



ICHIKEN Co., Ltd.

Stock Exchange Code: 1847

Six Months Ended September 30, 2024 (First Half FYE March 2025) Financial Results Briefing Materials

December 5, 2024

Bringing the future to you through
innovative living spaces

ICHIKEN For Your Living Space

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I.

Overview of Financial Results for the Six Months Ended September 30, 2024 (First Half FYE March 2025)

*

Kataoka Kogyo Co., Ltd. was made a consolidated subsidiary, with the acquisition date of August 31, 2024. As a result, for the six months ended September 30, 2024 (first half), Kataoka Kogyo has been included in the balance sheets, but not in the statements of income. Furthermore, the figures for orders, completed construction contracts, and contracts carried over stated herein, as well as changes in these figures, relate to ICHIKEN Co., Ltd. alone.

Business Environment

1. The economic outlook during the first six months of the fiscal year remained uncertain. While the Japanese economy demonstrated gradual recovery, supported by improvements in the employment and income environments as well as government stimulus measures, there were a number of factors that clouded the outlook, including economic policy trends surrounding the outcome of the US presidential election, geopolitical risks mainly in the Middle East, as well as price hikes and the impact of fluctuations in financial and capital markets.
2. In the construction industry, government construction investment was steady. Private sector capital investment showed signs of improvement, driven by the expansion of warehouse space and logistics facilities amid growth in e-commerce. Overall, however, conditions remained challenging due to a chronic shortage of workers, higher material prices, and other factors.

Corporate Efforts

1. Aggressively sought orders to meet the demand for new construction, interior design, and renovations for stores and other businesses by leveraging upon our know-how from our core commercial facility construction business as well as our planning and proposal expertise. Received orders for large logistics facilities based on requests from commercial facility operators, resulting in a higher achievement rate and an expansion in our scope of construction achievements.
2. In response to regulations limiting overtime work that went into effect on April 1, 2024, reduced overtime work by raising awareness through the visualization of working hours, as well as by enhancing work efficiency with the utilization of IT, mainly through DX promotion projects.

Financial Results for the Six Months Ended September 30, 2024

- Transitioned to consolidated accounting from the first six months (first half) ended September 30, 2024.
 - Consolidated financial statements were not compiled for the same period of the previous fiscal year.
- (Reference) Orders increased compared with the non-consolidated results for the same period of the previous fiscal year, while revenue and profit also increased.

(Millions of yen)					
	Six Months Ended September 30, 2024	Target *1	Achievement Rate	(Reference) ICHIKEN Non-Consolidated Six Months Ended September 30, 2023	
	Amount	Amount		Amount	YOY Change
Orders	52,070			51,316	754
Contracts carried over	82,013			81,311	702
Net sales	51,601	51,600	100.0%	49,487	2,114
Breakdown	Projects completed	51,482		46,529	4,952
	Real estate business	119		2,957	(2,838)
Gross profit	4,737			3,420	1,317
Breakdown	Projects completed	4,668		2,786	1,881
	Real estate business	68		633	(564)
SG&A *2	1,692			1,483	209
Operating profit	3,044	3,040	100.2%	1,937	1,107
Ordinary profit	3,006	3,000	100.2%	1,894	1,111
Extraordinary income or loss	-			(2)	-
Profit attributable to owners of parent	1,999	2,000	100.0%	1,393	605

*1 Consolidated earnings forecast for the first six months of the fiscal year (first half) disclosed on October 31, 2024 (in Japanese) in preparation for the transition to consolidated reporting

*2 Includes expenses for the acquisition of subsidiary shares

Breakdown by Category (1) (ICHIKEN Non-Consolidated)

(Millions of yen)

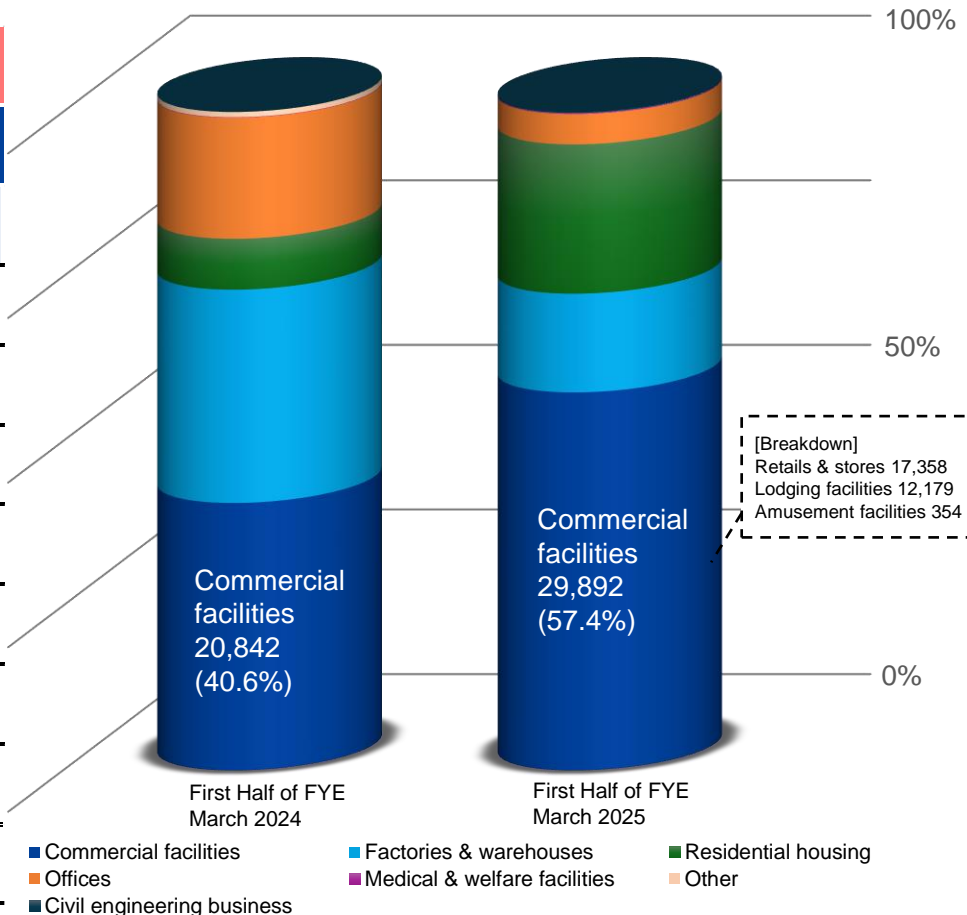
		Orders			Completed Construction Contracts			Contracts Carried Over		
		First Half of FYE March 2024	First Half of FYE March 2025	Change	First Half of FYE March 2024	First Half of FYE March 2025	Change	First Half of FYE March 2024	First Half of FYE March 2025	Change
Construction Business	Commercial facilities	20,842	29,892	9,050	28,900	21,633	(7,266)	33,531	33,936	405
	Breakdown									
	Retails & stores	18,383	17,358	(1,025)	25,009	17,456	(7,552)	25,734	19,879	(5,854)
	Lodging facility	2,448	12,179	9,730	3,871	3,192	(679)	6,196	13,198	7,001
	Amusement facilities	9	354	344	19	984	965	1,600	858	(741)
	Residential housing	3,965	11,808	7,843	13,262	8,570	(4,692)	19,480	23,769	4,288
	Offices	9,446	2,400	(7,045)	2,245	5,785	3,539	10,509	8,495	(2,013)
	Factories & warehouses	16,623	7,804	(8,819)	1,446	15,146	13,699	17,216	15,640	(1,575)
	Medical & welfare facilities	30	62	32	469	65	(404)	-	-	-
	Other	407	9	(397)	202	251	48	564	66	(498)
Total		51,316	51,979	663	46,527	51,453	4,925	81,302	81,907	605
Civil Engineering Business Total		-	91	91	2	29	26	9	106	96
Total		51,316	52,070	754	46,529	51,482	4,952	81,311	82,013	702

