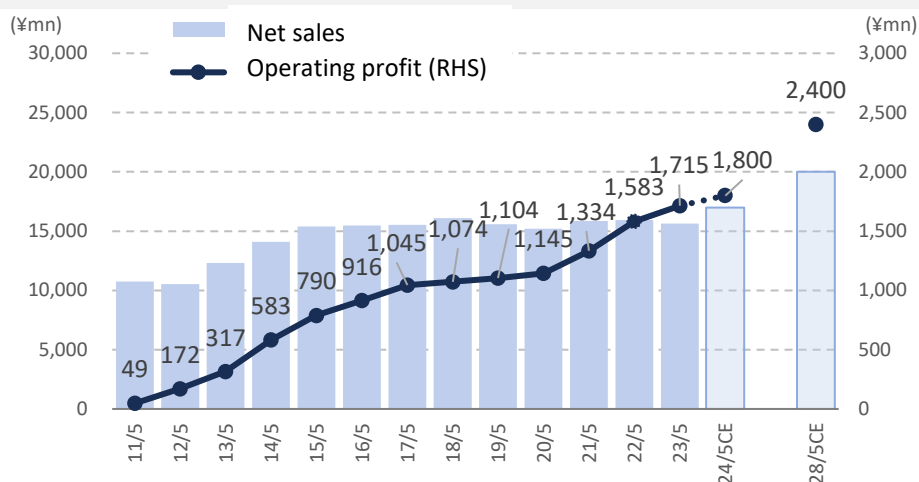


Pushing Forward to Break Record for Consecutive Years of Operating Profit Growth

Summary

- OHBA (hereafter referred to as "the Company") has achieved 12 consecutive years of operating profit growth through FY2023/5, and is on track to stretch this streak to 13 consecutive years in FY2024/5, having posted a 20.1% YoY increase in operating profit for cumulative 3Q FY2024/5.
- The Company has secured orders for a number of landmark construction projects from both the public and private sectors, including basic policy formulation and master plan preparation work associated with the optimization of Japan Self-Defense Force facilities, Kumamoto JASM/TSMC (Taiwan Semiconductor Manufacturing Company) Phase 1 plant, Sony Semiconductor Solutions Corporation plant, among others. It has been able to capitalize on the robust macro environment, partly supported by the continued rise in technician prices for design work outsourcing.
- As a top player in the field of urban planning and urban development, the Company has established a dominant position in the industry, which is likely one of the factors underpinning its continued earnings growth. Other listed construction consulting firms, while performing well, have not necessarily been able to sustainably expand earnings owing to intensifying competition, rising costs, and other factors.
- One of the Company's key selling points is that it boasts a sector-leading total shareholder return ratio of 60%, backed by its solid business foundation and continuous earnings growth. It announced a dividend hike and a share buyback together with its 3Q earnings announcement, and the market is re-rating its stock price.

Long-Term Performance Trend



FY	Net Sales (¥mn)	YoY (%)	Oper. Profit (¥mn)	YoY (%)	Profit ATOP (¥mn)	YoY (%)	EPS (¥)	DPS (¥)
19/5	15,581	(3.1)	1,104	7.1	1,715	130.3	99.5	18.0
20/5	15,203	(2.4)	1,145	3.6	824	(52.0)	49.3	14.0
21/5	15,862	4.3	1,334	16.6	852	3.5	52.0	15.0
22/5	15,933	0.4	1,583	18.6	1,086	27.3	67.0	23.0
23/5	15,648	(1.8)	1,715	8.3	1,075	(0.9)	66.7	24.0
24/5 CE	17,000	8.6	1,800	5.0	1,150	6.9	71.8	37.0
23/5 3Q	9,774	(5.1)	871	20.1	298	(47.6)	18.5	-
24/5 3Q	10,759	10.1	1,046	(0.2)	718	140.5	44.9	-

Source: Compiled by SIR from the Company's IR materials. Note: The FY24/5CE and FY28/5CE figures indicate the Company's forecast.

3Q Follow-up

URBAN DEVELOPMENT & CIVIL ENGINEERING, CONSULTANTS
OHBA & CO.

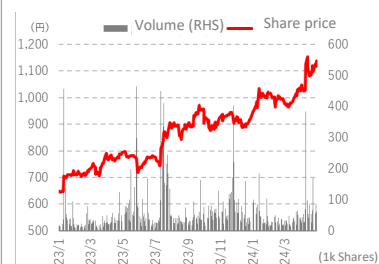
Focus Points:

General construction consulting firm boasting a leading market share in the field of urban development. OHBA has aggressively worked to improve profitability under its current mid-term management plan ending in FY23/5, and investors will likely pay close attention to its business strategies that capitalize on improved cash flow generation capabilities from FY24/5 onward.

Key Indicators

Share price (5/9)	1,135
YH (4/12)	1,169
YL (1/4)	921
10YH (24/4/12)	1,169
10YL (16/2/12)	317
Shrs out. (mn shrs)	17.00
Mkt cap (¥ bn)	19.26
EV(¥ bn)	19.19
Shr equity ratio (23/5/31)	67.8%
24/5 P/E (CE)	15.82x
23/5 P/B (act)	1.73x
24/5 DY (CE)	3.3%

Share price and volume since 2023



Source: SPEEDA

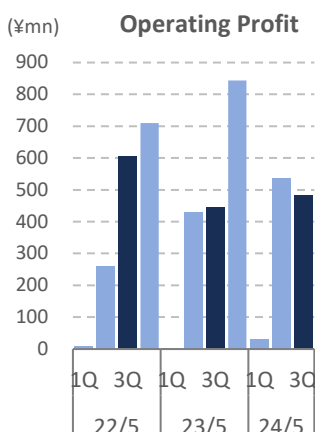
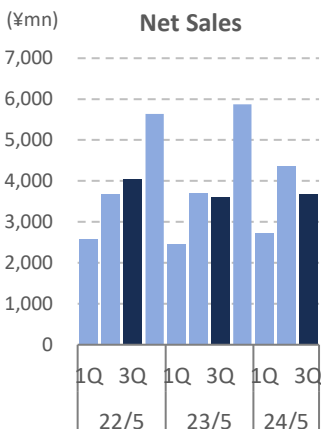
Shohei Hasegawa Analyst

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This report was prepared by Sessa Partners on behalf of the subject company. Please refer to the legal disclaimer at the end for details.

