



# KONDOTEC

Tokyo Stock Exchange (Prime Market)  
Securities Code : 7438

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FY2023

# Financial Results

May 12, 2023



## Notes on forward-looking statements

This document contains forward-looking statements and business plans. These statements were made based on economic environment and business policies at the time of the release. Actual results may differ materially from these forward-looking statements due to various factors and changes.

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# **1. Highlights of FY2023 Financial Results**

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# Summary of FY2023 Consolidated Financial Results



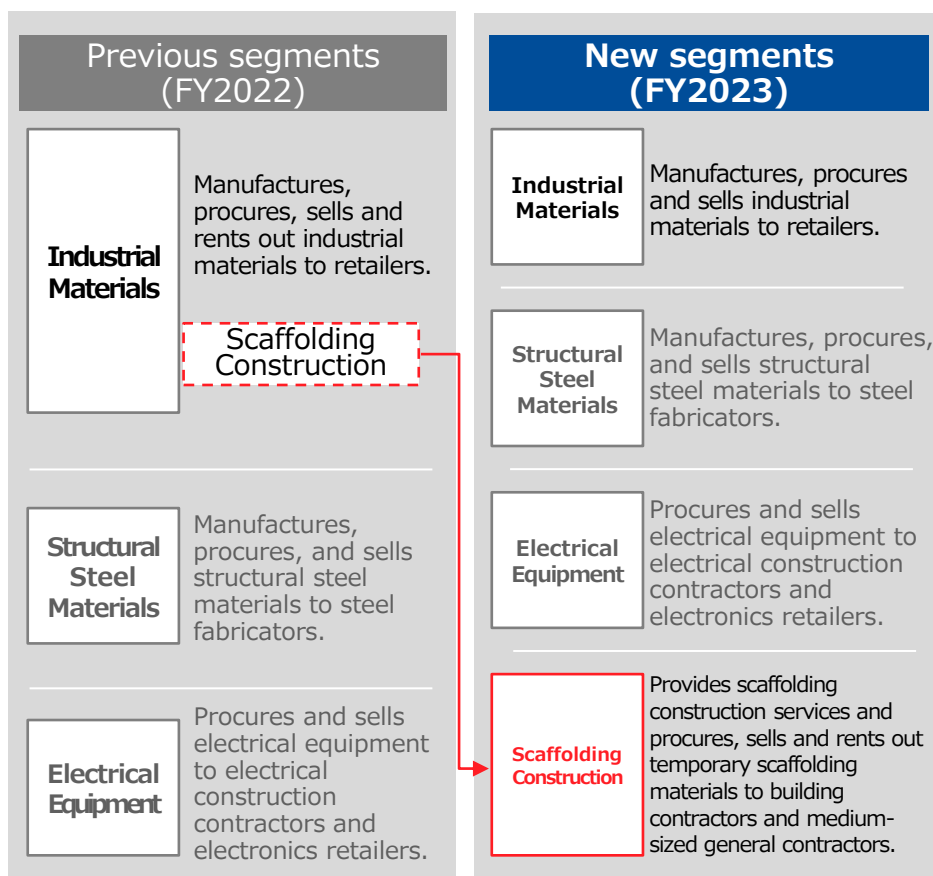
- Net sales increased due to sales contributions from KURIYAMA ALUMINUM (which became a subsidiary in October 2021) as well as a demand recovery in construction and price pass-through in response to rising material prices.
- Operating results increased thanks to the sales growth offsetting a dip in gross profit margin and higher SG&A expenses including freight costs and personnel expenses.

<b>Net sales</b>	<b>75,447</b> million yen	YoY	<b>+14.1%</b>
<b>Operating income</b>	<b>4,355</b> million yen	YoY	<b>+21.2%</b>
<b>Ordinary income</b>	<b>4,563</b> million yen	YoY	<b>+19.8%</b>
<b>Profit attributable to owner of parent</b>	<b>2,414</b> million yen	YoY	<b>+5.7%</b>
<b>EBITDA</b>	<b>5,482</b> million yen	YoY	<b>+7.6%</b>

※Note: EBITDA= Income before income taxes + Interest expenses + Depreciation + Amortization of goodwill

## Change in Reporting Segments

- As scaffolding construction business, one of important growth strategies in medium-term management plan, has become more of a priority for KONDOTEC, Scaffolding Construction Segment is separated from Industrial Materials Segment with the aim of promoting understanding of our businesses.



## Acquisition of ISO14001 at Sapporo Factory

- In July 2022 Sapporo Factory obtained ISO14001 for environmental management system.
- We completed to obtain ISO14001 certification for all parent factories. In order to achieve a sustainable society, we will continue to create environmental value for the future and foster coexistence between people and nature through our business activities in harmony with nature.

## Participation in “InnoTrans 2022”

- In September 2022, KONDOTEC participated in InnoTrans, the leading international trade fair for transport technology held in Berlin, Germany. We displayed and promoted Square Shaped Hook Bolts for railroad tie are used to connect a railroad tie to a railway bridge girder to international visitors at InnoTrans 2022. We will aim to further increase our brand recognition.