Breakdown by Category (2) Orders (ICHIKEN Non-Consolidated)

- Orders received for commercial facilities totaled ¥29,892 million (YOY increase of 43.4%).
- Commercial facilities orders rose mainly on strength of orders for lodging facilities.

(Millions of yen)

	Orders					
	First Half of FYE March 2024		First Half of FYE March 2025		Change	
	Amount	Share	Amount	Share	Difference	%
Commercial facilities	20,842	40.6%	29,892	57.4%	9,050	43.4%
Residential housing	3,965	7.7%	11,808	22.7%	7,843	197.8%
Offices	9,446	18.4%	2,400	4.6%	(7,045)	(74.6%)
Factories & warehouses	16,623	32.4%	7,804	15.0%	(8,819)	(53.1%)
Medical & welfare facilities	30	0.1%	62	0.1%	32	105.3%
Other	407	0.8%	9	0.0%	(397)	(97.6%)
Civil engineering business	-	-	91	0.2%	91	-
Total	51,316	100.0%	52,070	100.0%	754	1.5%

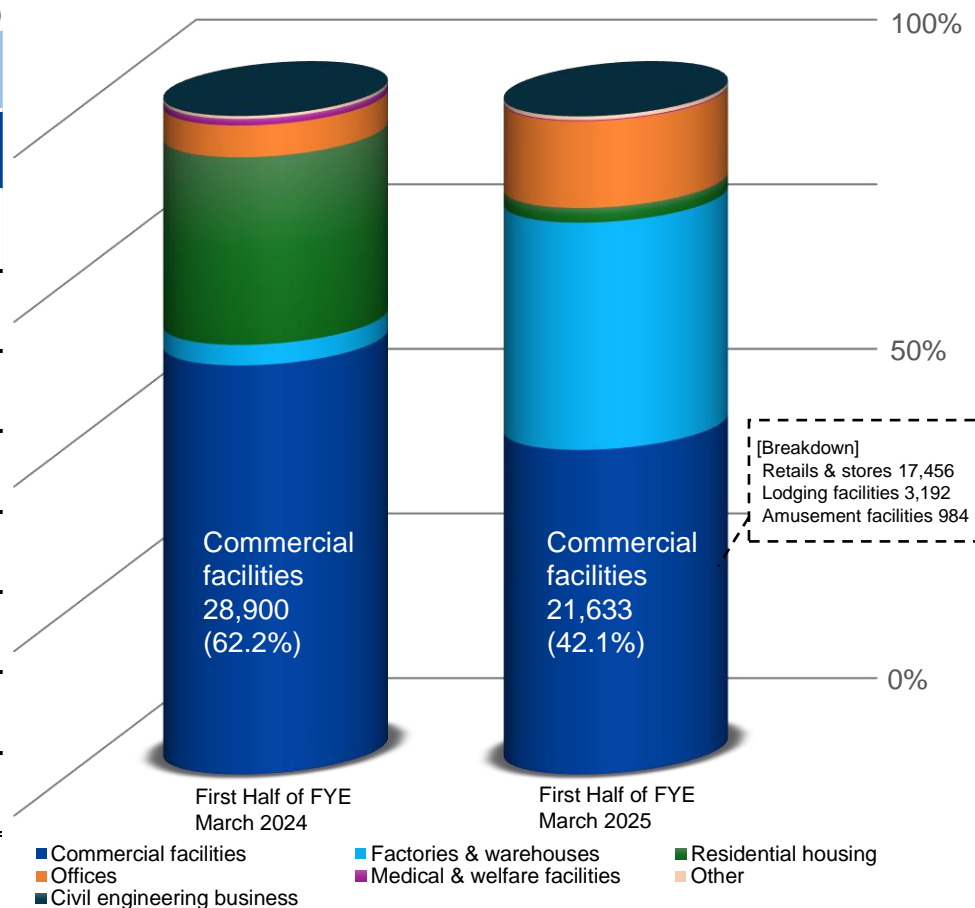


Breakdown by Category (3) Completed Construction Contracts (ICHIKEN Non-Consolidated)

- Completed construction contracts for commercial facilities totaled ¥21,633 million (YOY decrease of 25.1%).
- Large logistics facilities construction in progress advanced steadily.