FY24/5 3Q Results



In addition to favorable 3Q results, OHBA announced share buyback and increased dividend payment

Earnings Results Summary

In the 3Q results (cumulative, June 2023 - February 2024), net sales increased to ¥10.76 bn (**+10.1%** YoY), and operating profit rose to ¥1.05 bn (**+20.1%** YoY). Although it should be noted that 4Q is usually a busy period for the Company, the progress toward the full-year plan for FY2024/5 (net sales of ¥17.0 bn, **+8.6%** YoY, and operating profit of ¥1.8 bn, **+5.0%** YoY) was solid as planned.

One of the highlights of the latest quarter (December 2023 - February 2024) was the improvement in gross profit margin to **34.2%**, **+2.0ppt** from 32.2% in 3Q. Since the 2Q (September 2023 - November 2023) saw a slight decline of **0.5 ppt** YoY to **31.0%**, it was positive to see the robustness of the structural gross margin improvement, such as the continued rise in the unit price of engineers for design work, etc., calculated by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT), as well as the improved sales mix, etc.

Implementation of management that is conscious of cost of capital and stock price

When the earnings announcement was made, the Company announced: (i) that it would raise its year-end dividend payment from 17.0 yen to 20.0 yen (from 34.0 yen to 37.0 yen for the full year); (ii) that it had set a new limit of ¥150 mn (200,000 shares) for share buybacks; and (iii) that it would cancel a total of 250,000 shares of treasury stock as of the end of April 2024.

This is an additional shareholder return policy in line with the Company's "Shareholder Return Policy, which aims for a total return ratio of around 60% and a dividend payout ratio of around 50%." As it was known before the announcement of the financial results that the value of dividend payment forecast and share buybacks would not have been sufficient to meet the 60% total return ratio, the announcement of an additional shareholder return policy had been expected in the stock market. Still, actualizing management with an awareness of capital efficiency into action will be highly appreciated by the market.

On the same day, the Company also announced the candidates for new director as of August 23, (which comes after the general shareholders' meeting). Although some members will be replaced, most of the board members will continue to be outside directors (5 outside directors out of a total of 9).

Quarterly Trends in Sales and Orders Received

Item	Unit	22/5				23/5				24/5		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Sales	¥mn	2,569	3,677	4,049	5,638	2,463	3,698	3,613	5,873	2,727	4,362	3,669
YoY	%	59.0	39.7	188.5	(44.8)	(4.1)	0.6	(10.8)	4.2	10.8	18.0	1.6
Construction Consultant	¥mn	2,461	3,379	3,696	5,132	2,294	3,505	3,347	5,619	2,431	4,167	3,462
YoY	%	56.9	35.7	214.6	(48.9)	(6.8)	3.7	(9.4)	9.5	5.9	18.9	3.4
Orders Received	¥mn	4,952	3,361	2,412	3,209	5,573	3,758	2,587	3,713	6,114	3,632	2,489
YoY	%	(7.9)	3.8	(4.1)	(9.0)	12.5	11.8	7.3	15.7	9.7	(3.3)	(3.8)
Order Backlog	¥mn	12,747	14,771	16,074	6,758	10,035	10,286	9,526	7,622	11,309	10,770	9,796
YoY	%	(2.0)	7.4	6.5	(21.4)	(21.3)	(30.4)	(40.7)	12.8	12.7	4.7	2.8
Business Solutions	¥mn	80	276	331	458	143	167	242	229	273	171	182
YoY	%	68.9	95.4	44.8	156.9	78.7	(39.5)	(26.8)	(49.9)	91.7	2.6	(24.9)
Orders Received	¥mn	165	1,539	100	197	379	133	428	109	240	147	539
YoY	%	50.8	557.4	37.6	18.9	129.9	(91.3)	328.4	(44.8)	(36.6)	10.4	25.9
Order Backlog	¥mn	1,042	2,338	2,380	1,644	1,855	1,798	1,960	1,812	1,752	1,708	2,041
YoY	%	3.9	113.6	153.5	77.4	78.1	(23.1)	(17.6)	10.3	(5.5)	(5.0)	4.1
Lease Rental Income, etc.	¥mn	28	22	22	49	26	26	24	25	23	24	24
Cost of sales	¥mn	1,862	2,691	2,746	3,797	1,734	2,532	2,449	3,753	1,864	3,012	2,413
sales ratio	%	72.5	73.2	67.8	67.3	70.4	68.5	67.8	63.9	68.4	69.0	65.8
Gross profit	¥mn	707	986	1,303	1,842	728	1,167	1,164	2,121	863	1,351	1,257
sales ratio	%	27.5	26.8	32.2	32.7	29.6	31.5	32.2	36.1	31.6	31.0	34.2
SG&A Expenses	¥mn	698	727	698	1,132	728	739	721	1,278	835	815	774
sales ratio	%	27.2	19.8	17.2	20.1	29.6	20.0	19.9	21.8	30.6	18.7	21.1
Operating Profit	¥mn	9	260	605	710	0	428	444	843	29	536	482
sales ratio	%	0.3	7.1	14.9	12.6	0.0	11.6	12.3	14.4	1.0	12.3	13.1

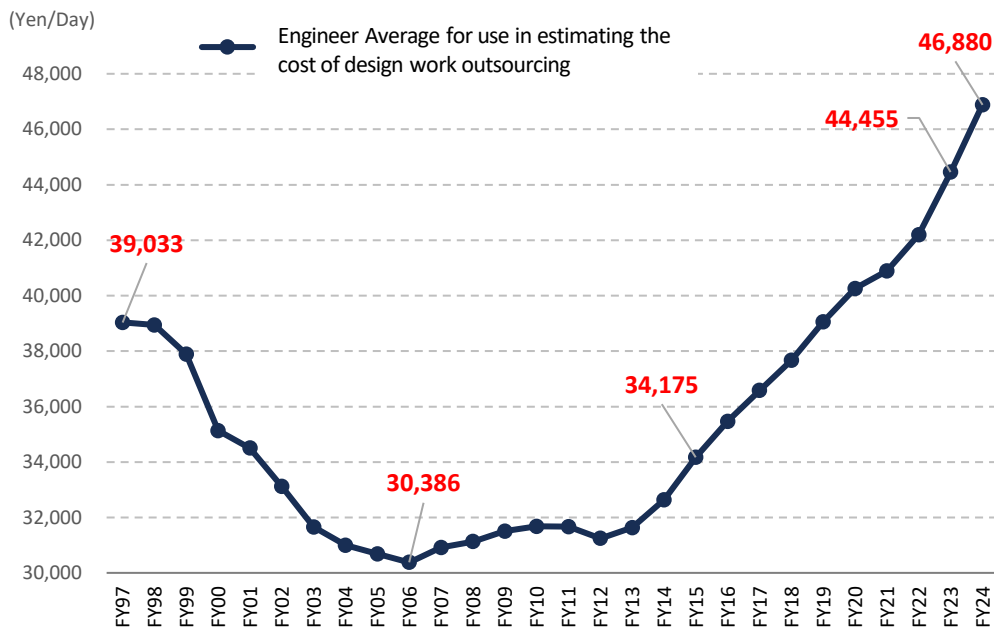
Source: Compiled by SIR from the Company's IR materials.

