



FY2024 2nd Quarter Financial Results

(April 1, 2024 to September 30, 2024)

November 2024

RAITO KOGYO CO., LTD.

Note : This document has been translated from the Japanese original for reference purposes only.
In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

CONTENTS



■ Consolidated Financial Overviews	.....	1
■ Non-consolidated Financial Overviews	.....	2
■ Orders Received	.....	3
■ Backlog of Orders	.....	4
■ Net Sales and Gross Profit	.....	5
■ Orders Received by Type of Work (Consolidated)	.....	6
■ Orders Received by Type of Work (Non-consolidated)	.....	7

Consolidated Financial Overviews



Orders received decreased by 8.0% YoY in reaction to a large-scale ground improvement project a U.S. subsidiary received. Despite a decrease in net sales, all profit categories increased by improving profitability.

(millions of yen)

	FY2022 2Q	FY2023 2Q	FY2024 2Q	YoY Change (2023 to 2024)	
Orders received	70,185	86,157	79,244	(6,912)	(8.0%)
Net sales	51,799	55,075	54,967	(107)	(0.2%)
Gross profit	10,529	11,055	11,655	+600	5.4%
Gross profit margin	20.3%	20.1%	21.2%	+1.1pt	—
Operating profit	4,995	5,262	5,503	+240	4.6%
Ordinary profit	5,315	5,370	5,598	+227	4.2%
Profit attributable to owners of parent	3,666	3,587	3,768	+180	5.0%
Total assets	112,079	119,178	121,523	+2,345	2.0%
Net assets	80,446	86,551	87,089	+538	0.6%
Equity ratio	71.7%	71.9%	71.0%	(0.9pt)	—

- While orders in RAITO KOGYO increased, consolidated orders received decreased by 8.0% YoY due to a decrease in subsidiaries, including a reactionary drop relating to a large-scale ground improvement project a U.S. subsidiary received.
- Net sales decreased by 0.2% YoY due to a decrease in the Company and a Vietnam subsidiary, despite an increase in a U.S. subsidiary.
- Gross profit increased by 5.4% YoY due to a profitability improvement in both the Company and subsidiaries.

Non-consolidated Financial Overviews



Orders received increased by 5.6% YoY with an increase in both civil engineering and building construction. Net sales decreased by 1.9% YoY mainly due to a decrease in sales in building construction segment.

(millions of yen)