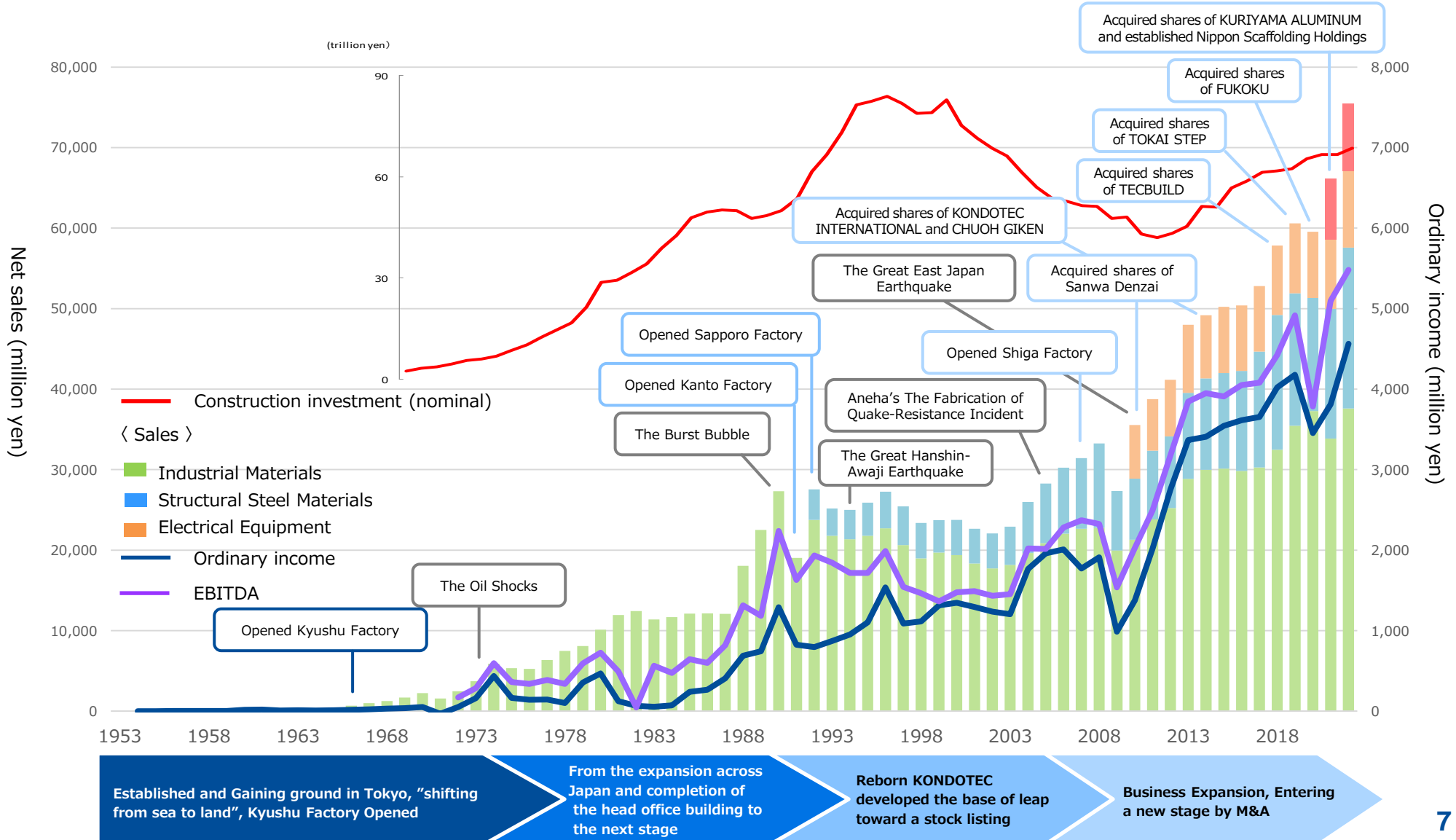
## **2. Company Overview**

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# Performance Trends



Since establishment in 1953, we have not incurred an ordinary loss as a result of efforts to supply products and merchandise to various industries in response to changes of the times and customer needs.





# Company Overview



<b>Company name</b>	KONDOTECH INC.
<b>Group companies</b>	Sanwa Denzai Co., Ltd. KONDOTECH INTERNATIONAL (THAILAND) CO., LTD. CHUOH GIKEN Co., Ltd. Nippon Scaffolding Holdings Co., Ltd. TECBUILD CO., LTD. TOKAI STEP CO., LTD. FUKOKU, Ltd. KURIYAMA ALUMINUM Co., Ltd. (as of March 31, 2023)
<b>Established</b>	January 1953
<b>President and Representative Director</b>	Katsuhiko Kondo
<b>Head office</b>	2-2-90 Sakaigawa, Nishi-ku, Osaka 550-0024 Japan Tokyo Headquarters : 1-9-3 Minami Suna, Koto-ku, Tokyo
<b>Number of employees</b>	Consolidated:1,278 Parent:754 (as of March 31, 2023)
<b>Capital stock</b>	2,666 million yen
<b>Listed stock market</b>	Tokyo Stock Exchange (Prime Market) (Securities Code :7438)
<b>Business areas</b>	<ul style="list-style-type: none"><li>■ Manufacturing, procurement and sales of industrial materials primarily in the retail hardware business.</li><li>■ Manufacturing, procurement, and sale of structural steel materials mainly for steel fabricators.</li><li>■ Procurement and sales of electrical equipment for electrical construction contractors and electronics retailers.</li><li>■ Procurement, sale and rentals of temporary scaffolding materials and providing scaffolding construction services for building contractors and medium-sized general contractors.</li></ul>
<b>Major items handled</b>	<ul style="list-style-type: none"><li>■ <b>Products</b> Turn buckles, braces, scaffolding chains, screws, anchor bolts, construction materials, machinery, and equipment etc.</li><li>■ <b>Merchandise</b> Hardware, chains, wire ropes, screws, construction materials, lighting equipment, panel board, air-conditioning equipment ,and eco items etc.</li></ul>

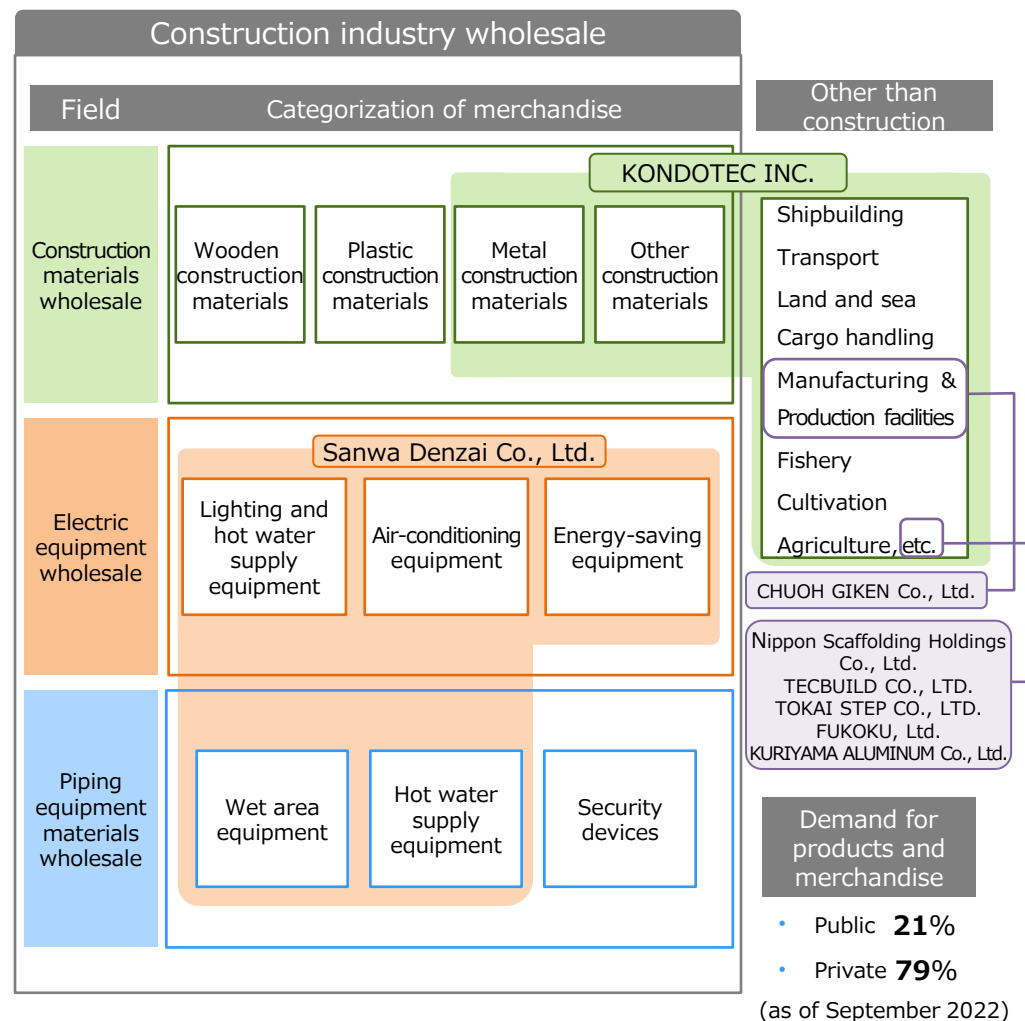
# Company History and Business Areas



## Company history

January 1953	Established Kondo Shoten Co., Ltd.
January 1989	Changed the company name to KONDOTEC INC.
April 1995	Listed on the Second Section of the Osaka Stock Exchange
July 1999	Listed on the Second Section of the Tokyo Stock Exchange
April 2010	Acquired shares of Sanwa Denzai Co., Ltd.
April 2011	Designated as the First Section stock by the Tokyo Stock Exchange and the Osaka Stock Exchange
May 2011	Established a representative office (Bangkok, Thailand)
November 2012	Established KONDOTEC INTERNATIONAL (THAILAND) CO., LTD. (Joint venture)
August 2014	Turned KONDOTEC INTERNATIONAL (THAILAND) CO., LTD. into a consolidated subsidiary and acquired shares of CHUOH GIKEN Co., Ltd.
February 2019	Acquired shares of TECBUILD CO., LTD.
February 2020	Acquired shares of TOKAI STEP CO., LTD.
January 2021	Acquired shares of FUKOKU, Ltd.
April 2021	Established Nippon Scaffolding Holdings Co., Ltd.
October 2021	Acquired shares of KURIYAMA ALUMINUM Co., Ltd.
April 2022	Shifted to the Prime Market from the First Section under the previous Tokyo Stock Exchange structure.