Industry Environment

One of the reasons behind OHBA's steady earnings growth is the robust industry environment. In addition to demand from the public sector, which was triggered by the MLIT's "Five-Year Acceleration Plan for Disaster Prevention, Disaster Mitigation, and National Land Resilience," private sector demand has been strong, with manufacturers returning to Japan and overseas companies building new plants and expanding existing plants in Japan. The Company has also been awarded a number of public-sector projects, including basic policy formulation and master plan preparation work associated with the optimization of Japan Self-Defense Force facilities, as well as landmark private-sector projects such as securing development approval and civil engineering design work associated with the construction of the Kumamoto JASM/TSMC (Taiwan Semiconductor Manufacturing Company) Phase 1 plant and the adjacent Sony Semiconductor Solutions plant.

In addition, the continuous rise in technician prices for design work outsourcing has also played a role in improving earnings. The simple average of standard daily rates for all occupations (by job classification), which was announced on February 16, 2024 and has been applied from March 2024, was set at a 5.5% year-on-year increase. The simple average is intended to be used directly for public works projects ordered by the MLIT, but it is also used as a standard for local governments and private sector projects to determine prices based on supply-demand balance. This means that earnings are likely to grow further from FY25/5 onward.

Long-Term Trends in Technical Prices for Design Work Outsourcing (Standard Daily Rate)



Source: Compiled by SIR from the materials issued by the Ministry of Land, Infrastructure, Transport and Tourism.

Business Performance of Individual Companies

As described above, the business environment surrounding the construction consulting industry is generally positive, but the business performance of individual companies have not necessarily been strong. OHBA has reported operating profit growth for 12 consecutive fiscal years through FY23/5, and expects to stretch this record to a 13th consecutive fiscal year in FY24/5. However, the operating profit growth of listed companies in the same industry shows that only a few companies have been able to sustainably grow profits, even when narrowing the scope down to the past few fiscal years.

SIR believes that one of the factors that has enabled the Company to continue growing its operating profit is its unique business domain centered on urban planning. While the Company is not necessarily a major construction consulting firm as defined broadly, it is the largest firm in the field of urban planning and urban development. SIR believes that because of its unique positioning, the Company is less exposed to competition and is able to directly translate the healthy industry environment into earnings.

Operating Profit Growth of Listed Construction Consultant Companies

Code	Company	EOFY	FY21	FY22	FY23	FY24
9765	OHBA	May	18.6	8.4	5.0	-
2153	EJ Holdings	May	16.4	(0.6)	3.1	-
2325	NJS	Dec.	11.7	(29.9)	(16.3)	42.2
2498	Oriental Consultants Holdings	Sep.	21.4	12.9	4.6	5.6
4707	Kitac Corporation	Oct.	TR	TB	61.0	71.0
4840	Triis	Dec.	TR	RS	RS	TB
6091	Wesco Holdings	Jul.	3.8	7.6	0.5	4.3
6542	FC Holdings	Jun.	29.1	3.4	1.3	-
7369	Meiho Holdings	Jun.	(10.7)	34.7	(28.6)	-
7377	DN Holdings	Jun.	-	1.5	9.5	-
9161	ID&E Holdings (Nippon Koei)	Jun.	27.2	(32.9)	82.6	-
9232	Pasco	Mar.	(17.6)	66.0	(22.3)	-
9233	Asia Air Survey	Sep.	12.8	5.4	11.4	1.2
9248	People, Dreams, and Technologies Group	Sep.	-	-	(15.8)	1.4
9621	CTI Engineering	Dec.	37.5	14.7	24.9	(16.1)
9647	Kyowa Engineering Consultants	Nov.	48.3	14.0	15.8	9.2
9755	OYO Corporation	Dec.	45.4	(31.3)	12.9	23.2
9768	Idea Consultants	Dec.	17.5	23.8	(11.5)	11.1

Source: Compiled by SIR from the Company's IR materials.

Note: Operating profit is shown in place of ordinary profit for TR=Turn red. TB=Turn black. RS= Red shrink.

Construction Consulting Firm Sales Ranking by Company and Sales Composition of Main Sectors (2023 Survey)

No.	Company name	Net Sales (¥mn)	First Category		Second Category		Third Category	
			Category	Sales Compo.	Category	Sales Compo.	Category	Sales Compo.
1	Nippon Koei	61,058	River/Erosion Control	14.7	Port/Airport	7.2	Railway	7.4
2	PACIFIC CONSULTANTS	51,218	Roadway	14.1	River/Erosion Control	13.5	Copper/concrete	11.8
3	CTI Engineering	48,696	River/Erosion Control	38.1	Roadway	13.7	Copper/concrete	9.5
4	Oriental Consultants	30,438	Roadway	24.1	Copper/concrete	24.1	River/Erosion Control	12.2
5	Oriental Consultants Global	28,884	Railway	56.9	Roadway	15.4	Port/Airport	8.0
6	Eight-Japan Engineering Consultants	23,641	Copper/concrete	24.3	River/Erosion Control	13.1	Roadway	10.6
7	Yachiyo Engineering	23,329	River/Erosion Control	26.9	Copper/concrete	12.8	Roadway	12.7
8	IDEA Consultants	21,521	Construction/Environment	50.6	River/Erosion Control	19.4	Copper/concrete	9.1
9	Nihon Suido Consultants	19,652	Sewage	51.2	Water/industrial water	37.3	River/Erosion Control	8.9
10	CHODAI	18,836	Copper/concrete	41.8	Roadway	29.0	Construction/Environment	9.7
11	JR East Consultants Company	18,704	Roadway	37.5	Copper/concrete	13.5	Surveying	5.2
12	OYO Corporation	18,457	Geological survey	41.9	Geology	6.8	Roadway	6.8
13	NIPPON ENGINEERING CONSULTANTS	18,288	Copper/concrete	51.1	Roadway	14.7	River/Erosion Control	8.5
14	NJS	16,629	Sewage	68.5	Water/industrial water	29.4	-	-
15	NEWJEC	16,452	River/Erosion Control	19.7	Port/Airport	14.5	Roadway	8.3
16	Kokusai Kogyo	15,427	Surveying	34.4	Urban Planning	8.4	River/Erosion Control	7.9
17	Asia Air Survey (AAS)	15,261	Surveying	38.0	Construction/Environment	10.8	River/Erosion Control	10.3
18	Nihon Shinko	13,852	Roadway	34.8	River/Erosion Control	26.9	Construction Planning	13.5
19	TOKYO ELECTRIC POWER SERVICES	13,326	Copper/concrete	20.8	Electric Power Civil engineering	18.7	Electrical/Electronic	5.9
20	Docon	12,945	River/Erosion Control	30.0	Roadway	18.8	Copper/concrete	11.5
21	T-NET JAPAN	12,707	Construction Planning	16.4	Roadway	15.3	River/Erosion Control	9.7
22	OHBA	12,609	Urban Planning	51.0	Copper/concrete	6.8	L/scaping	5.8
23	CHUO FUKKEN CONSULTANTS	12,279	Railway	33.3	Copper/concrete	14.7	Roadway	13.0
24	Nippon Koei Urban Space	11,801	Urban Planning	44.2	Roadway	8.4	Surveying	7.5
25	Chuo Consultants	11,680	Copper/concrete	34.5	Roadway	18.2	River/Erosion Control	14.6