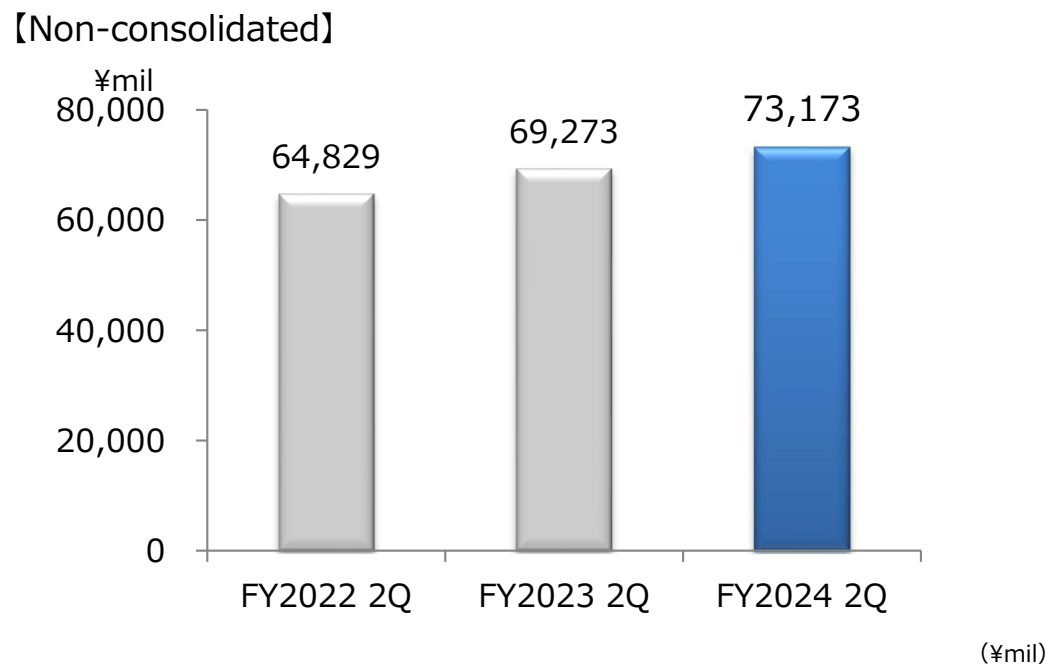
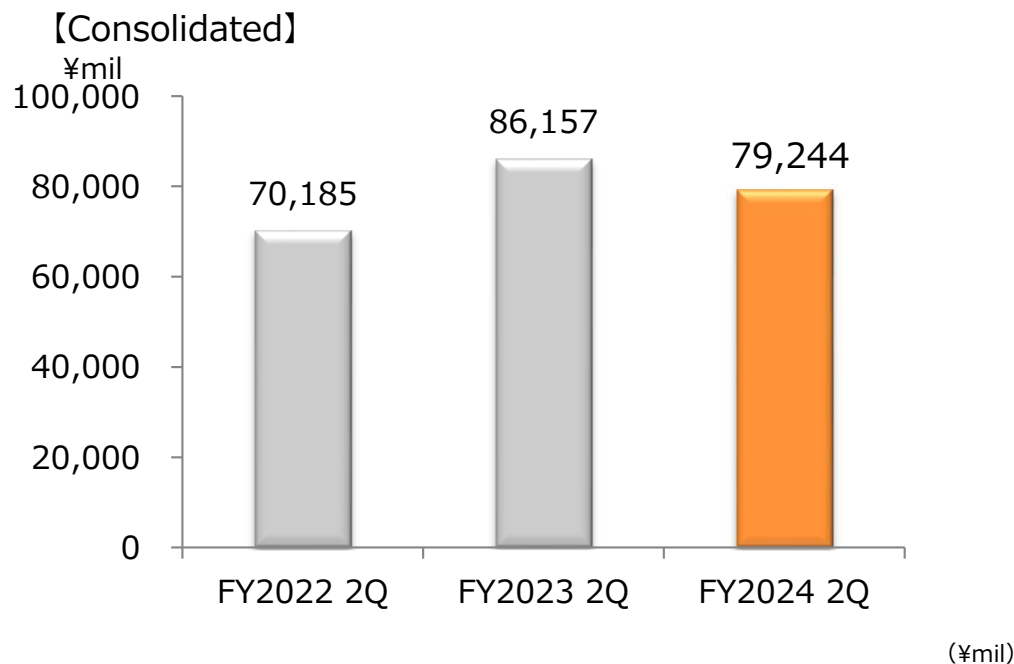
	FY2022 2Q	FY2023 2Q	FY2024 2Q	YoY Change (2023 to 2024)	
Orders received	64,829	69,273	73,173	+3,899	5.6%
Net sales	42,734	47,819	46,920	(898)	(1.9%)
Gross profit	9,100	10,619	10,606	(13)	(0.1%)
Gross profit margin	21.3%	22.2%	22.6%	+0.4pt	–
Operating profit	4,249	5,589	5,226	(363)	(6.5%)
Ordinary profit	4,610	5,730	5,287	(442)	(7.7%)
Profit attributable to owners of parent	3,071	3,894	3,490	(403)	(10.4%)
Total assets	93,434	99,498	101,201	+1,702	1.7%
Net assets	66,145	71,362	70,660	(702)	(1.0%)
Equity ratio	70.8%	71.7%	69.8%	(1.9pt)	–

- Orders received increased by 5.6% YoY reflecting an increase of orders for both civil engineering and building construction by a favorable business environment.
- In building construction segment, there are numerous projects that have just started in this second quarter, and it resulted in lower sales (down 1.9 % YoY).
- Despite higher profitability, gross profit decreased by 1.0% YoY because of a decline in net sales.