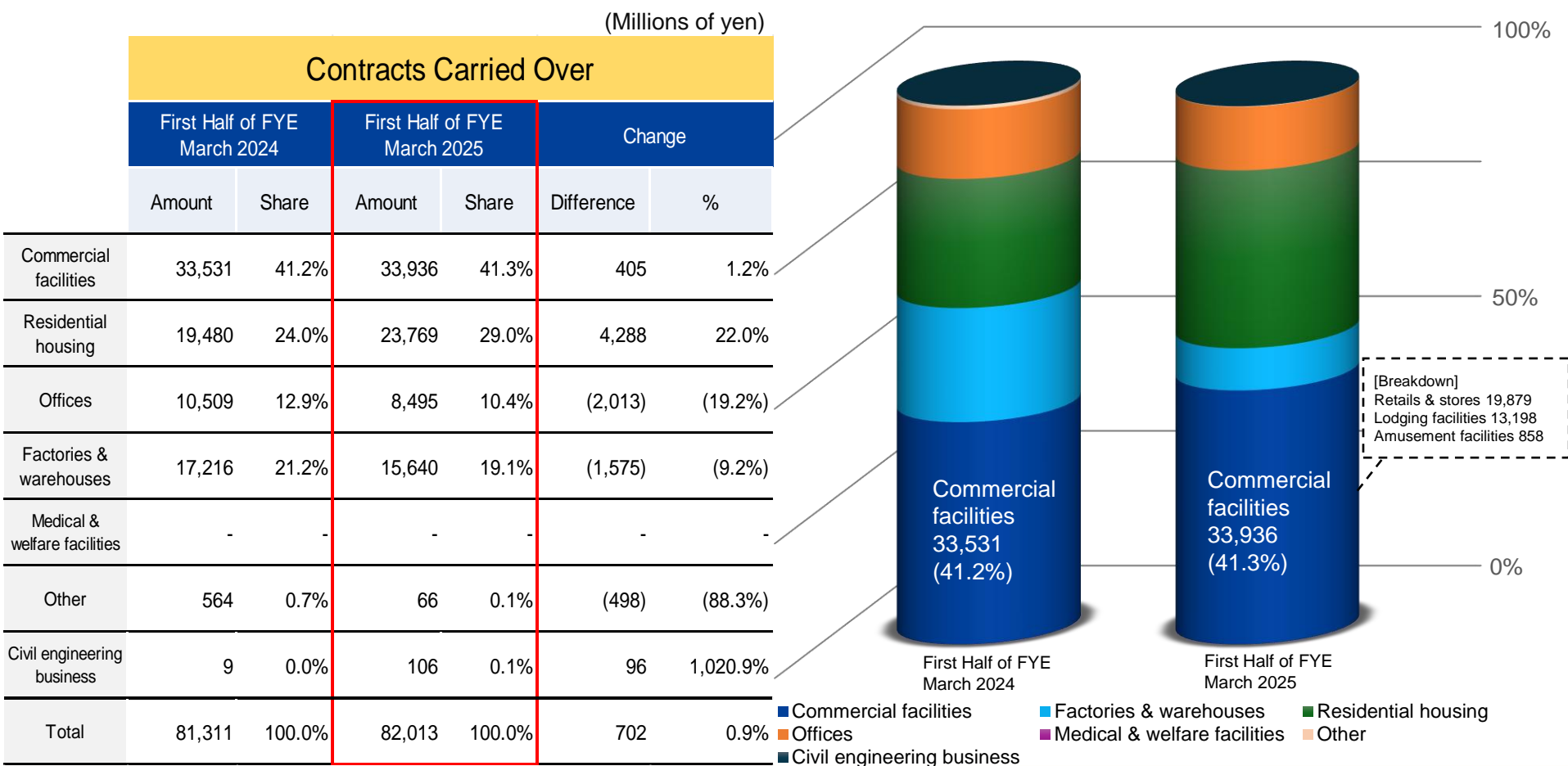
(Millions of yen)

Completed Construction Contracts						
	First Half of FYE March 2024		First Half of FYE March 2025		Change	
	Amount	Share	Amount	Share	Difference	%
Commercial facilities	28,900	62.2%	21,633	42.1%	(7,266)	(25.1%)
Residential housing	13,262	28.5%	8,570	16.6%	(4,692)	(35.4%)
Offices	2,245	4.8%	5,785	11.2%	3,539	157.6%
Factories & warehouses	1,446	3.1%	15,146	29.4%	13,699	947.1%
Medical & welfare facilities	469	1.0%	65	0.1%	(404)	(86.1%)
Other	202	0.4%	251	0.5%	48	24.2%
Civil engineering business	2	0.0%	29	0.1%	26	1,185.3%
Total	46,529	100.0%	51,482	100.0%	4,952	10.6%



Breakdown by Category (4) Contracts Carried Over (ICHIKEN Non-Consolidated)

- Contracts carried over to the next period for commercial facilities totaled ¥33,936 million (YOY increase of 1.2%).
- We aim to further build up contracts for commercial facilities, among others.