Source: compiled by SIR from "Nikkei Construction" materials.

Note: Figures are compiled and presented based on the 2023 survey data. Please note that (1) the figures are on a non-consolidated basis, (2) only sales related to construction consulting are included, and (3) there are some differences compared to the financial information due to the period of time for which the data was compiled.

Valuation

SIR believes that OHBA being well-positioned for steady earnings growth, and having a clear shareholder return policy that aims for a total return ratio of 60% and a dividend payout ratio of 50% is one of the reasons for its relatively high share valuation.

The Company's shares trade at a forward P/E multiple of 15.9x based on projected FY24/5 EPS, which is slightly higher than the industry average of about 14x in FY23 and about 12x in FY24. This valuation can be justified given the Company's track record of 12 consecutive years of operating profit growth, coupled with its sector-leading shareholder return policy.

However, since the Company's share price has generally outperformed the sector average not only in calendar year 2023 but also in 2024, SIR believes that additional factors that go beyond strong and sustained earnings growth and continued high shareholder returns will be needed for a further rerate. Investors should keep an eye out for whether the Company will be able to present additional factors to justify a rerate when it announces its full-year earnings results in July 2024.

Valuation Table of Construction Consultant Companies

Code	Company	EOFY	Stock price	Market value	P/E			PBR	Net Cash	Ord. Profit	Ord. Profit margin		
			(5/2)	(5/2)	FY21	FY22	FY23E	Most recent FY	Most recent FY	FY21	FY21	FY22E	FY23E
			yen	¥mn				X	X	¥mn	%		
9765	OHBA	May	1,138	19,346	17.1	15.9	-	1.73	4,205	1,788	8.1	3.5	-
-	Construction Consultants Average		-	-	12.7	14.4	12.4	0.98	-	-	-	-	-
9161	ID&E Holdings (Nippon Koei)	Jun.	4,620	69,668	22.5	9.8	-	0.86	-24,970	6,080	-32.9	82.6	-
2153	E·J Holdings	May	1,833	29,473	9.4	8.9	-	1.04	16,683	4,636	-1.5	3.5	-
2325	NJS	Dec.	3,100	31,149	17.1	14.8	19.1	1.21	17,188	2,012	-29.6	-15.3	37.9
2498	Oriental Consultants HD	Sep.	3,275	20,158	7.0	6.9	7.6	0.90	-3,445	4,336	24.7	-1.8	-6.1
4707	KITAC CORPORATION	Oct.	427	2,549	26.4	13.8	16.3	0.79	-1,977	137	280.6	35.0	20.5
4840	Triis Incorporated	Dec.	319	2,648	5.3	24.4	13.5	0.49	2,797	-209	RS	TB	15.0
6091	Wesco Holdings	Jul.	597	8,915	11.3	13.1	12.5	0.56	7,130	1,245	17.8	-8.7	0.0
6542	FC Holdings	Jun.	925	6,345	6.6	7.2	-	0.97	960	1,202	3.5	0.7	-
7369	Meiho Holdings	Jun.	2,150	3,364	12.4	67.3	-	1.58	784	496	24.9	-53.6	-
7377	DN Holdings	Jun.	1,608	13,539	7.4	7.6	-	1.30	3,165	2,353	6.9	4.1	-
9232	PASCO	Mar.	2,040	29,413	7.2	6.5	-	1.08	-11,005	6,525	65.8	-23.4	-
9233	Asia Air Survey	Sep.	1,084	20,178	11.3	10.6	10.4	0.99	5,666	2,744	7.1	8.2	-2.0
9248	People, Dreams & Technologies Group	Sep.	1,696	15,970	6.5	12.6	8.9	0.73	3,953	3,891	-	-17.8	-9.1
9621	CTI Engineering	Dec.	4,735	67,043	11.4	8.7	10.8	1.20	16,776	8,235	15.7	23.3	-16.3
9647	KYOWA ENGINEERING CONSULTANTS	Nov.	4,675	2,740	8.4	6.8	6.7	0.83	2,182	549	18.6	19.5	3.7
9755	OYO	Dec.	2,414	61,954	32.0	14.4	21.8	0.78	15,257	3,033	-27.4	18.5	11.3
9768	IDEA Consultants	Dec.	2,559	19,190	8.5	9.2	8.7	0.69	867	3,278	55.6	-8.8	8.7