## Business areas



# Sales by Segment

(as of end March 2023)

## Industrial Materials



Net sales **37,610** million yen  
Sales weighting **50 %**

Customers Hardware stores, Wholesalers, Home improvement centers

Products/  
Merchandise



## Structural Steel Materials



Net sales **19,963** million yen  
Sales weighting **26 %**

Customers Steel structure fabricators

Products/  
Merchandise



## Electrical Equipment



Net sales **9,502** million yen  
Sales weighting **13 %**

Customers Electrical construction contractors, Electronics retailers

Products/  
Merchandise



## Scaffolding Construction



Net sales **8,371** million yen  
Sales weighting **11 %**

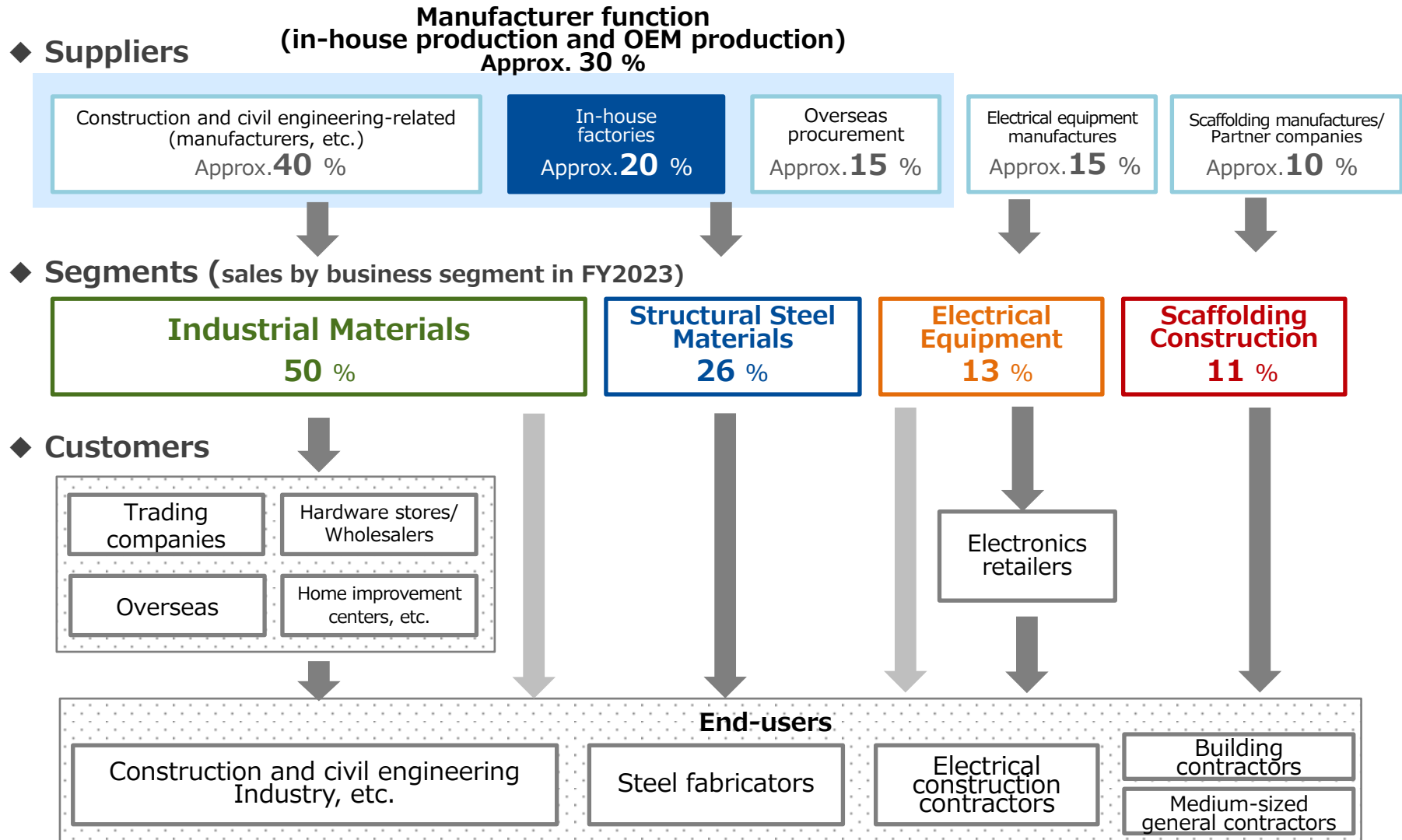
Customers building contractors, medium-sized general contractors

Business  
description



# Distribution Channels

- By offering in-house products with added value and sourcing products and merchandise from various suppliers, we have adopted a structure that allows it to meet the diversifying needs of customers.



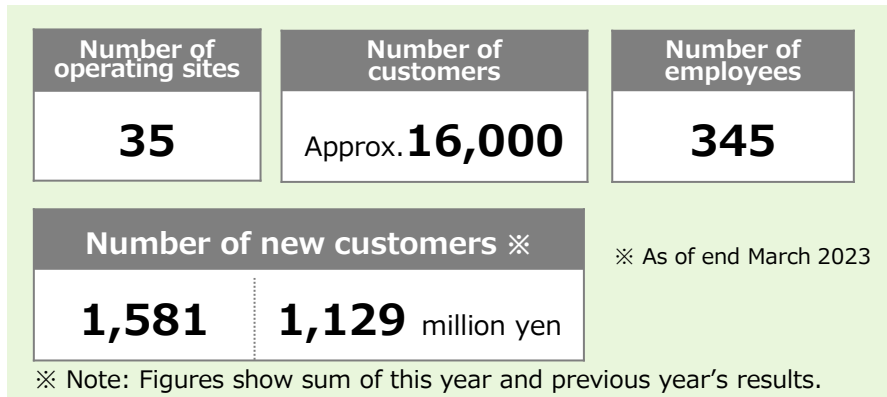
# Segment Overview : Industrial Materials

## Business areas

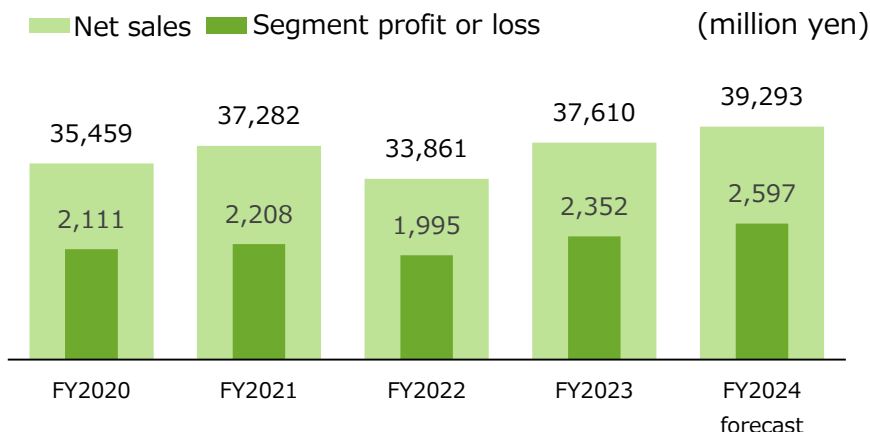
The Industrial Materials Segment manufactures, procures, and sells civil engineering and construction materials (primarily metal fittings through retail).