Orders Received



While orders the Company received continued to increase steadily, consolidated orders decreased by 8.0% YoY mainly due to a reactionary drop relating to a large-scale project RAITO (U.S.) received in the same period of the previous fiscal year.



	FY2022 2Q	FY2023 2Q	FY2024 2Q	Change (2023 to 2024)	
Orders received	70,185	86,157	79,244	(6,912)	(8.0%)

	FY2022 2Q	FY2023 2Q	FY2024 2Q	Change (2023 to 2024)	
Orders received	64,829	69,273	73,173	+3,899	5.6%

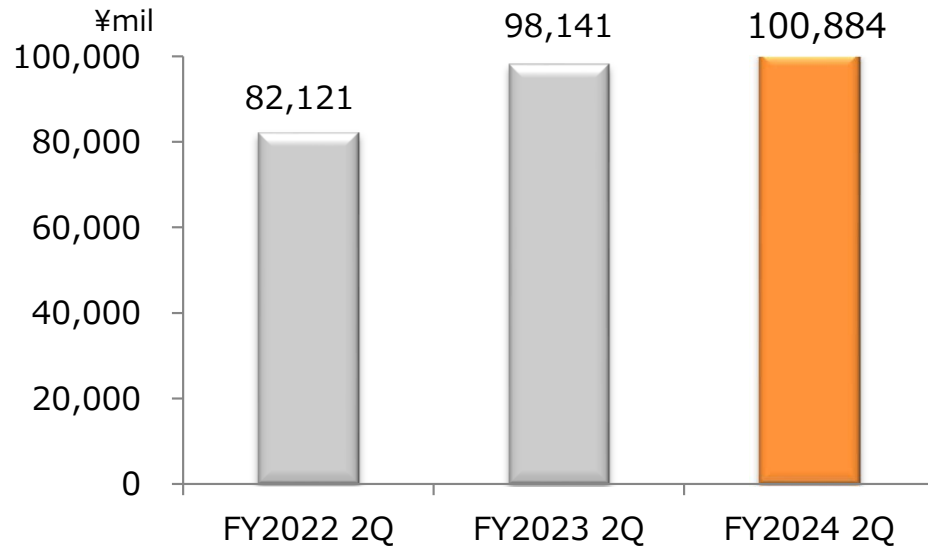
Consolidated orders received decreased by 8.0% YoY.

Non-consolidated orders received increased by 5.6% YoY.

Backlog of Orders

Consolidated backlog of orders remained at a high, 2.8% up from the same period of the previous fiscal year.