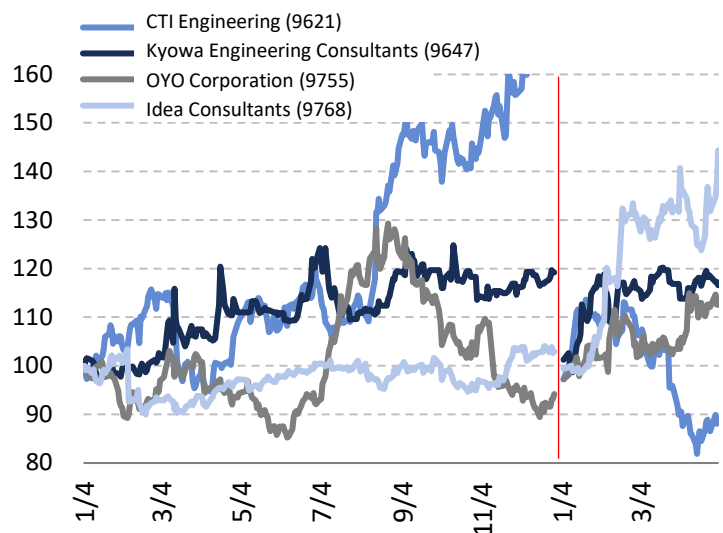
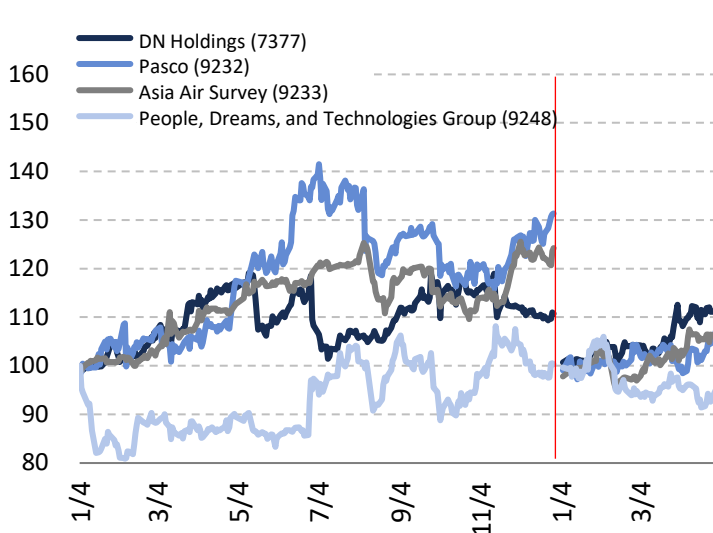
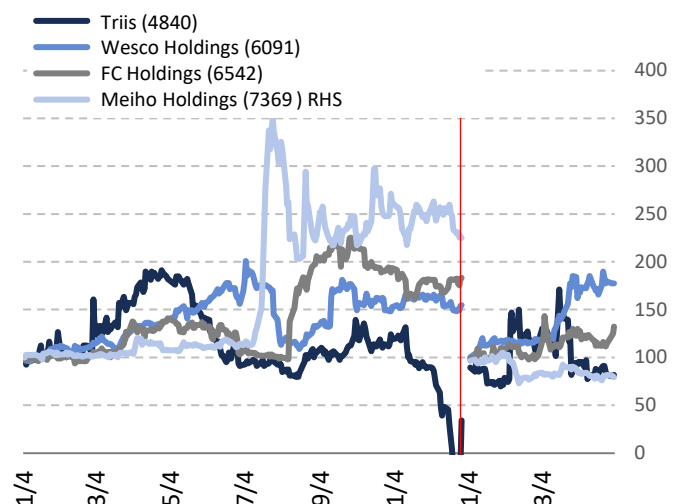
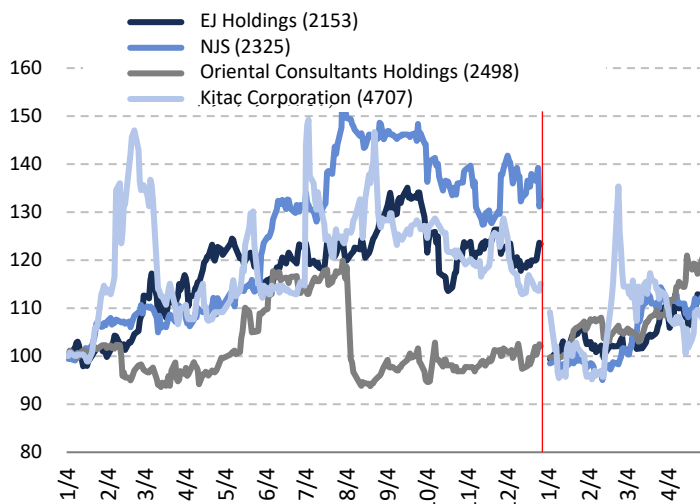
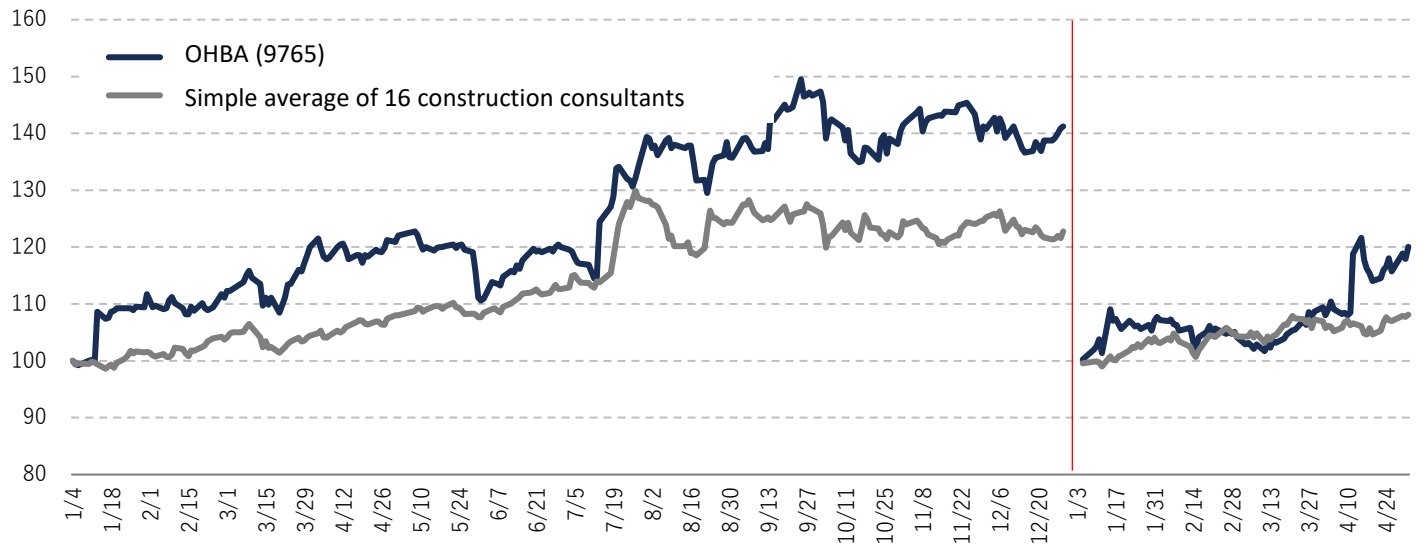
Code	Company	EOFY	ROE		Ord. Profit Margin		Asset Turnover		Equity Ratio		Payout Ratio		Dividend Yield
			FY22	FY23E	FY22	FY23E	FY22	FY23E	FY22	FY23E	FY22	FY23E	Current Period
			%		%		Times		%		%		%
9765	OHBA	May	10.6	-	11.4	10.9	1.02	-	65.4	-	36.0	51.6	3.25
-	Construction Consultants Average		10.8	9.3	9.1	8.6	1.06	0.98	60.6	64.3	27.5	28.0	2.87
9161	ID&E Holdings (Nippon Koei)	Jun.	3.9	-	4.3	7.1	0.77	-	41.4	-	60.9	26.5	2.71
2153	E·J Holdings	May	10.7	-	12.4	12.5	0.96	-	76.2	-	25.5	26.9	3.00
2325	NJS	Dec.	7.8	8.4	10.5	7.7	0.69	0.76	81.7	83.2	41.4	40.6	2.90
2498	Oriental Consultants HD	Sep.	16.6	13.9	5.6	5.4	1.47	1.33	33.9	35.3	15.4	21.1	3.05
4707	KITAC CORPORATION	Oct.	3.3	5.9	5.1	6.7	0.48	0.47	49.5	50.6	30.9	16.2	1.17