## Strengths

By selling products and merchandise to a wide range of industries, the segment has built up a diverse customer base that is not skewed toward any particular industry, it is able to generate stable earnings that do not hinge on any particular customer.



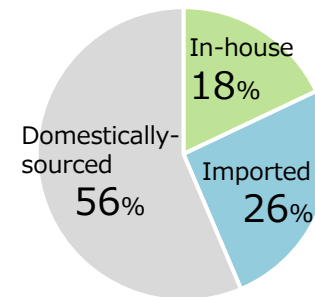
## Results in the past 5 years



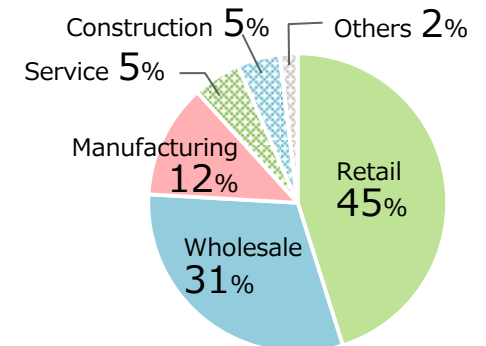
※ Figures for sales and segment profit or loss are calculated based on new segments since FY2022.

## Ratio of segment sales FY2023

### Procurement source (consolidated)



### Customers by industry (parent)



## Initiatives

- Cultivate new customers, expand sales channels and expand product lineup
- Capture the demands for renewable energy and large-scale projects (including the construction work related to the Linear Shinkansen and the Osaka-Kansai Japan Expo 2025).
- Develop new aluminum products in response to the need for lightweight materials.
- Enhance the e-commerce website.

# Segment Overview : Structural Steel Materials

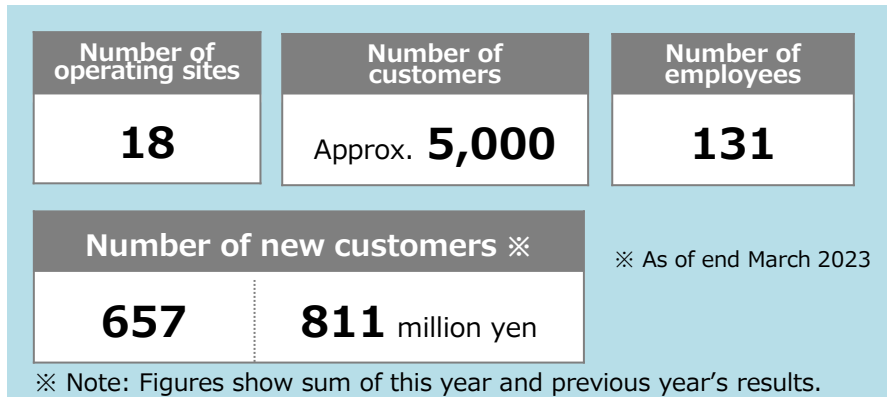


## Business areas

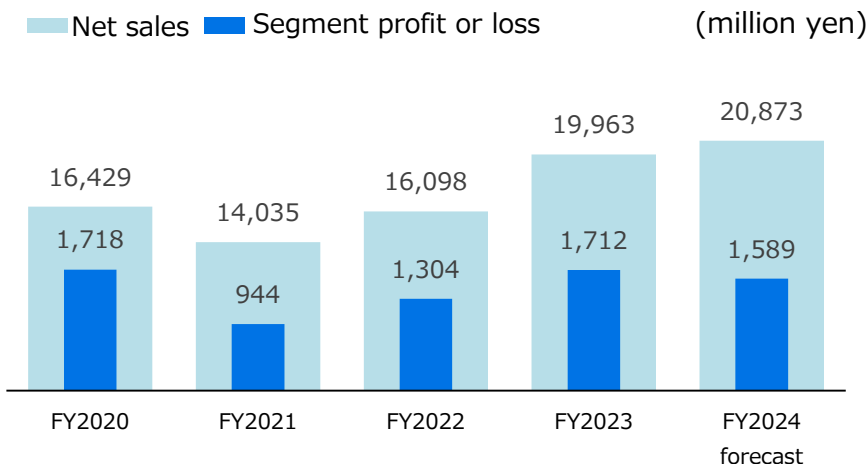
The Structural Steel Materials Segment manufactures, procures, and sells construction-related materials to nationwide steel structure fabricators.

## Strengths

High-margin business maintained through supply of high market share products with a high percentage of in-house production.

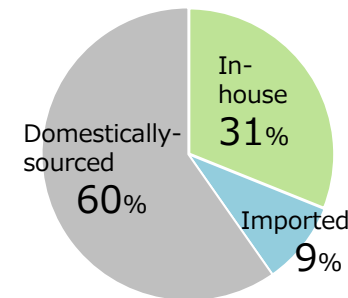


## Results in the past 5 years

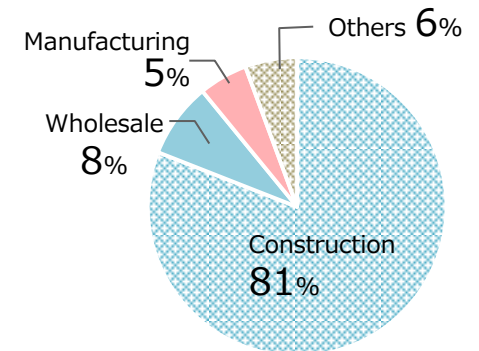


## Ratio of segment sales FY2023

### Procurement source



### Customers by industry



## Initiatives

- Cultivate new customers and expand product lineup
- Plan to open new operating sites seeking to capture the demands in unexplored areas.
- Expand anchor bolt installation business.

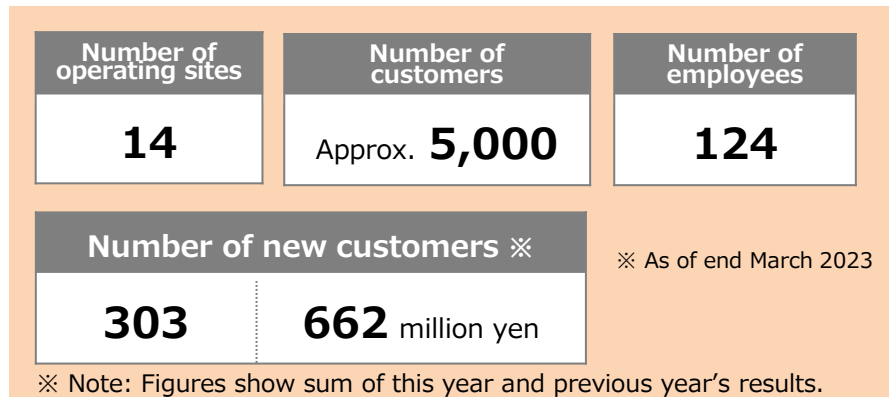
# Segment Overview : Electrical Equipment

## Business areas

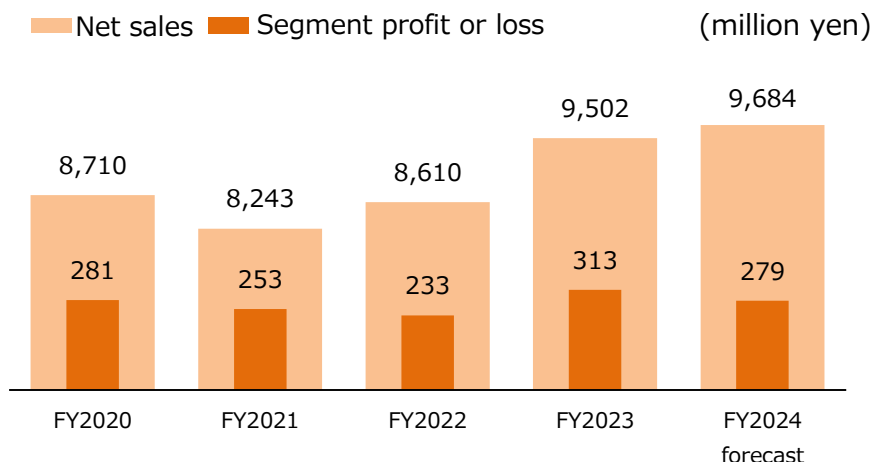
The Electrical Equipment Segment procures and sells electrical equipment to consumer electrical appliance stores and electrical construction contractors.