Major Projects Completed & Orders Received (ICHIKEN Non-Consolidated)

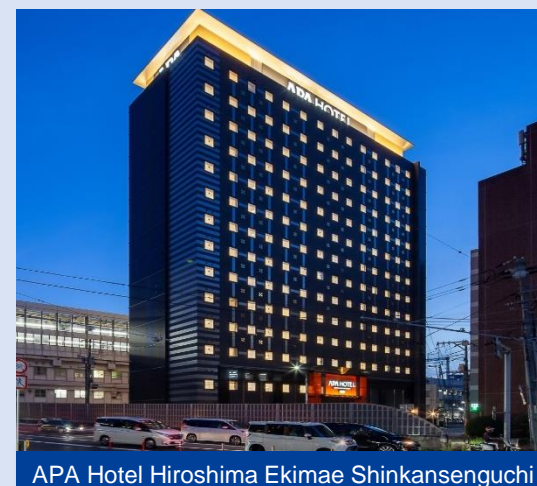
Major Projects Completed

Project Name	Main Building Application	Location
BLANDE Misato (Misato City Misato 1-chome New Commercial Facility Construction)	Commercial complex (Supermarket, etc.)	Saitama
The Parkhouse Misato (Misato City Misato 1-chome New Construction)	Condominium building for sale	Saitama
SOYORA Yokohama Takata (Aeon Style Takata-nishi New Construction)	Commercial complex (Supermarket, etc.)	Kanagawa
Aeon Asahikawa Shunko Shopping Center (Aeon Asahikawa Shunko S&B Project)	Commercial complex (Supermarket, etc.)	Hokkaido
Roygent Hiyoshi II (Roygent Hiyoshicho II New Construction)	Condominium building for sale	Aichi
APA Hotel Hiroshima Ekimae Shinkansenguchi (APA Hotel Hiroshimaeki Shinkansenguchi New Construction)	Lodging facility	Hiroshima

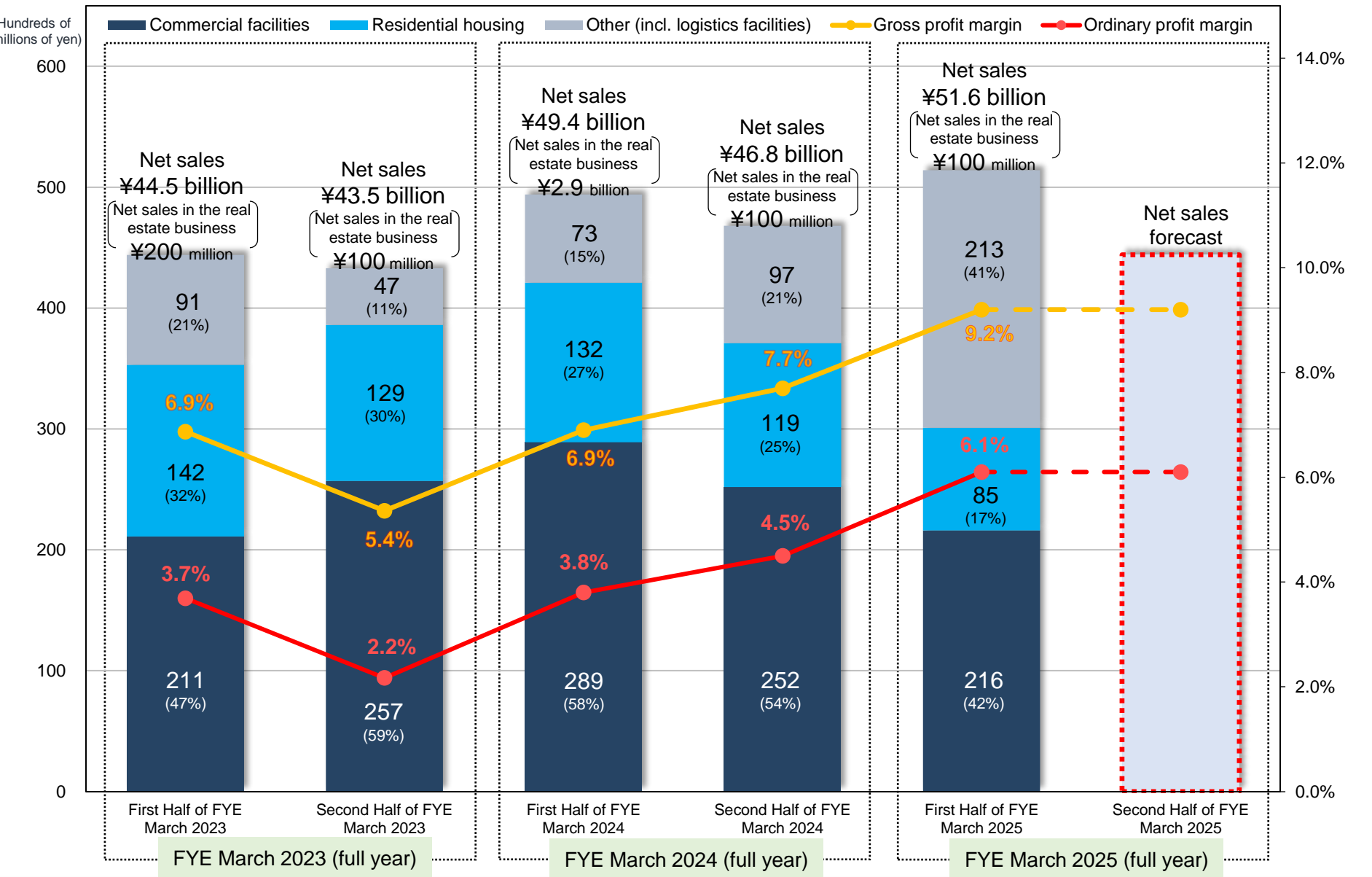
Major Orders Received

Project Name	Main Building Application	Location
Cosmo Beauty Kobe New Construction	Factory	Hyogo
APA Hotel Saitama Shintoshin-Eki Nishi New Construction (tentative name)	Lodging facility	Saitama
Higashi-Kishiwada Station Commercial Facility New Construction (tentative name)	Commercial complex	Osaka
Kodaira City Ogawa Higashi-cho Commercial New Construction (tentative name)	Commercial complex	Tokyo
Minami-Kasai 6-chome Commercial Complex Project II (tentative name)	Lodging facility	Tokyo
APA Hotel Sapporo Odori Ekimae Nishi New Construction	Lodging facility	Hokkaido

