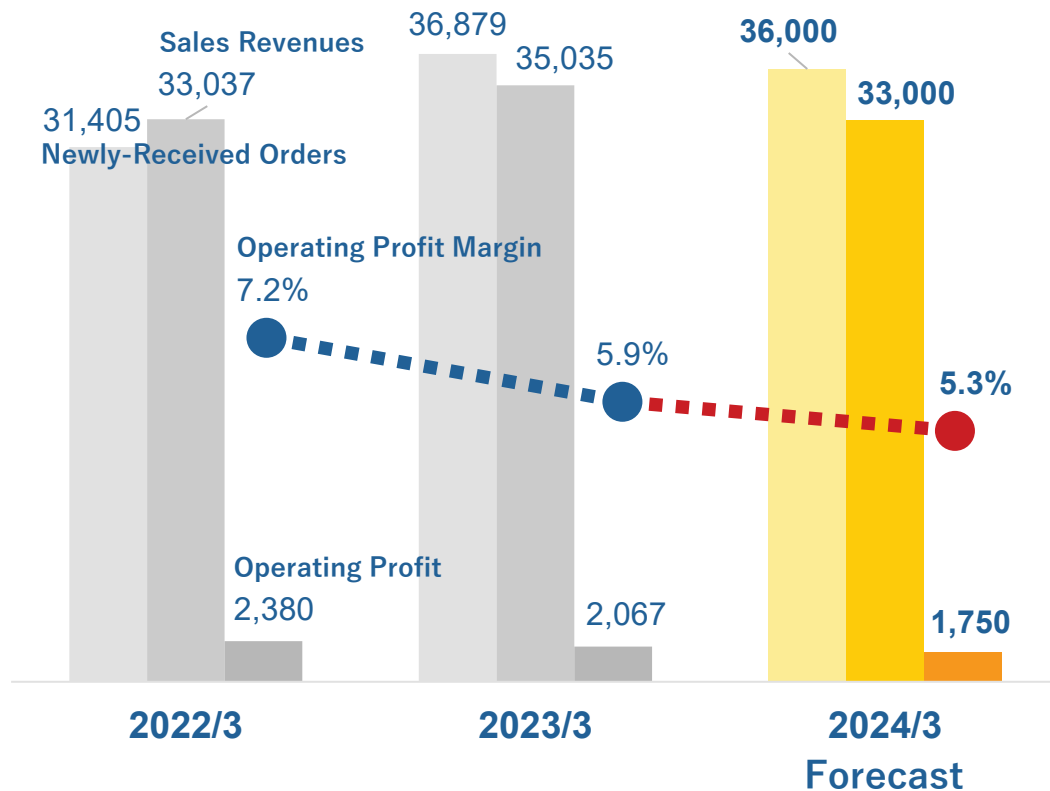
Steel Bridge Business

Strives to capture the demand of the renewal and maintenance market, which is in rapid increase over the last few years. Also, a big new construction project is on the horizon.

Architectural Steel Business

Expects to receive big projects orders continuously, such as redevelopments in metropolitan areas, construction of datacenters, semiconductor plants, etc.

(Million Yen)