4840	Triis Incorporated	Dec.	10.1	2.0	-29.0	35.7	0.11	0.11	84.4	90.7	0.0	0.0	TBD
6091	Wesco Holdings	Jul.	5.2	4.4	7.9	7.3	0.79	0.78	75.1	78.7	30.4	35.0	3.35
6542	FC Holdings	Jun.	12.5	-	14.0	14.1	0.95	-	76.1	-	19.3	19.6	2.70
7369	Meiho Holdings	Jun.	13.6	-	6.7	2.2	1.88	-	51.2	-	0.0	0.0	0.00
7377	DN Holdings	Jun.	16.1	-	7.2	7.1	1.60	-	56.3	-	32.0	30.8	4.04
9232	PASCO	Mar.	16.1	-	10.5	8.3	0.88	-	38.3	-	15.8	24.0	3.68
9233	Asia Air Survey	Sep.	9.8	9.7	8.1	8.0	1.11	1.14	57.7	58.7	29.3	30.3	3.41
9248	People, Dreams & Technologies Group	Sep.	11.8	6.0	10.3	8.0	1.12	1.14	59.0	56.9	25.2	52.0	4.13
9621	CTI Engineering	Dec.	13.6	14.7	9.9	10.9	1.15	1.21	64.8	68.7	24.1	27.7	3.17
9647	KYOWA ENGINEERING CONSULTANTS	Nov.	12.2	13.0	7.1	8.5	1.09	1.08	40.8	46.6	5.4	4.4	0.64
9755	OYO	Dec.	2.7	5.6	5.1	5.5	0.67	0.69	78.3	73.9	63.7	34.7	2.40
9768	IDEA Consultants	Dec.	9.5	7.8	14.2	13.2	0.75	0.66	72.7	76.9	14.9	23.3	3.52