Completed properties

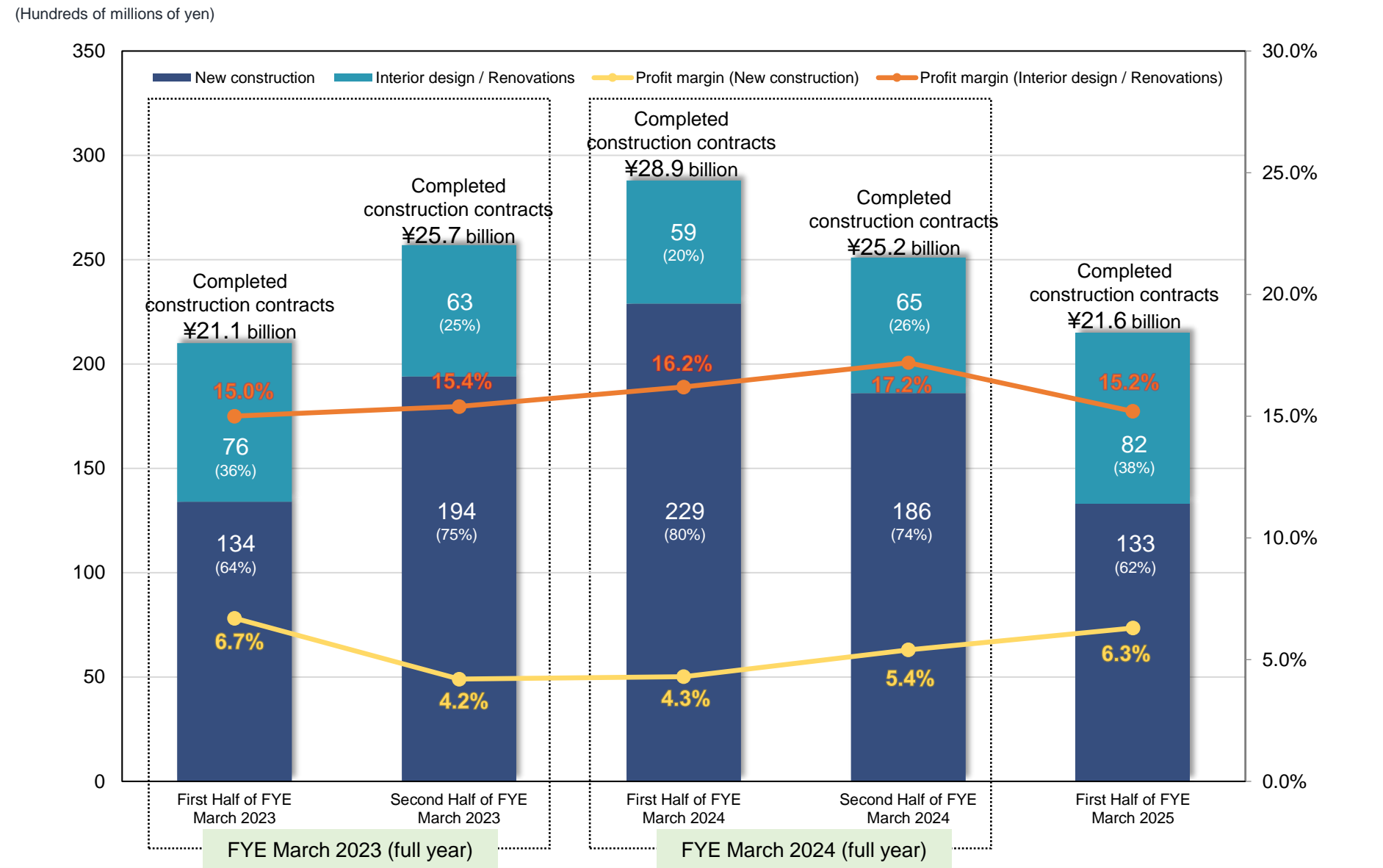


Changes in Net Sales by Project Type - Half Year (ICHIKEN Non-Consolidated) (First Half of FYE March 2023 - Second Half of FYE March 2025)



Changes in Completed Construction Contracts - Half Year

[Commercial facilities: new construction vs. interior design work / renovations]
(ICHIKEN Non-Consolidated) (First Half of FYE March 2023 - First Half of FYE March 2025)



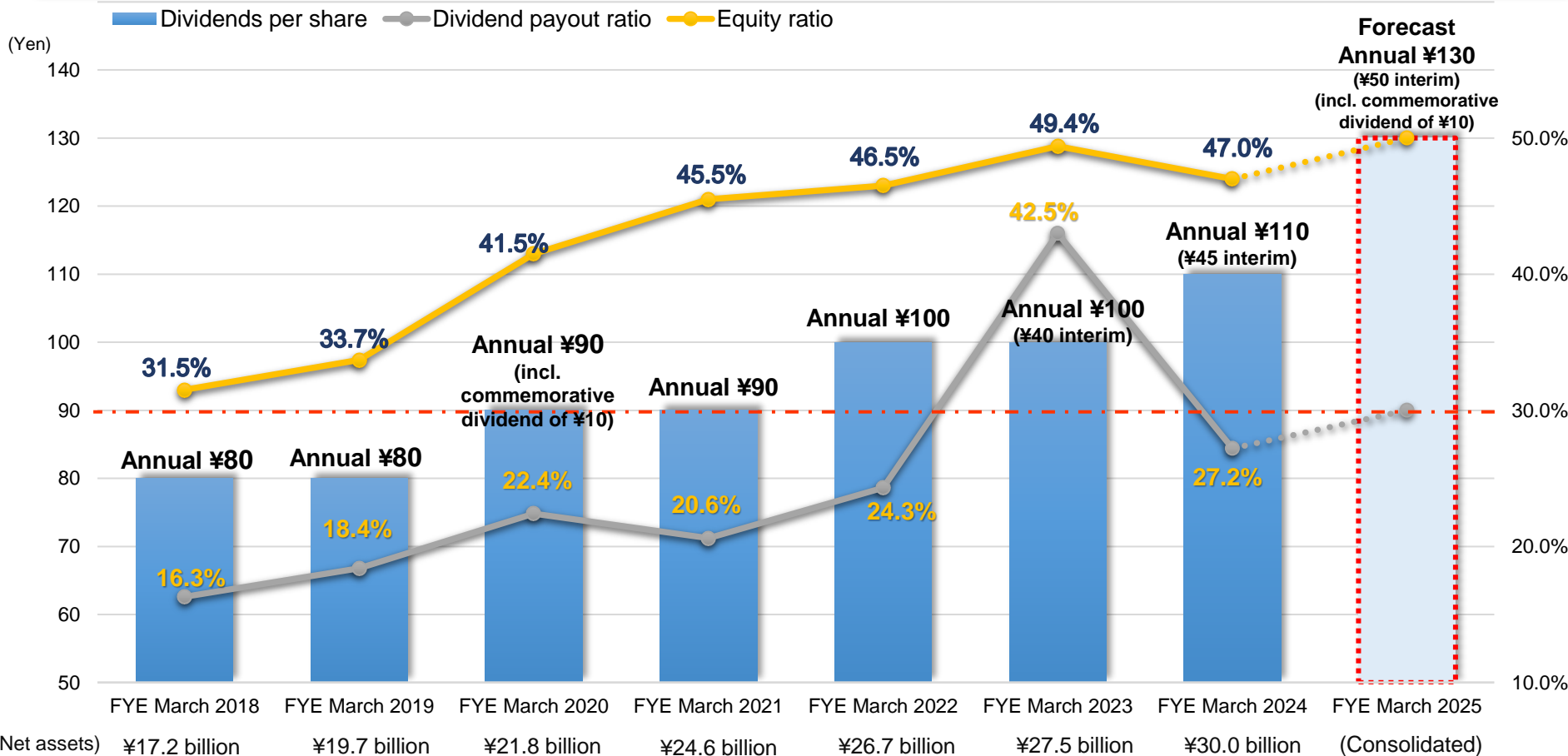
Consolidated Balance Sheets (first half)