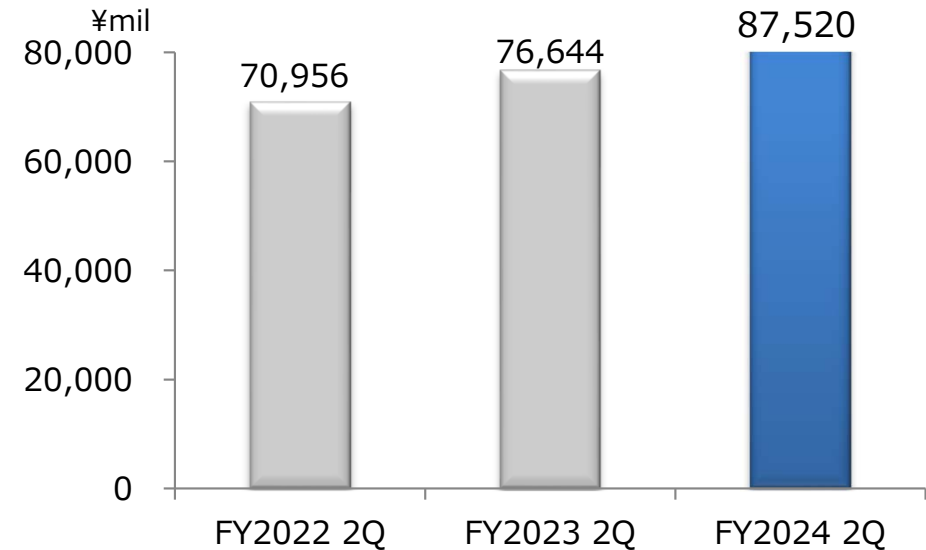
【Consolidated】



	FY2022 2Q	FY2023 2Q	FY2024 2Q	Change (2023 to 2024)	
Backlog	82,121	98,141	100,884	+2,742	2.8%

Consolidated backlog increased by 2.8% YoY.

【Non-consolidated】

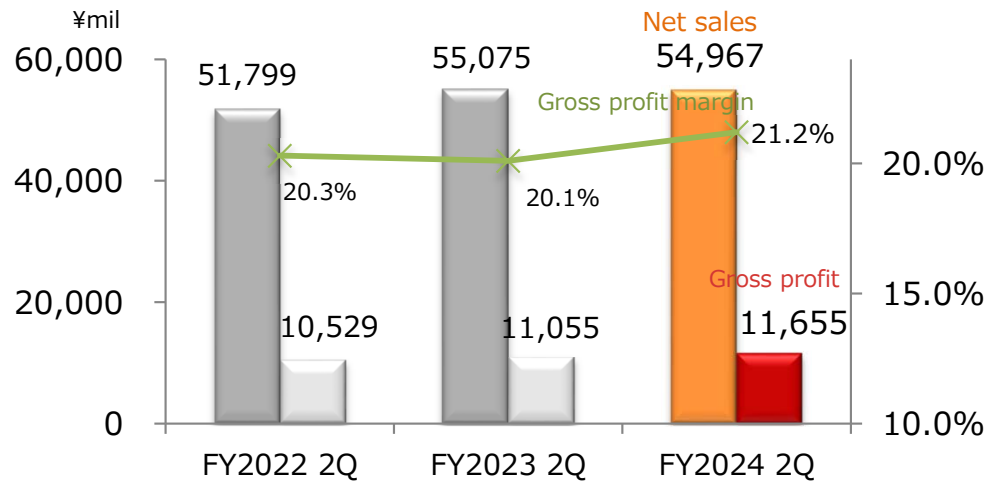


	FY2022 2Q	FY2023 2Q	FY2024 2Q	Change (2023 to 2024)	
Backlog	70,956	76,644	87,520	+10,875	14.2%

Non-consolidated backlog increased by 14.2% YoY.

Net Sales and Gross Profit

Consolidated net sales decreased by 0.2% YoY reflecting a decrease in the Company and a Vietnam subsidiary. Consolidated gross profit increased by 5.4% YoY due to the improvement of profitability in both the Company and subsidiaries.