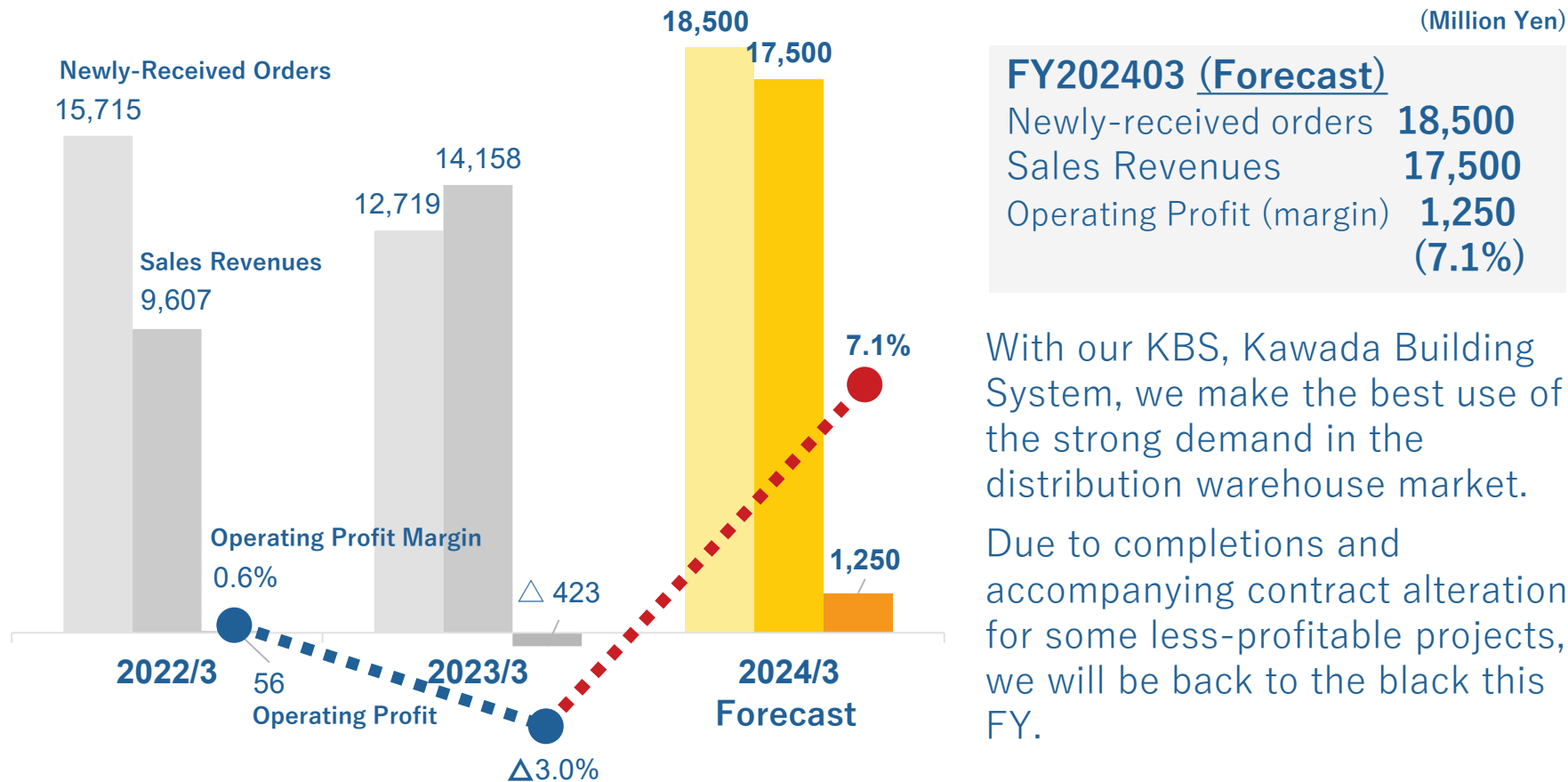


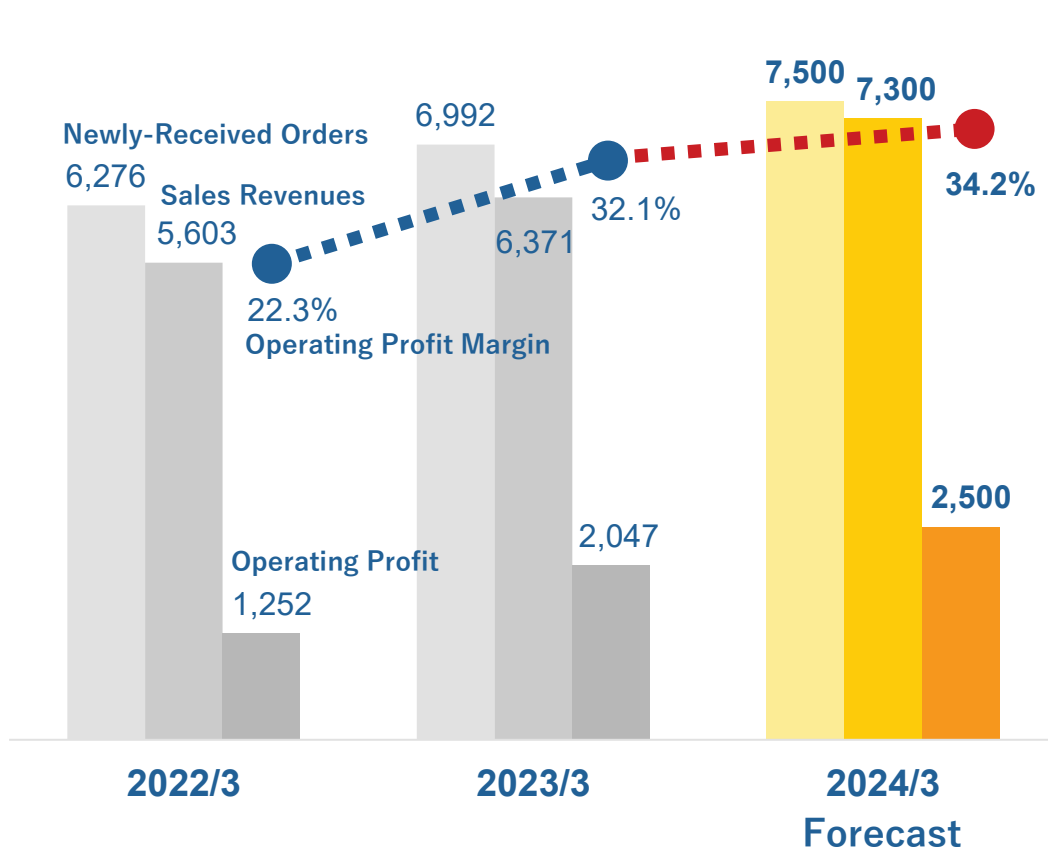
FY202403 (Forecast)

Newly-received orders	36,000
Sales Revenues	33,000
Operating Profit (Margin)	1,750 (5.3%)

An outstanding market shift from “New-construction” to “Renewal and maintenance” is underway.