## Strengths

The segment generates steady earnings through providing a wide range of merchandise from electrical materials to building materials to various industries.



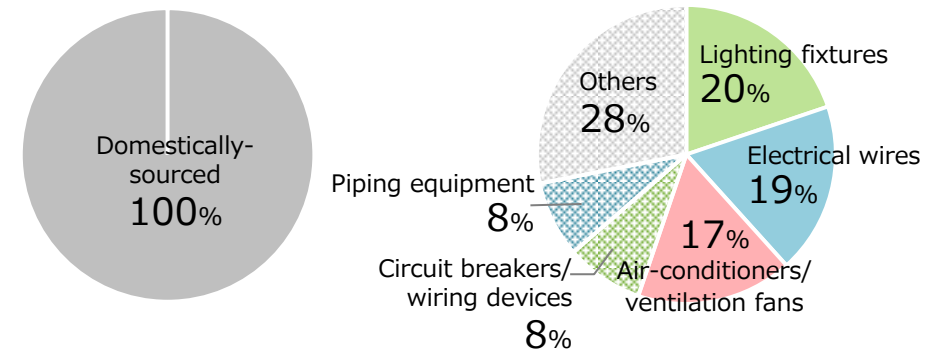
## Results in the past 5 years



## Ratio of segment sales FY2023

### Procurement source

### Merchandise category



## Initiatives

- Cultivate new customers and expand merchandise lineup
- Expand the electrical work-related construction business and capture demands from end users (such as electrical construction contractors).
- Enter into new fields such as factory automation and equipment engineering.
- Expand sales of Eco-friendly and environment-related merchandise.

# Segment Overview : Scaffolding Construction

## Business areas

The Scaffolding Construction Segment provides scaffolding construction services and procures, sells and rents out temporary scaffolding materials to building contractors and medium-sized general contractors

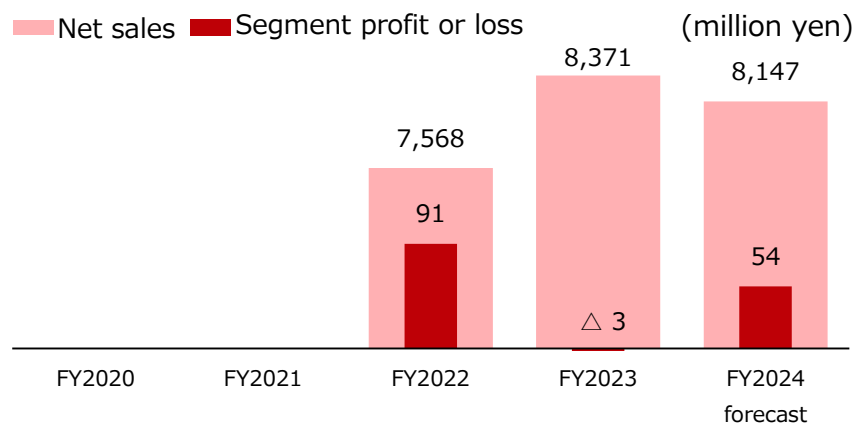
## Strengths

The segment provides a wide range of construction services from residential buildings and medium-rise properties to civil engineering structures (such as bridges)

Number of operating sites	Number of employees
<b>38</b>	<b>323</b> (construction workers: <b>126</b> )
Capex for scaffolding materials	Book value of scaffolding materials
<b>205</b> million yen	<b>584</b> million yen

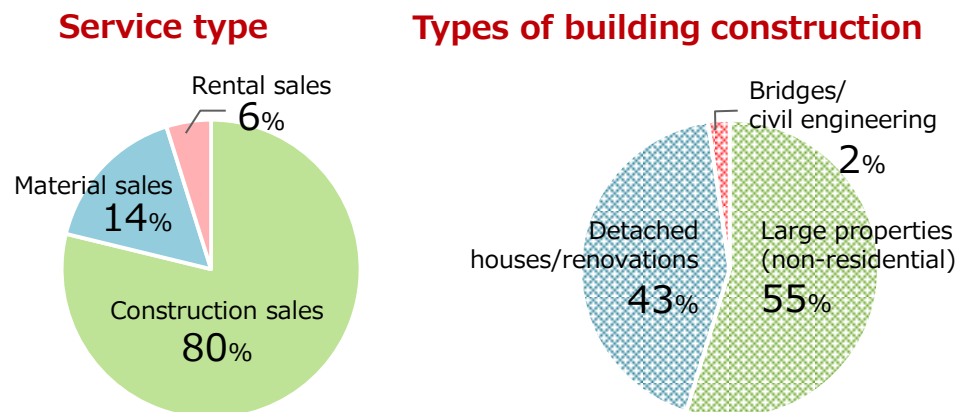
※ As of end March 2023  
 ※ The amount of investment as of end March 2023

## Results in the past 5 years



※ Figures for sales and segment profit or loss are calculated based on new segments since FY2022.

## Ratio of segment sales FY2023



## Initiatives

- Step up orders with higher unit prices for medium-rise properties and civil engineering structures.
- Expand sales of scaffolding materials and sales of scaffolding rental.
- Expand customer base through developing new customers.



# Market Size for Main Products and Merchandise

## Market size for main products, merchandise and corresponding market shares (FY2022)

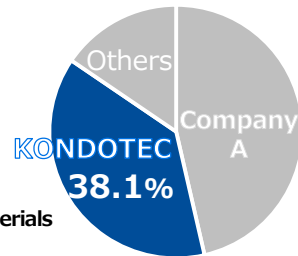
## Market overview and initiatives

### JIS certification Turnbuckle braces

Markets size  
About **10** billion yen

They are seismic bracing products used in steel constructions

Segment Structural Steel Materials  
 Industrial Materials

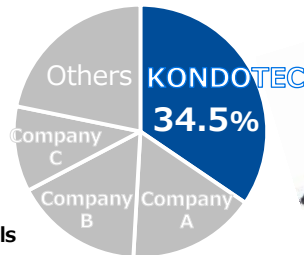


### JIS certification Anchor bolts

Markets size  
About **3** billion yen

They are important materials used to connect a building structure to a concrete foundation.

Segment Structural Steel Materials  
 Industrial Materials

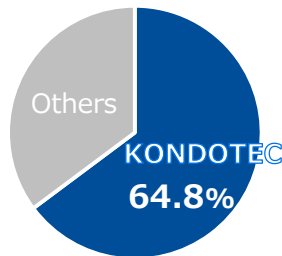


### Scaffolding suspension chains

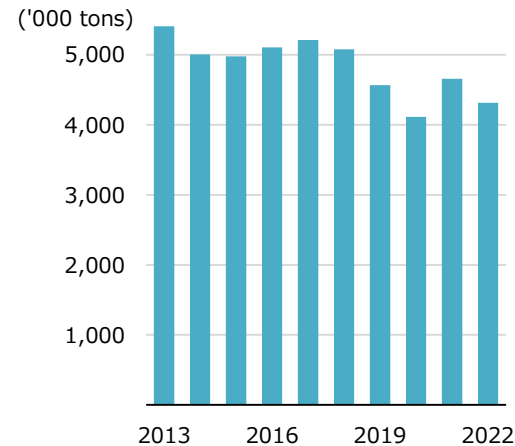
Markets size  
About **1** billion yen

They are scaffolding materials to provide a safe working platform for work at height in bridge and expressway construction.