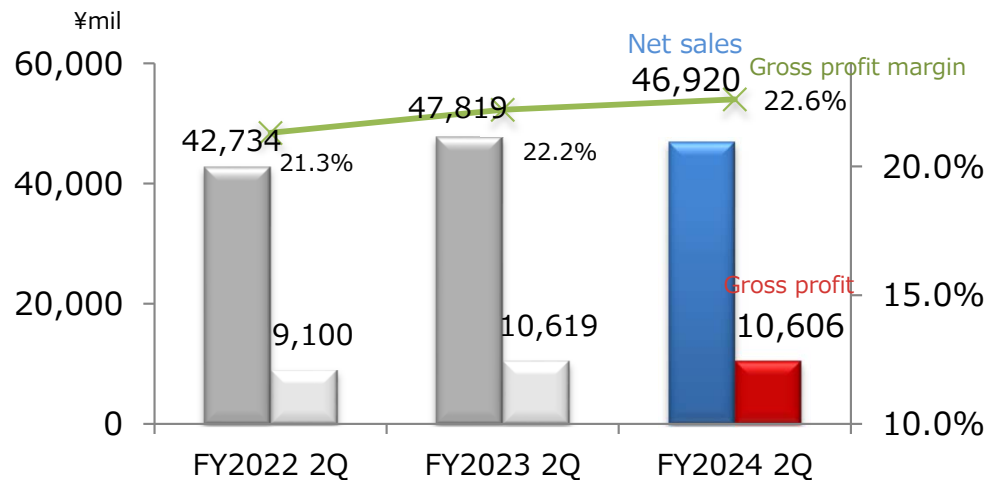


【Consolidated】

(millions of yen)

	FY2022 2Q	FY2023 2Q	FY2024 2Q	Change (2023 to 2024)	
Net sales	51,799	55,075	54,967	(107)	(0.2%)
Gross profit	10,529	11,055	11,655	+600	+5.4%
Gross profit margin	20.3%	20.1%	21.2%	+1.1pt	-

- Consolidated net sales decreased by 0.2% YoY.
- Consolidated gross profit increased by 5.4% YoY.



【Non-consolidated】

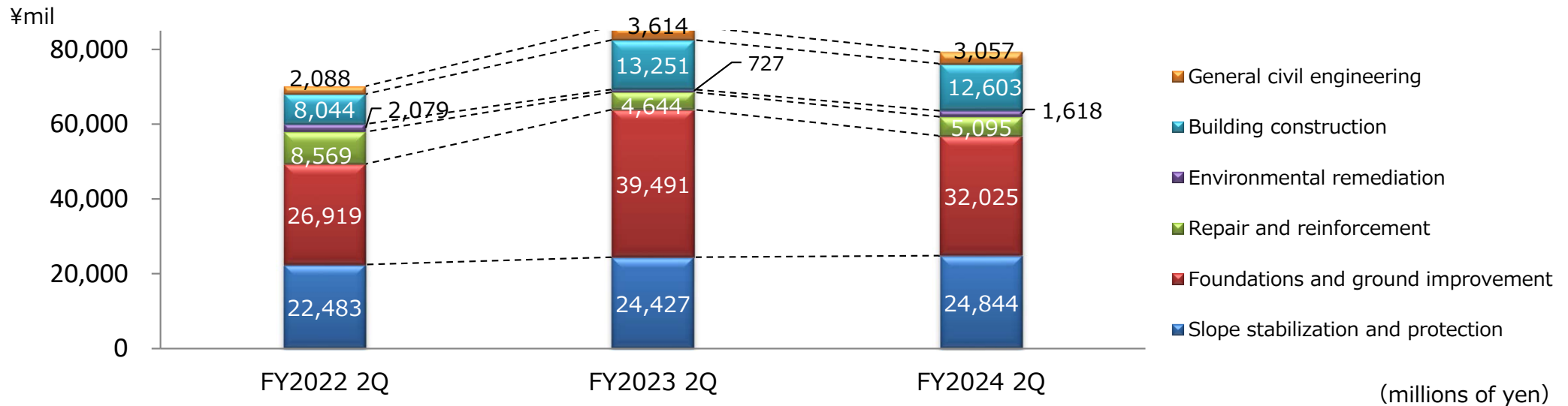
(millions of yen)

	FY2022 2Q	FY2023 2Q	FY2024 2Q	Change (2023 to 2024)	
Net sales	42,734	47,819	46,920	(898)	(1.9%)
Gross profit	9,100	10,619	10,606	(13)	(0.1%)
Gross profit margin	21.3%	22.2%	22.6%	+0.4pt	-

- Non-consolidated net sales decreased by 1.9% YoY.
- Non-consolidated gross profit decreased by 0.1% YoY.

Orders Received by Type of Work (Consolidated)

Orders for foundations and ground improvement decreased in reaction to a large-scale ground improvement project we received in the previous fiscal year. Orders for the other segment remained at high levels.