(Millions of yen)

	As of September 30, 2024	(Reference) ICHIKEN Non-Consolidated As of September 30, 2024	(Reference) Kataoka Kogyo Non- Consolidated As of August 31, 2024
Total assets	65,310	64,302	2,544
Current assets	60,076	57,729	2,346
Non-current assets	5,234	6,573	197
Total liabilities	33,751	32,606	1,196
Current liabilities	28,536	27,616	1,181
Non-current liabilities	5,124	4,990	15
Total net assets	31,559	31,696	1,348
Owners' equity	31,537	31,674	1,348
Share acquisition rights	22	22	-

Per Share Dividends (FYE March 2018 - FYE March 2025)

- Announcement on October 31, 2024 of revised dividend forecast
- Dividend forecast for FYE March 2025 revised to ¥130 per share
 - Interim dividend ¥50 (paid), year-end dividend ¥80 (including commemorative dividend of ¥10)
 - Payout ratio of 30.0% based on earnings forecast



Statements of Cash Flows (first half)

		(Millions of yen)		
			Six months ended September 30, 2024	
	Cash flows from operating activities	4,630	[CF from operating activities]	¥4,630 million increase in funds
	Cash flows from investing activities	(1,099)		<ul style="list-style-type: none"> • Profit before income taxes +¥3,006 million • Decrease in notes and accounts receivable-trade and others +¥5,160 million • Decrease in costs on construction contracts in progress +¥489 million • Decrease in trade payables (¥3,369 million) • Income taxes paid (¥611 million)
	Cash flows from financing activities	1,436		<ul style="list-style-type: none"> • Purchase of shares of subsidiaries resulting in change in scope of consolidation (¥1,023 million) • Purchase of intangible assets (¥32 million) • Purchase of investment securities (¥29 million)
Total cash flow		4,966	[CF from financing activities]	¥1,436 million increase in funds
Cash and cash equivalents at end of first half*		17,990		<ul style="list-style-type: none"> • Proceeds from long-term borrowings +¥2,000 million • Net increase in short-term borrowings +¥487 million • Repayments of long-term borrowings (¥557 million) • Dividends paid (¥470 million)

*Adjustment of balance of cash and cash equivalents in conjunction with consolidation

FYE March 2025 Full-Year Financial Results Forecast

- Announcement on October 31, 2024 of full-year consolidated earnings forecast in conjunction with transition to consolidated reporting
- Announcement on same day of revision to full-year non-consolidated earnings forecast
- Figures for Kataoka Kogyo reflect business activities from September 1, 2024 through March 31, 2025 (seven-month period)

(Millions of yen)

	(Forecast Before Revision/Non-Consolidated)	FYE March 2025 Forecast/Consolidated	(Reference) FYE March 2024 Results		
	Amount	Amount	Amount	YOY Change	Change (%)
Net sales	93,000	98,000	96,373	1,626	1.7%
(Gross profit margin)			(7.3%)		
Operating profit	4,100	4,750	4,100	649	15.8%
Ordinary profit	4,000	4,650	4,020	629	15.7%
Profit attributable to owners of parent	2,900	3,150	2,938	211	7.2%
Dividends per share	¥115 (Interim: ¥45 Year-end: ¥70)	¥130 (Interim: ¥50 Year-end: ¥80*)	¥110 (Interim: ¥45 Year-end: ¥65)	¥20 (Interim: ¥5 Year-end: ¥15)	

*Includes a commemorative dividend of ¥10.

(Cautionary note concerning forward-looking statements, etc.)

The forward-looking statements in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable, and are not intended to be a promise by the Company that they will be achieved. In addition, actual results may differ significantly due to a variety of factors.

II.