Segment Industrial Materials



### Estimated volume of steel frame demand



※Source: The website of Ministry of Land, Infrastructure, Transport and Tourism

#### ➤ Market overview

The demand is gradually recovering after the COVID pandemic.

The robust demand for large low-rise properties such as logistics facilities, data centers and factories is expected to continue.

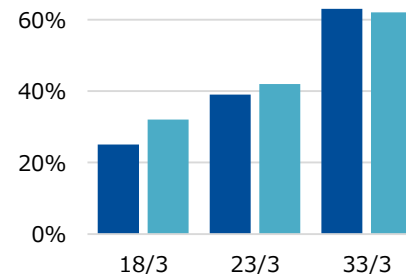
#### ➤ initiatives to maintain and expand the market share

- Strengthen upstream sales
- Expand anchor bolt installation work
- Plan to open new operating sites

### Demand for maintenance and repair of deteriorating social infrastructure

#### Percentage of 50+ year old infrastructure

■ Road bridges ■ Water control structures



※Source: The website of Ministry of Land, Infrastructure, Transport and Tourism

#### ➤ Market overview

The number of 50-plus-year-old infrastructure is expected to increase exponentially in the next decade.

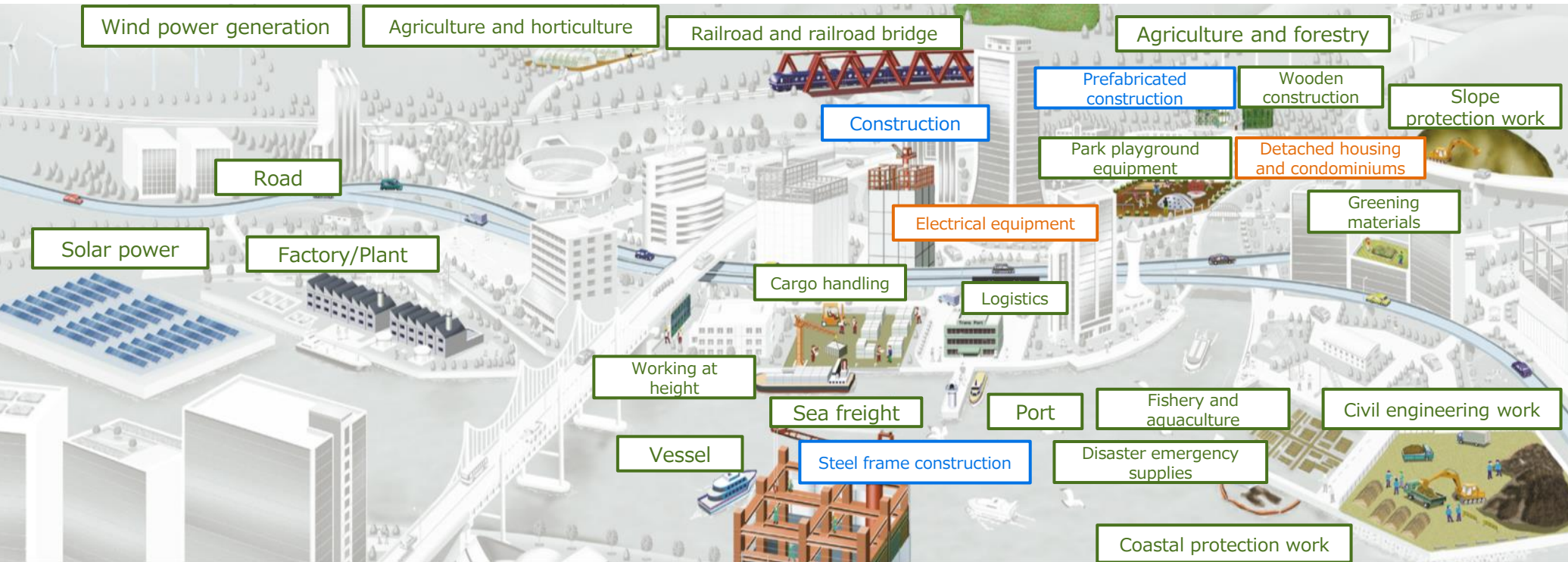
#### ➤ initiatives to maintain and expand the market share

- Develop new products (such as lightweight chains)
- Expand sales of products and merchandise through cooperation between Industrial Materials and Scaffolding Construction segments.

### **3. Main Products and Merchandise**

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We supply roughly 50,000 products and merchandise to various industries in response to changes of the times and customer needs.



## Construction

The construction field is one of the biggest sales fields. Materials for Steel-frame structures such as turnbuckle braces and round separators for reinforced concrete buildings are main products manufactured in-house. We obtained Z-mark certification and X-mark certification in wooden construction field. We offer various temporary scaffolding materials used in a wide range of constructions.

- Lifting equipment
- Turnbuckle braces
- Steel frame materials
- Foundation materials
- Formwork materials
- Architectural hardware

## Railroads

When railroad construction has specific requirements that differ from other constructions, we offer specific products to Japan Railways Group and other railway companies.

- Screws
- Lifting equipment
- Materials for river improvement and slope protection

## Civil engineering

There are various fields with growth prospects in civil engineering including infrastructure-related projects (such as road construction and port engineering), slope protection and river engineering. Demand for materials for urgent post-disaster reconstruction is growing along with the increasing frequency of natural disasters in recent years. We keep inventory at all of our operating sites to facilitate quick delivery in the event of a disaster.

- Street materials and greening materials
- Materials for river improvement and slope protection
- Lifting equipment
- Worksite equipment
- Nets and sheets
- Port materials

# Turnbuckle Braces

- Turnbuckle braces are connected cornerwise to prevent the collapse of buildings exposed to lateral pressure.
- Turnbuckle braces are used as seismic bracing products in prefabricated steel-frame houses and steel constructions such as shopping centers, factories and warehouses. They can also be seen in everyday locations, including on ceilings of railway station platforms.

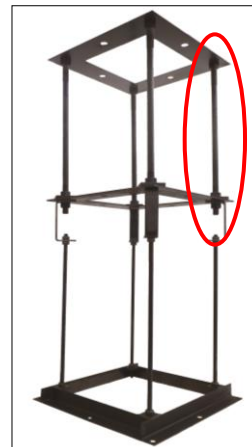


# Anchor Bolts

- Anchor bolts are important materials used to connect a building structure to a concrete foundation. Their main purpose is to prevent the building connected to the concrete foundation from tilting and falling over.



After construction work



Anchor bolts



Anchor frame (Kon-base Eco)

# Container Bags

- Container bags are used in a wide range of settings such as 1) transportation and storage of feedstuff, fertilizer, plastic pellets, and industrial waste; 2) rubble disposal and decontamination work; and 3) post-disaster reconstruction work (used as large sandbags).



- Our subsidiaries, TECBULID, TOKAI STEP, and FUKOKU handle assembly and disassembly of scaffolding is used for construction and repair of warehouses, detached homes and condominiums.