Source: Compiled by SIR from the Company's IR materials.

Note: Operating profit is shown in place of ordinary profit for Nippon Koei, which uses IFRS accounting. In calculating the construction consulting average, Kitac and Triis are excluded, as their recent earnings have not been stable. RS= Red shrink. TB=Turn black. TBD=To be determined.

Daily Stock Price Movements of Construction Consultant Companies Since the Beginning of the Year

(Index with the value on January 4, 2024 set as 100)



Source: Compiled by SIR from SPEEDA data.

Note: ID&E Holdings (9161, formerly Nippon Koei (1954)), which was listed in July 2023 as part of a company reorganization, is excluded from the table and from the construction consultant average.

Income Statement

Item	Unit	Act 14/5	15/5	16/5	17/5	18/5	19/5	20/5	21/5	22/5	23/5	CE 24/5
Net Sales	¥mn	14,113	15,402	15,480	15,542	16,086	15,581	15,203	15,862	15,933	15,647	17,000
YoY	%	14.6	9.1	0.5	0.4	3.5	(3.1)	(2.4)	4.3	0.4	(1.8)	8.6
Orders Received	¥mn	-	-	-	-	16,918	15,377	15,752	15,239	15,936	16,680	-
Government and Private Sector, etc.	¥mn	-	-	-	-	11,906	12,883	14,294	14,304	15,421	-	-
Earthquake Reconstruction-Related	¥mn	-	-	-	-	2,920	2,494	1,457	935	514	-	-
Sales of Company-Owned Real Estate	¥mn	-	-	-	-	2,092	0	0	0	0	-	-
Construction Consultant	¥mn	12,662	13,402	13,613	13,847	13,417	14,936	14,123	15,267	14,668	-	-
YoY	%	17.6	5.8	1.6	1.7	(3.1)	11.3	(5.4)	8.1	(3.9)	-	-
Geospatial Information	¥mn	2,830	2,785	2,949	2,575	2,794	2,898	3,138	3,619	3,577	-	-
YoY	%	20.5	(1.6)	5.9	(12.7)	8.5	3.7	8.3	15.3	(1.2)	-	-
Environment	¥mn	1,226	744	1,092	1,056	588	758	657	596	670	-	-
YoY	%	17.8	(39.3)	46.8	(3.3)	(44.3)	29.0	(13.3)	(9.3)	12.5	-	-
Urban Planning	¥mn	6,125	7,143	6,742	6,952	6,620	6,910	5,908	6,611	6,149	-	-
YoY	%	21.9	16.6	(5.6)	3.1	(4.8)	4.4	(14.5)	11.9	(7.0)	-	-
Civil Engineering	¥mn	2,480	2,729	2,831	3,264	3,415	4,369	4,420	4,441	4,272	-	-
YoY	%	5.7	10.1	3.7	15.3	4.7	27.9	1.2	0.5	(3.8)	-	-
Orders Received	¥mn	12,763	13,516	13,778	14,106	14,262	14,573	14,417	14,657	13,934	15,631	-
Geospatial Information	¥mn	2,778	2,886	2,580	2,865	2,839	2,961	4,048	3,019	3,255	3,950	-
Environment	¥mn	1,541	1,188	1,346	747	654	593	535	525	809	872	-
Urban Planning	¥mn	5,868	6,854	7,091	6,965	6,719	6,461	5,758	6,911	5,397	6,570	-
Civil Engineering	¥mn	2,575	2,589	2,762	3,528	4,050	4,559	4,077	4,203	4,473	4,240	-
Order Backlog	¥mn	7,495	7,609	8,166	8,425	9,271	8,908	9,202	8,592	6,758	7,622	-
Geospatial Information	¥mn	1,536	1,637	1,383	1,673	1,719	1,782	2,691	2,091	1,476	1,917	-
Environment	¥mn	1,005	978	990	682	748	582	460	389	480	669	-
Urban Planning	¥mn	3,791	3,922	4,463	4,476	4,575	4,126	3,975	4,276	3,070	3,512	-
Civil Engineering	¥mn	1,163	1,072	1,329	1,594	2,229	2,418	2,075	1,837	1,732	1,524	-
Business Solutions	¥mn	1,451	2,000	1,866	1,695	2,670	645	1,079	595	1,145	-	-
YoY	%	(6.3)	37.8	(6.7)	(9.2)	57.5	(75.8)	67.3	(44.8)	92.3	-	-
Orders Received	¥mn	1,848	1,811	1,672	986	2,656	804	1,334	582	2,001	1,049	-
Order Backlog	¥mn	1,633	1,444	1,249	540	526	685	940	926	1,644	1,812	-
Lease Rental Income, etc.	¥mn	0	0	0	0	0	0	0	0	120	-	-
Cost of Sales	¥mn	11,119	11,944	11,775	11,835	12,361	11,520	11,012	11,158	11,095	10,468	-
sales ratio	%	78.8	77.5	76.1	76.2	76.8	73.9	72.4	70.3	69.6	66.9	-
Cost of Sales (Non-Consolidated)	¥mn	10,715	11,506	11,421	11,521	11,972	11,109	10,630	10,649	10,643	-	-
sales ratio	%	79.4	77.7	76.4	76.7	77.3	74.5	72.9	70.5	69.9	-	-
Material Cost	¥mn	299	348	251	278	243	241	272	394	732	-	-
sales ratio	%	2.2	2.3	1.7	1.9	1.6	1.6	1.9	2.6	4.8	-	-
Labor Cost	¥mn	2,967	3,587	3,668	3,807	3,800	3,890	3,624	3,442	3,410	-	-
sales ratio	%	22.0	24.2	24.5	25.4	24.5	26.1	24.9	22.8	22.4	-	-
Outsourcing Cost	¥mn	4,937	6,178	6,564	6,038	5,605	5,655	5,602	4,854	5,520	-	-
sales ratio	%	36.6	41.7	43.9	40.2	36.2	37.9	38.4	32.1	36.3	-	-
Other Costs	¥mn	1,176	1,186	1,164	1,164	1,069	1,325	1,245	982	992	-	-
sales ratio	%	8.7	8.0	7.8	7.8	6.9	8.9	8.5	6.5	6.5	-	-
Other Increase(Decrease) in inventory, etc.	¥mn	1,336	208	-226	235	1,256	(2)	(113)	978	(11)	-	-
sales ratio	%	9.9	1.4	(1.5)	1.6	8.1	0.0	(0.8)	6.5	(0.1)	-	-
Cost of Sales*	¥mn	405	438	353	314	388	411	382	509	453	-	-
sales ratio	%	66.2	73.1	65.6	59.6	65.8	61.1	61.4	67.0	64.1	-	-
Gross Profit	¥mn	2,994	3,458	3,705	3,707	3,725	4,061	4,191	4,704	4,838	5,180	-
sales ratio	%	21.2	22.5	23.9	23.8	23.2	26.1	27.6	29.7	30.4	33.1	-
SG&A Expenses	¥mn	2,411	2,668	2,789	2,661	2,652	2,957	3,046	3,370	3,255	3,465	-
sales ratio	%	17.1	17.3	18.0	17.1	16.5	19.0	20.0	21.2	20.4	22.1	-
Salary Allowance	¥mn	1,164	1,326	1,347	1,249	1,275	1,349	1,453	1,548	1,616	-	-
sales ratio	%	8.2	8.6	8.7	8.0	7.9	8.7	9.6	9.8	10.1	-	-
Other	¥mn	1,247	1,342	1,442	1,412	1,377	1,608	1,593	1,822	1,638	-	-
sales ratio	%	8.8	8.7	9.3	9.1	8.6	10.3	10.5	11.5	10.3	-	-
Operating Profit	¥mn	583	790	916	1,045	1,074	1,104	1,145	1,334	1,583	1,715	1,800
sales ratio	%	4.1	5.1	5.9	6.7	6.7	7.1	7.5	8.4	9.9	11	10.6
Non-Operating Income	¥mn	128	143	118	81	66	65	59	91	82	89	-
Non-Operating Cost	¥mn	100	69	50	29	20	19	27	45	11	16	-
Ordinary Profit	¥mn	611	865	984	1,097	1,120	1,151	1,177	1,380	1,654	1,788	1,850
sales ratio	%	4	6	6	7	7	8	9	10	11	11	-
Special Interest	¥mn	21	22	2	0	0	1,420	1	0	0	210	-
Extraordinary Loss	¥mn	17	6	53	120	6	145	10	19	60	497	-
Income Before Income Taxes	¥mn	615	881	932	977	1,115	2,426	1,168	1,361	1,594	1,501	-
Total Income Taxes	¥mn	102	68	186	274	370	711	344	509	509	426	-
Effective Tax Rate	%	17	8	20	28	33	29	29	37	32	28	-
Net Income	¥mn	513	812	747	703	745	1,715	824	852	1,086	1,075	-
Non-Controlling Interests	¥mn	0	0	0	0	0	0	0	0	0	0	-
Net Profit ATOP	¥mn	513	812	747	703	745	1,715	824	852	1,086	1,075	1,150

Source: Compiled by SIR from the Company's IR materials.