Medium-Term Business Plan (2023-2025) Topics

Generating New Orders: Collaboration with Property Owners

Former Wao City Misato Site Development Project completed

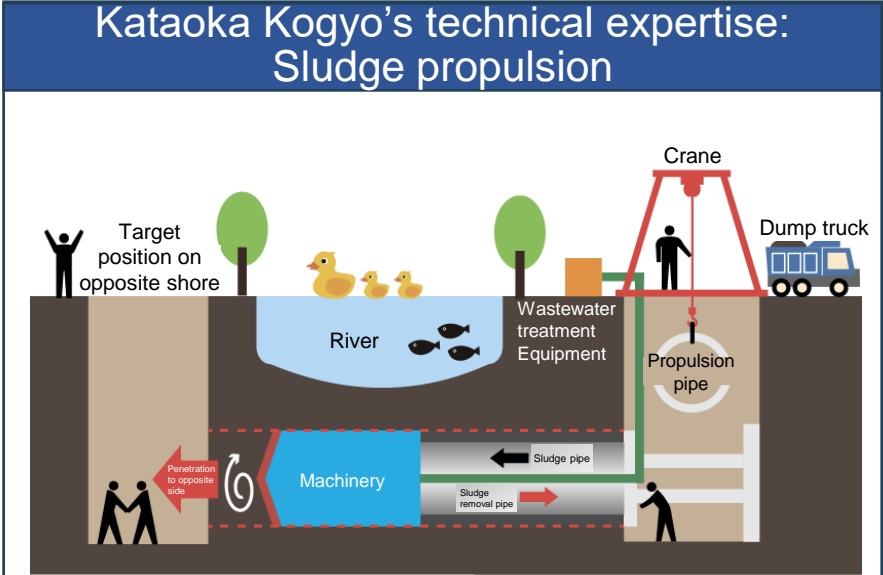
ICHIKEN planned, designed, and constructed BLANDE Misato supermarket as a commercial building on the site of the former Wao City Shopping Center, which closed in February 2021 and for which ICHIKEN acted as the facility operator. Within the new commercial site, ICHIKEN also completed construction of the Parkhouse Misato residential building.



BLANDE Misato/Overview		The Parkhouse Misato/Overview	
Project name	Misato City Misato 1-chome New Commercial Facility Construction (tentative name)	Project name	Misato City Misato 1-chome New Construction
Facility name	BLANDE Misato	Facility name	The Parkhouse Misato
Construction period	November 20, 2023 - May 31, 2024	Construction period	May 2, 2022 - July 30, 2024
Construction location	Misato City, Saitama	Construction location	Misato City, Saitama
Structure type	Steel structure, three stories above ground	Structure type	Steel concrete structure, 15 stories above ground
Use	Stores/commercial complex	Use	Residences/condominiums
Site area	7,305.31 m ²	Site area	3,681.11 m ²
Floor space	14,256.62 m ²	Floor space	17,343.22 m ²
Business owner	Mitsubishi Estate Co., Ltd.	Business owner	Mitsubishi Estate Residence Co., Ltd.



In July 2024, Kataoka Kogyo Co., Ltd. Becomes a Consolidated Subsidiary



«Construction project example»

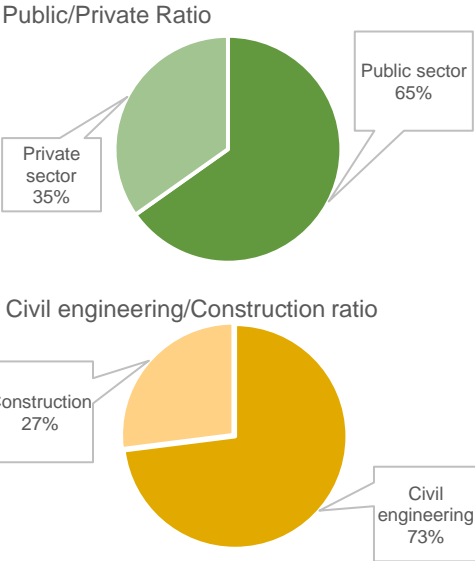


Renovation of Chonan Junior High School facilities (Indoor gymnasium)

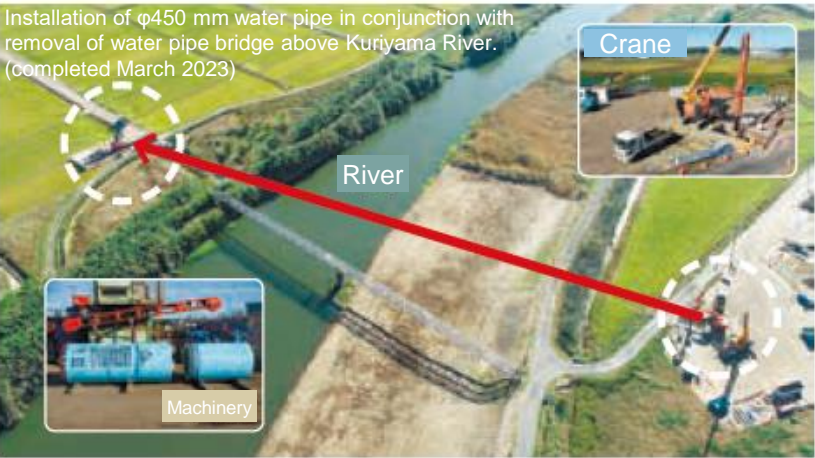


Wide-area river improvement (restoration) work (Ichinomiya River temporary bridge)

«Previous period's net sales ratio»



Excavation of sludge below river in direction of the arrow.



Initiatives to Achieve SDGs

★ Launched a program on our official YouTube channel: “Introducing Work Roles at ICHIKEN Kensetsu Komachi.”



- Construction industry work
- ICHIKEN's workplaces
- Future at ICHIKEN

Interview with female employees at sites describing daily work



家地を持って、お子さんがいらっしゃる施設 管理の女性の方は今までいなかったの

● Ensuring excellent work environments through environmental hygiene patrols carried out by female employees

The patrols focus their inspections on 5S activities (sorting, setting in order, shining, standardizing, and sustaining). Is garbage being sorted properly? Are toilets and changerooms being cleaned properly? These are some of the questions the patrols ask as they inspect worksites from the unique vantage point of female employees, noticing things that men may not notice in order to identify problems. Overall, the patrols have been found to be effective at improving the work environments.



● ICHIKEN support for SDGs Radio

ICHIKEN is proud to support SDGs Radio, a program in which companies provide one-minute summaries of corporate SDGs initiatives to help educate children and students throughout Japan. MIMIYOMI is a team of visually impaired narrators providing narration for the radio programs.

