

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

November 8, 2024

Company name: EXEO Group, Inc.
 Stock exchange listing: Tokyo
 Stock code: 1951 URL <https://www.exeo.co.jp/>
 Representative: President and CEO Tetsuya Funabashi
 Director and Operating Officer
 General Manager of Accounts & Finance
 Inquiries: Division Shigeki Hayashi TEL 03-5778-1105
 Chief Financial Officer
 Scheduled date to file Semi-annual Securities Report: November 8, 2024
 Scheduled date to commence dividend payments: November 29, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	273,471	3.1	10,312	11.9	11,579	(7.0)	6,300	(14.2)
Six months ended September 30, 2023	265,174	(0.0)	9,212	7.7	12,450	7.9	7,341	11.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	30.15		30.14	
Six months ended September 30, 2023	34.54		34.52	

Note: On April 1, 2024, EXEO Group, Inc. implemented a 2-for-1 common stock split. Earnings per share and diluted earnings per share of six months ended September 30, 2023, were calculated on the assumption that the stock split had been implemented at the beginning of the fiscal year ended March 31, 2024.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2024	551,570	318,099	56.5	1,494.64
As of March 31, 2024	591,637	319,217	52.9	1,490.44

Note: On April 1, 2024, EXEO Group, Inc. implemented a 2-for-1 common stock split. Net assets per share were calculated on the assumption that the stock split had been implemented at the beginning of the fiscal year ended March 31, 2024.

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	60.00	–	60.00	120.00
Year ending March 31, 2025	–	31.00	–	–	–
Year ending March 31, 2025 (Forecast)	–	–	–	31.00	62.00

Note: On April 1, 2024, EXEO Group, Inc. implemented a 2-for-1 common stock split. For the fiscal years ended March 31, 2024, the actual dividend amount before the stock split is shown. For the fiscal year ending March 31, 2025, the forecasted dividend amount after stock split is shown.

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	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
Full year	630,000	2.6	36,000	5.5	36,340	(1.6)	22,310	11.2	107.22

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2024	213,624,838 shares	As of March 31, 2024	213,624,838 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	5,282,850 shares	As of March 31, 2024	3,470,327 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	208,988,924 shares	Six months ended September 30, 2023	212,564,382 shares
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Note: On April 1, 2024, EXEO Group, Inc. implemented a 2-for-1 common stock split. Number of issued shares (common shares) were calculated on the assumption that the stock split had been implemented at the beginning of the fiscal year ended March 31, 2024.

Semi-annual consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	48,249	38,710
Notes receivable, accounts receivable from completed construction contracts and other	235,633	176,533
Securities	0	–
Costs on construction contracts in progress	53,421	69,921
Other	10,637	11,284
Allowance for doubtful accounts	(95)	(135)
Total current assets	347,845	296,314
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	49,565	52,920
Land	63,191	63,581
Other, net	33,197	39,745
Total property, plant and equipment	145,954	156,247
Intangible assets		
Goodwill	13,872	15,816
Other	8,795	9,360
Total intangible assets	22,668	25,176
Investments and other assets		
Other	76,109	74,815
Allowance for doubtful accounts	(941)	(983)
Total investments and other assets	75,168	73,831
Total non-current assets	243,791	255,256
Total assets	591,637	551,570

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	73,414	60,874
Short-term borrowings	29,192	20,899
Current portion of bonds payable	10,000	10,130
Income taxes payable	10,138	5,509
Advances received on construction contracts in progress	12,594	12,875
Provisions	4,552	4,598
Other	37,827	24,756
Total current liabilities	177,720	139,643
Non-current liabilities		
Bonds payable	20,000	20,235
Long-term borrowings	43,193	41,840
Provisions	771	769
Retirement benefit liability	9,778	9,943
Other	20,955	21,038
Total non-current liabilities	94,698	93,826
Total liabilities	272,419	233,470
Net assets		
Shareholders' equity		
Share capital	6,888	6,888
Capital surplus	22,091	22,095
Retained earnings	264,711	264,695
Treasury shares	(4,534)	(7,536)
Total shareholders' equity	289,156	286,142
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,201	10,024
Foreign currency translation adjustment	1,796	5,255
Remeasurements of defined benefit plans	11,067	9,973
Total accumulated other comprehensive income	24,064	25,254
Share acquisition rights	142	121
Non-controlling interests	5,853	6,581
Total net assets	319,217	318,099
Total liabilities and net assets	591,637	551,570

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	265,174	273,471
Cost of sales	228,914	235,989
Gross profit	36,260	37,481
Selling, general and administrative expenses	27,048	27,168
Operating profit	9,212	10,312
Non-operating income		
Interest income	118	134
Dividend income	425	359
Foreign exchange gains	2,585	1,092
Other	919	964
Total non-operating income	4,048	2,550
Non-operating expenses		
Interest expenses	361	503
Loss on valuation of inventories	–	447
Other	449	333
Total non-operating expenses	810	1,283
Ordinary profit	12,450	11,579
Profit before income taxes	12,450	11,579
Income taxes	4,967	5,085
Profit	7,483	6,493
Profit attributable to non-controlling interests	141	192
Profit attributable to owners of parent	7,341	6,300

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	7,483	6,493
Other comprehensive income		
Valuation difference on available-for-sale securities	2,456	(1,176)
Foreign currency translation adjustment	1,803	3,588
Remeasurements of defined benefit plans, net of tax	85	(1,093)
Total other comprehensive income	4,344	1,318
Comprehensive income	11,827	7,811
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,601	7,489
Comprehensive income attributable to non-controlling interests	226	321