The environment becoming harder due to projects’ enlargement and with more competitors in the market, we are striving to capture the strong demand and increase the profitability through proper risk control.





(Million Yen)

FY202403 (Forecast)

Newly-received orders	7,500
Sales Revenues	7,300
Operating Profit (margin)	2,500 (34.2%)

Software-related Business

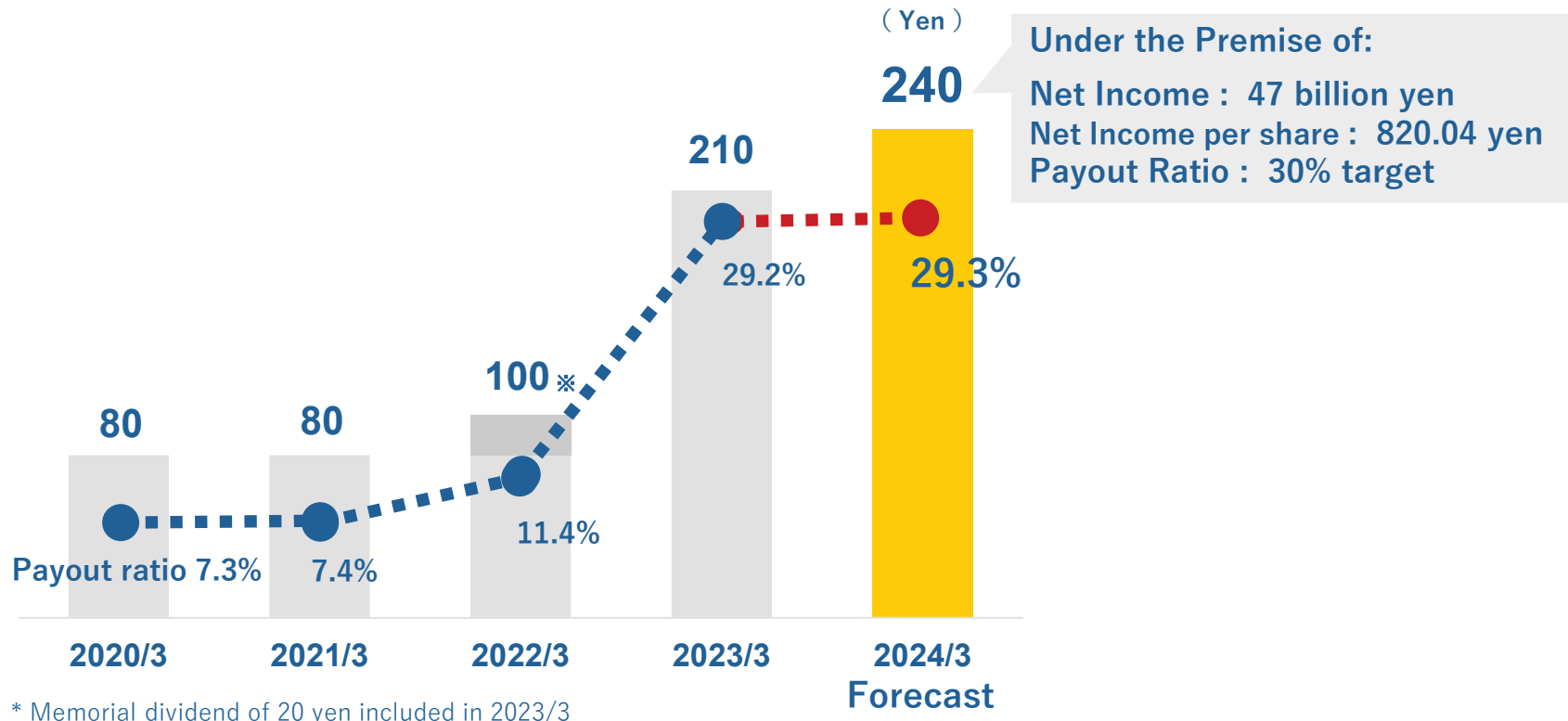
On the background of MLIT(*) promoting BIM/CIM, our cloud service shows strong performance, in addition to already-strong 3D-CAD software.

Robotics-related Business

We are making every effort to turn a profit, getting our cost structure leaner and proactively promoting Fillie, our new product.

Year-End Dividend (Forecast)

With the present net income forecast, the year-end dividend will be 240 yen per share



* Memorial dividend of 20 yen included in 2023/3

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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