Through SDGs Radio, ICHIKEN strives to support the education of Japan's future generations, while also continuing to promote sustainable societies.



SDGs ラジオ

<https://www.sdg-radio.jp/member/>

Introducing Work Roles at ICHIKEN Kensetsu Komachi



Please registered and stay tuned to ICHIKEN's YouTube channel.



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株式会社イチケンの公式YouTubeチャンネルです。...さらに表示
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チャンネル登録

ICHIKEN Official
YouTube
Channel



(in Japanese)

ホーム 動画 再生リスト 🔍

新しい動画 ▶すべて再生



イチケンけんせつ小町のお仕事紹介
【公式】株式会社イチケン
1379 回視聴・3 週間前



SDGs 取組宣言
【公式】株式会社イチケン
372 回視聴・3 週間前



業績紹介 (第98期)
【公式】株式会社イチケン
305 回視聴・4 か月前



SDGs未来の授業
【公式】株式会社イチケン
587 回視聴・8 か月前



PMO浜松町ⅡBIMシミュレーション動画
【公式】株式会社イチケン
524 回視聴・1 年前



ストアBIMとArch LOG連携プロジェクト解説
【公式】株式会社イチケン
362 回視聴・1 年前

Towards Achieving Vision 2030 in 2030 (Company Centennial)

■ Vision 2030 (Overview)

- Corporate vision in 2030
We aim to contribute to the sustainable development of society while continuing to achieve stable growth.
- Investment Plan: ¥30.0 billion in total
«Main investment areas to date»

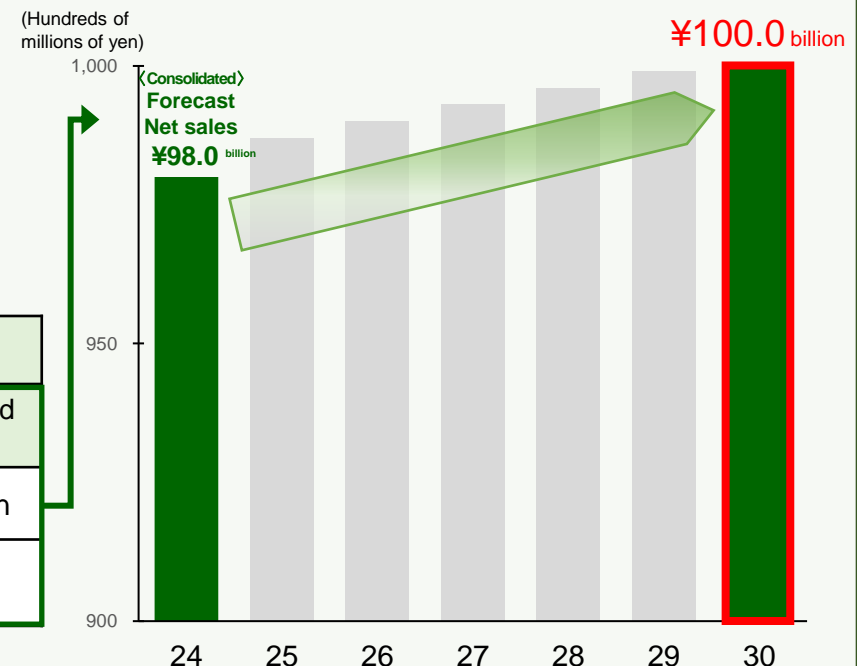
Conduct M&As, promote IT and construction DX, invest in real estate (continue cyclical investment), promote overseas business initiatives (Vietnam), etc.

● Management Goals

Vision 2030		FY2024 earnings forecast	
		Non-consolidated results	Consolidated results
Net sales	¥100.0 billion	¥96.0 billion	¥98.0 billion
Operating profit margin	About 5%	4.9%	4.8%

Through the promotion of various initiatives under the Medium-Term Business Plan, we are making steady progress towards achieving the management goals of Vision 2030.

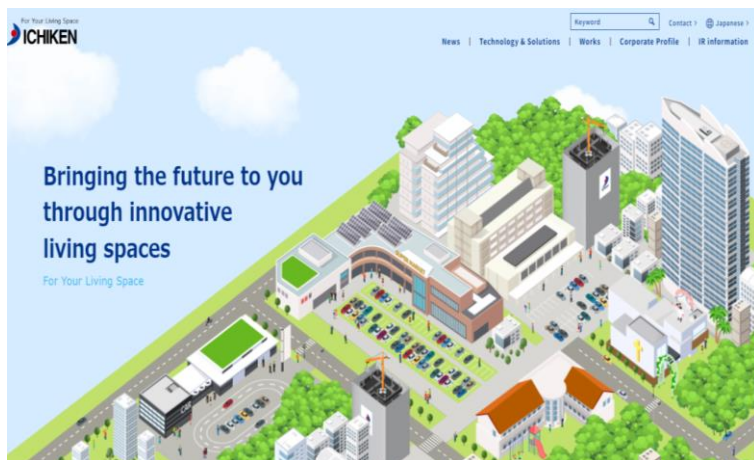
[Net sales image for FY2030]



Corporate Message

Bringing the future to you through innovative living spaces ~For Your Living Space~

This message to all of our stakeholders, including customers, business partners, community members, as well as our employees and their families, embodies our corporate commitment to creating and proposing a vision for the future through our living space business, aiming to realize a rich and comfortable society and improve job fulfilment for our employees.



ICHIKEN website



You can watch many videos
about ICHIKEN's history
and business.



(in Japanese)

- These materials were prepared by ICHIKEN Co., Ltd. (the “Company”) to promote understanding of the Company and are not intended to solicit investment.
- While care has been taken to ensure accuracy in preparing these materials, we cannot guarantee their complete integrity.
- We assume no liability for any losses or damages incurred as a result of the information contained herein.
- The financial forecasts and projections contained within these materials have been made by the Company based on information available at the time of preparation and involve potential risk and uncertainty. Changes in the business environment and various other factors may thus result in financial performance that materially differs from the projections referred to or indicated herein.

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