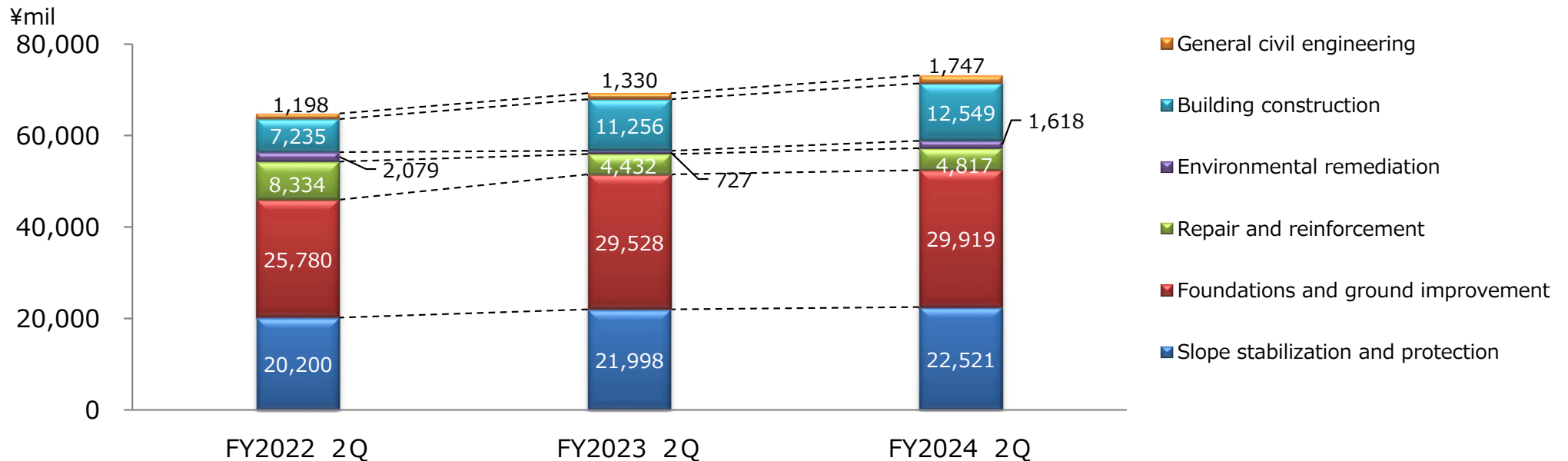
	FY2022 2Q	FY2023 2Q	FY2024 2Q	YoY Change (2023 to 2024)	
■ Slope stabilization and protection	22,483	24,427	24,844	+416	1.7%
■ Foundations and ground improvement	26,919	39,491	32,025	(7,465)	(18.9%)
■ Repair and reinforcement	8,569	4,644	5,095	+450	9.7%
■ Environmental remediation	2,079	727	1,618	+890	122.5%
■ Building construction	8,044	13,251	12,603	(647)	(4.9%)
■ General civil engineering*	2,088	3,614	3,057	(557)	(15.4%)
Total	70,185	86,157	79,244	(6,912)	(8.0%)

※including "other construction"

Orders Received by Type of Work (Non-consolidated)



Orders in RAITO KOGYO steadily increased backed by a favorable business environment. In addition to increases in orders for slope protection and ground improvement (the Company's main business), repair and reinforcement work, which is our focus business area, also increased YoY.



	FY2022 2Q	FY2023 2Q	FY2024 2Q	YoY Change (2023 to 2024)	
■ Slope stabilization and protection	20,200	21,998	22,521	+522	2.4%
■ Foundations and ground improvement	25,780	29,528	29,919	+391	1.3%
■ Repair and reinforcement	8,334	4,432	4,817	+384	8.7%
■ Environmental remediation	2,079	727	1,618	+890	122.5%
■ Building construction	7,235	11,256	12,549	+1,292	11.5%
■ General civil engineering*	1,198	1,330	1,747	+417	31.4%
Total	64,829	69,273	73,173	+3,899	5.6%

※including "other construction"