

## Announced Acquisition of Treasury Shares Up To JPY 200 mn

### Earnings Results Summary

- On April 10, 2025, OHBA announced its Q3 FY2025/5 results. For the nine-month period from June 2024 to February 2025, the Company reported net sales of JPY 12,001 mn (+11.6% YoY) and operating profit of JPY 1,214 mn (+16.1% YoY). Due to the seasonal nature of its business, which tends to concentrate earnings in Q4, progress rates toward the full-year plan appear low at first glance, with net sales at 68.6% and operating profit at 62.3%. However, SIR believes the Company is steadily progressing toward achieving its full-year targets of 6.1% YoY sales growth and 5.8% YoY operating profit growth.
- One particularly noteworthy point in the Company's performance for Q3 from December 2024 to February 2025 is the improvement in gross profit margin. In Q3, gross profit margin rose 0.2 ppt YoY to 34.4%. This reflects an ongoing industry-wide trend of improving profitability, driven by a continual increase in Technician Price for Commissioned Design Work, as set by the Ministry of Land, Infrastructure, Transport and Tourism. In Q2 (3M), the decline in gross profit margin was attributable to temporary factors such as project mix. Therefore, concerns about a gross profit margin decline were ultimately unwarranted.
- Order backlog in the Company's mainstay Construction Consulting segment is also steadily growing. As of the end of Q3, the order backlog for this segment was JPY 10,329 mn (+5.4% YoY). Although the Company-wide backlog declined during the current fiscal period due to the recognition of significant one-time lump-sum revenue in the Business Solutions segment in Q1, on an underlying performance basis, the order backlog in the mainstay business has continued to show solid growth.
- On the same day as the financial results announcement, the Company also announced that it would acquire treasury shares of up to JPY 200 mn or 250,000 shares, equivalent to 1.57% of total outstanding shares. The Company set a total shareholder return ratio target of 60%, and this share buyback is positioned as an additional return in line with that policy.

Item	Unit	24/5				25/5			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	
<b>Net Sales</b>	<b>JPY mn</b>	<b>2,727</b>	<b>4,362</b>	<b>3,669</b>	<b>5,727</b>	<b>3,959</b>	<b>4,418</b>	<b>3,625</b>	
	YoY	%	10.8	18.0	1.6	(2.5)	45.2	1.3	(1.2)
<b>Construction Consultant</b>	<b>JPY mn</b>	<b>2,431</b>	<b>4,167</b>	<b>3,462</b>	<b>5,580</b>	<b>2,572</b>	<b>4,193</b>	<b>3,377</b>	
	YoY	%	5.9	18.9	3.4	(0.7)	5.8	0.6	(2.5)
Orders Received	JPY mn	6,114	3,632	2,489	4,028	6,245	3,503	2,479	
	YoY	%	9.7	(3.3)	(3.8)	8.5	2.2	(3.6)	(0.4)
Order Backlog	JPY mn	11,309	10,770	9,796	8,244	11,980	11,227	10,329	
	YoY	%	12.7	4.7	2.8	8.2	5.9	4.2	5.4
<b>Business Solutions</b>	<b>JPY mn</b>	<b>273</b>	<b>171</b>	<b>182</b>	<b>123</b>	<b>1,364</b>	<b>202</b>	<b>223</b>	
	YoY	%	91.7	2.6	(24.9)	(46.3)	399.1	18.0	22.8
Orders Received	JPY mn	240	147	539	72	203	25	340	
	YoY	%	(36.6)	10.4	25.9	(34.2)	(15.5)	(83.0)	(36.9)
Order Backlog	JPY mn	1,752	1,708	2,041	1,966	782	228	675	
	YoY	%	(5.5)	(5.0)	4.1	8.5	(55.4)	(86.7)	(66.9)
Lease Rental Income, etc.	JPY mn	23	24	24	24	24	23	24	
<b>Cost of Sales</b>	<b>JPY mn</b>	<b>1,864</b>	<b>3,012</b>	<b>2,413</b>	<b>3,674</b>	<b>2,895</b>	<b>3,093</b>	<b>2,376</b>	
	sales ratio	%	68.4	69.0	65.8	64.2	73.1	70.0	65.6
<b>Gross Profit</b>	<b>JPY mn</b>	<b>863</b>	<b>1,351</b>	<b>1,257</b>	<b>2,053</b>	<b>1,064</b>	<b>1,325</b>	<b>1,249</b>	
	sales ratio	%	31.6	31.0	34.2	35.8	26.9	30.0	34.4
<b>SG&amp;A Expenses</b>	<b>JPY mn</b>	<b>835</b>	<b>815</b>	<b>774</b>	<b>1,257</b>	<b>790</b>	<b>808</b>	<b>826</b>	
	sales ratio	%	30.6	18.7	21.1	22.0	19.9	18.3	22.8
<b>Operating Profit</b>	<b>JPY mn</b>	<b>29</b>	<b>536</b>	<b>482</b>	<b>796</b>	<b>275</b>	<b>518</b>	<b>423</b>	
	sales ratio	%	1.0	12.3	13.1	13.9	6.9	11.7	11.7

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

## Q3 Flash

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