## Overpass repair



## Condominium construction



## **4. FY2023 Financial Results and Analysis**

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# FY2023 Consolidated Financial Results



Vs. FY2022

(million yen)

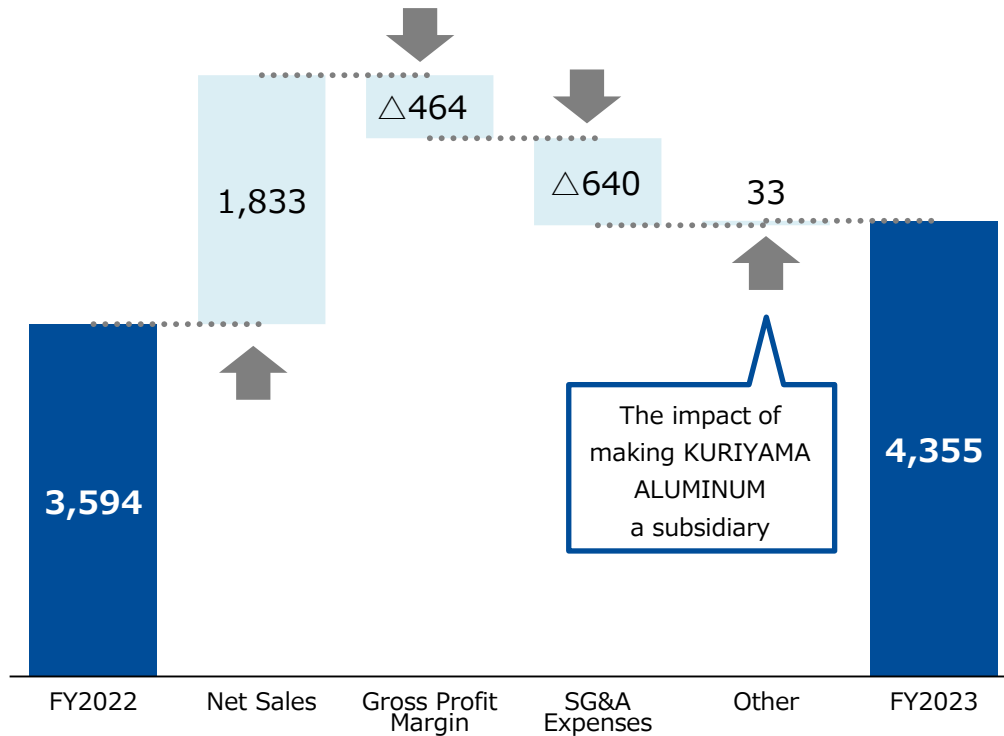
	FY2022	FY2023	YoY	
			Amount	%
Net sales	66,139	<b>75,447</b>	+9,308	+14.1%
Gross profit	14,730	<b>16,253</b>	+1,522	+10.3%
SG&A expenses	11,136	<b>11,898</b>	+762	+6.8%
Operating income	3,594	<b>4,355</b>	+760	+21.2%
Ordinary income	3,810	<b>4,563</b>	+753	+19.8%
Profit attributable to owner of parent	2,284	<b>2,414</b>	+129	+5.7%
EBITDA	5,095	<b>5,482</b>	+387	+7.6%

Note: EBITDA= Income before income taxes + Interest expenses + Depreciation + Amortization of goodwill

# Operating Income Analysis (Consolidated)

## Operating income analysis

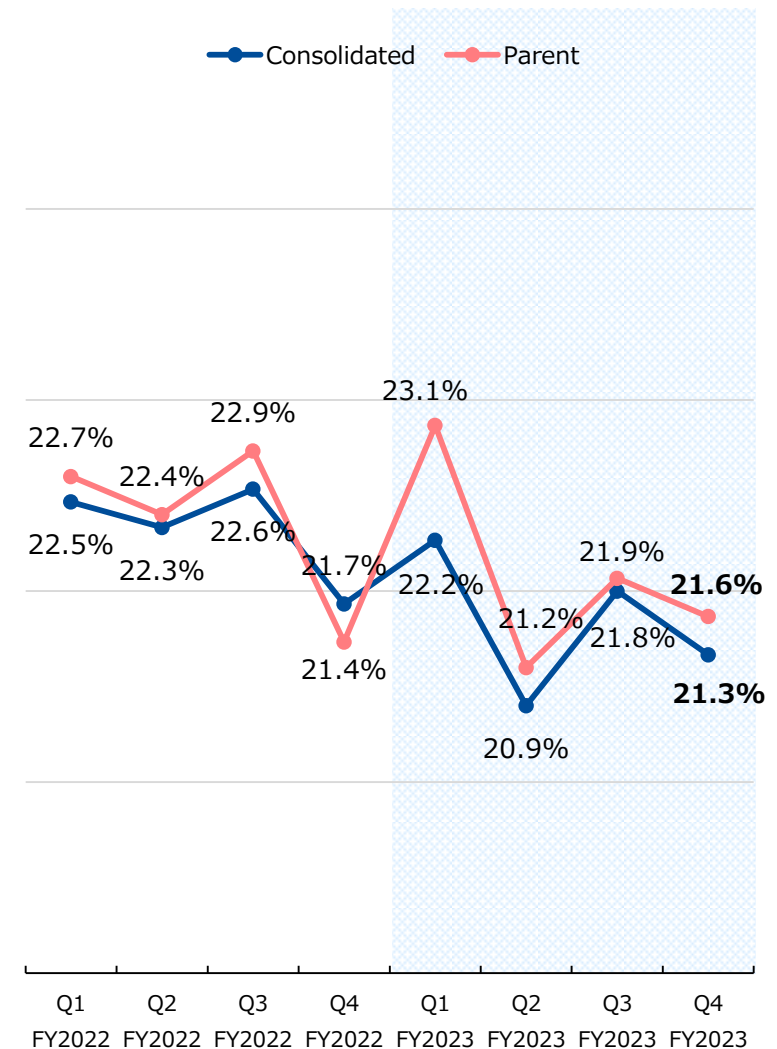
(million yen)



※ Note: The following figures do not include the impact of making KURIYAMA ALUMINUM a subsidiary.

Gross Profit Margin	22.3 % → 21.6%
SG&A Expenses	Bonuses +192 million yen Salaries +149 million yen Freight and packing costs +123 million yen

## Quarterly GPM



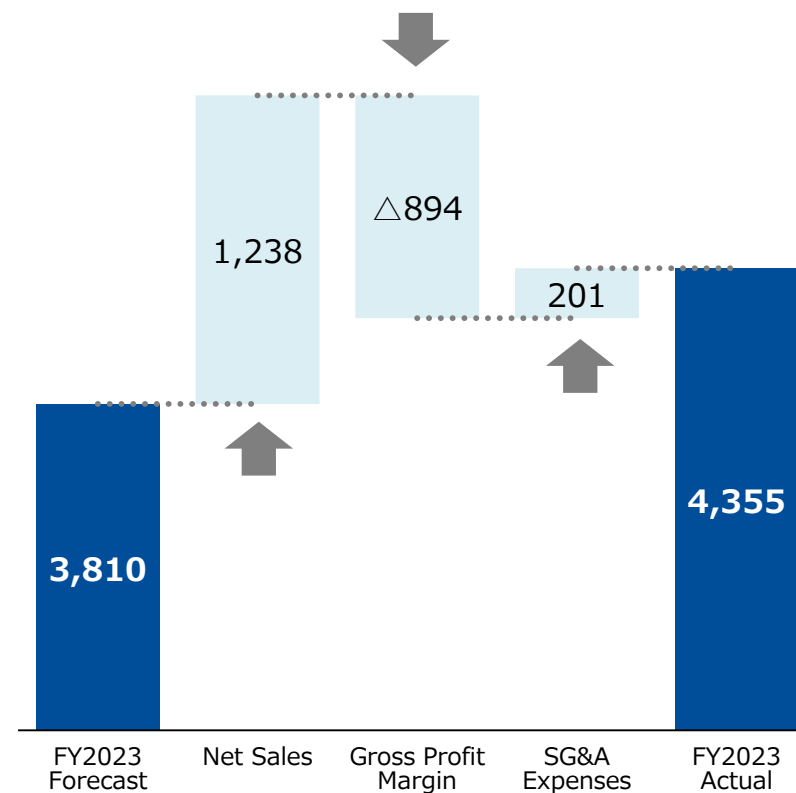
# FY2023 Consolidated Financial Results

Vs. Forecast

(million yen)