KPI / Balance Sheet

Item	Unit	Act											CE
		14/5	15/5	16/5	17/5	18/5	19/5	20/5	21/5	22/5	23/5	24/5	
EPS	¥	28.5	45.1	41.4	39.2	42.1	99.5	49.3	52	67	66.7	71.8	
Diluted EPS	¥	28.2	44.4	40.7	38.6	41.4	97.4	47.9	50.2	64.2	63.9	-	
BPS	¥	261.1	334.3	333	358.7	390.7	460.1	487.6	551.5	610.3	657.9	-	
DPS	¥	7	12	12	12	12	18	14	15	23	24	34.0	
Payout Ratio	%	24.6	26.6	29	30.6	28.5	18.1	28.4	28.8	34.3	36	47.4	
ROE	%	11.2	15.1	12.4	11.4	11.3	23.5	10.4	10	11.5	10.6	-	
ROA (Operating profit)	%	4.9	6.7	7.5	8.8	9.6	9.3	9	10	11.3	11.2	-	
Operating Profit Margin	%	4.1	5.1	5.9	6.7	6.7	7.1	7.5	8.4	9.9	11	10.6	
Asset Turnover	times	1.18	1.31	1.28	1.31	1.43	1.32	1.2	1.19	1.13	1.02	-	
Equity Ratio	%	39.5	52.3	46.9	57.5	60.4	62.8	62.1	65.7	68.2	65.4	-	
EBITDA	¥mn	750	1,014	1,155	1,245	1,249	1,308	1,398	1,601	1,839	1,934	-	
sales ratio	%	5.3	6.6	7.5	8	7.8	8.4	9.2	10.1	11.5	12.4	-	
Capital Expenditures	¥mn	477	160	426	115	220	2,071	345	707	136	-	-	
Total Assets	¥mn	11,900	11,550	12,703	11,085	11,353	12,332	12,979	13,675	14,427	16,117	-	
Current Assets	¥mn	7,890	7,451	8,405	7,013	6,918	6,928	7,525	6,894	7,623	9,643	-	
Cash and Deposits	¥mn	1,443	864	771	1,101	1,610	2,007	2,337	3,002	1,956	4,205	-	
Notes and Accounts Receivable	¥mn	2,532	3,005	3,909	2,220	3,129	2,847	2,879	2,764	4,833	4,803	-	
Inventory	¥mn	1,847	1,494	1,614	3,403	2,059	1,952	2,132	1,008	258	509	-	
Other	¥mn	2,068	2,088	2,111	289	120	121	177	119	576	126	-	
Non-Current Assets	¥mn	3,990	4,088	4,292	4,070	4,435	5,404	5,454	6,781	6,804	6,475	-	
Property, Plant and Equipment	¥mn	2,577	2,655	2,809	2,721	2,783	3,913	3,925	4,368	4,266	3,312	-	
Intangible Assets	¥mn	68	52	42	37	52	42	141	139	113	82	-	
Investments and Other Assets	¥mn	1,345	1,381	1,441	1,312	1,600	1,450	1,388	2,274	2,425	3,081	-	
Total Liabilities	¥mn	7,169	5,448	6,652	4,637	4,402	4,439	4,693	4,375	4,197	5,186	-	
Current Liabilities	¥mn	4,319	3,912	5,560	3,429	3,523	3,348	3,800	3,672	3,489	4,272	-	
Trade Payables	¥mn	953	721	925	773	816	862	944	869	1,027	1,257	-	
Short-Term Interest-Bearing Debt	¥mn	1,588	1,240	2,370	626	346	192	60	60	0	0	-	
Income Taxes Payable	¥mn	60	263	172	245	84	293	138	462	330	93	-	
Other	¥mn	1,717	1,689	2,093	1,784	2,277	2,000	2,658	2,281	2,132	2,922	-	
Non-Current Liabilities	¥mn	2,850	1,535	1,093	1,208	879	1,091	893	703	708	915	-	
Long-Term Interest-bearing Debt	¥mn	1,677	1,198	548	665	312	120	60	0	0	0	-	
Other	¥mn	1,173	337	544	543	567	971	833	703	708	915	-	
Total Net Assets	¥mn	4,731	6,103	6,050	6,448	6,950	7,893	8,286	9,300	10,230	10,931	-	
Shareholders' Equity	¥mn	4,702	5,546	5,994	6,388	6,776	7,701	7,999	8,440	9,316	9,859	-	
Accumulated Other Comprehensive Income	¥mn	0	499	-38	-9	77	38	56	545	524	686	-	
Share Acquisition Rights	¥mn	25	58	95	69	98	154	231	316	391	386	-	
Non-Controlling Interests	¥mn	3	0	0	0	0	0	0	0	0	0	-	

Source: Compiled by SIR from the Company's IR materials.

Cash Flow Statement

Item	Unit	Act 14/5	15/5	16/5	17/5	18/5	19/5	20/5	21/5	22/5	23/5	CE 24/5
Cash Flows from Operating Activities	¥mn	1,767	263	369	2,304	1,697	1,500	1,260	1,994	(346)	2,295	-
Pretax Profit	¥mn	615	881	932	977	1,115	2,426	1,168	1,361	1,594	1,501	-
Depreciation	¥mn	166	224	239	200	176	204	253	267	256	220	-
Increase (decrease) in working capital	¥mn	719	(790)	(429)	1,375	957	76	218	546	(760)	359	-
Other, net	¥mn	353	38	18	54	(182)	(1,032)	64	68	(727)	797	-
Income Taxes	¥mn	(87)	(89)	(391)	(301)	(369)	(174)	(443)	(247)	(710)	(581)	-
Cash Flows from Investing Activities	¥mn	(662)	93	(641)	13	(191)	39	(212)	(848)	(179)	574	-
Increase (Decrease) of Property, Plant and Equipment	¥mn	(421)	(116)	(407)	(118)	(7)	54	(140)	(765)	(128)	445	-
Increase (Decrease) of Intangible Assets	¥mn	(24)	(12)	(19)	(10)	(33)	(7)	(121)	(30)	(29)	-	-
Other, net	¥mn	(217)	220	(216)	141	(151)	(8)	49	(52)	(22)	129	-
Free Cash Flows	¥mn	1,105	356	(272)	2,317	1,506	1,539	1,047	1,147	(525)	2,869	-
Cash Flows From Financing Activities	¥mn	(1,111)	(945)	182	(1,986)	(997)	(1,135)	(718)	(481)	(521)	(619)	-
Increase (Decrease) of Interest-Bearing Debt	¥mn	(1,021)	(828)	480	(1,626)	(633)	(346)	(192)	(60)	(60)	-	-
Cash Dividends Paid	¥mn	(89)	(125)	(217)	(216)	(213)	(312)	(318)	(231)	(261)	(420)	-
Increase (Decrease) in Equity	¥mn	0	8	(82)	(144)	(150)	(476)	(208)	(190)	(200)	(200)	-
Other, net	¥mn	0	0	0	0	0	0	0	0	0	0	-
Effect of Exchange Rate Change on Cash and Cash Equivalents	¥mn	2	10	(2)	(1)	0	0	0	0	0	0	-
Net Increase (Decrease) in Cash and Cash Equivalents	¥mn	(4)	(579)	(93)	330	509	397	329	665	(1,046)	2,249	-
Cash and Cash Equivalents at Beginning of Period	¥mn	1,447	1,443	864	771	1,101	1,610	2,007	2,337	3,002	1,956	-
Cash and Cash Equivalents at End of Period	¥mn	1,443	864	771	1,101	1,610	2,007	2,337	3,002	1,956	4,205	-

Source: Compiled by SIR from the Company's IR materials.

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