	FY2023 Forecast	FY2023 Actual	Change	
			Amount	%
<b>Net sales</b>	70,000	75,447	+5,447	+7.8%
<b>Gross profit</b>	15,910	16,253	+343	+2.2%
<b>SG&amp;A expenses</b>	12,100	11,898	△201	△1.7%
<b>Operating income</b>	3,810	4,355	+545	+14.3%
<b>Ordinary income</b>	3,970	4,563	+593	+15.0%
<b>Profit attributable to owner of parent</b>	2,470	2,414	△55	△2.2%

## Operating income analysis (million yen)



Gross Profit Margin

Forecast 22.7%

Actual 21.5%

# Consolidated Balance Sheet [Assets]



(million yen)

		FY2022	FY2023	Change
Current assets	Cash and deposits	10,164	<b>10,733</b>	+569
	Notes and receivable-trade, and contract assets	13,200	<b>14,181</b>	+981
	Electronically recorded monetary claims operating	2,861	<b>3,695</b>	+833
	Inventories	7,183	<b>8,132</b>	+949
	Other	1,225	<b>658</b>	△567
	Total current assets	34,636	<b>37,402</b>	+2,766
Non-current assets	Property, plant and equipment	15,011	<b>15,403</b>	+392
	Intangible assets	5,368	<b>4,286</b>	△1,081
	Investments and other assets	993	<b>1,070</b>	+76
	Total non-current-assets	21,373	<b>20,761</b>	△612
	<b>Total assets</b>	56,009	<b>58,163</b>	+2,153

# Consolidated Balance Sheet [Liabilities and Net Assets]



(million yen)

		FY2022	FY2023	Change
Current liabilities	Notes and accounts payable-trade	4,346	<b>5,015</b>	+669
	Electronically recorded obligations-operations	9,114	<b>9,738</b>	+624
	Breakdown			
	Electronically recorded obligations-operations	10,762	<b>11,439</b>	+676
	Repayment before maturity	△1,648	△ <b>1,701</b>	△52
	Short-term loans payable	4,610	<b>3,610</b>	△1,000
	Income taxes payable	814	<b>946</b>	+132
	Other	3,097	<b>3,319</b>	+221
	<b>Total current liabilities</b>	21,983	<b>22,630</b>	+647
	<b>Non-current liabilities</b>	1,959	<b>2,247</b>	+288
	<b>Total liabilities</b>	23,942	<b>24,878</b>	+935
Net assets	Shareholder's equity	31,342	<b>32,679</b>	+1,336
	Accumulated other comprehensive income	△1,255	△ <b>1,395</b>	△139
	Non-controlling interests	1,979	<b>2,000</b>	+21
	<b>Total net assets</b>	32,066	<b>33,285</b>	+1,218
	<b>Total liabilities and net assets</b>	56,009	<b>58,163</b>	+2,153

## **5. FY2023 Financial Results and Analysis by Segment**

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# FY2023 Financial Results by Segment



(million yen)

		FY2022	FY2023	Change (%)	Full-year forecast	Progress
Industrial Materials	Net sales	33,861	<b>37,610</b>	+11.1%	36,303	+3.6%
	Segment profit or loss	1,995	<b>2,352</b>	+17.9%	2,473	△4.9%
	EBITDA	2,188	<b>2,628</b>	+20.1%	–	–
Structural Steel Materials	Net sales	16,098	<b>19,963</b>	+24.0%	16,949	+17.8%
	Segment profit or loss	1,304	<b>1,712</b>	+31.2%	1,092	+56.7%
	EBITDA	1,345	<b>1,752</b>	+30.3%	–	–
Electrical Equipment	Net sales	8,610	<b>9,502</b>	+10.4%	8,900	+6.8%
	Segment profit or loss	233	<b>313</b>	+34.2%	219	+43.4%
	EBITDA	269	<b>351</b>	+30.5%	–	–
Scaffolding Construction	Net sales	7,568	<b>8,371</b>	+10.6%	7,846	+6.7%
	Segment profit or loss	91	<b>△3</b>	–	69	–
	EBITDA	782	<b>698</b>	△10.7%	–	–

※ Note: Figures for FY2022 have been restated under new segment classification.

※ Note: Segment profit or loss has been adjusted with operating income on the quarterly consolidated financial statements.

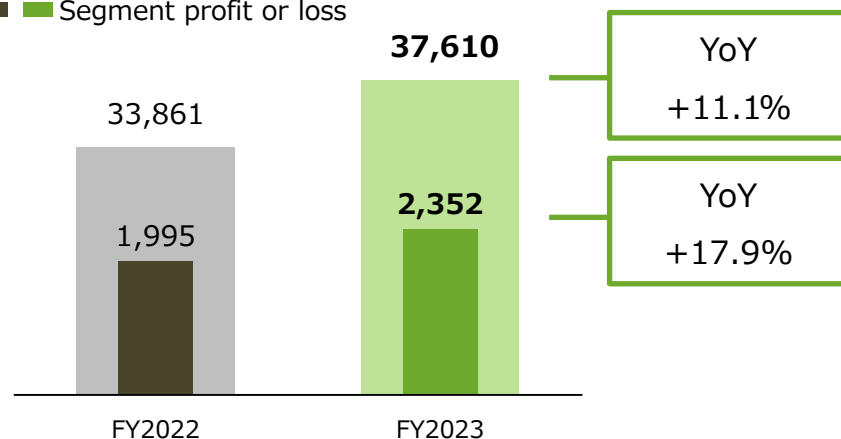
※ Note: EBITDA= Segment profit or loss + Depreciation + Amortization of goodwill

## Net sales and segment profit or loss

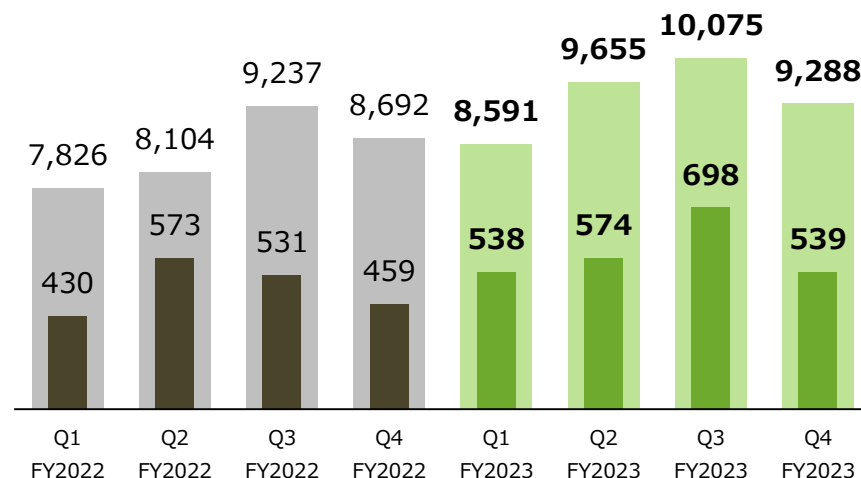
(million yen)

### YoY

- Net sales
- Segment profit or loss



### Quarterly



## Factors affecting net sales

### Net sales increased by about 3,750 million yen YoY.

Sales increased due to price pass-through in response to higher manufacturing and procurement costs and sales contributions from KURIYAMA ALUMINUM (which became a subsidiary in October 2021).

#### Increased/decreased amount in net sales (million yen)

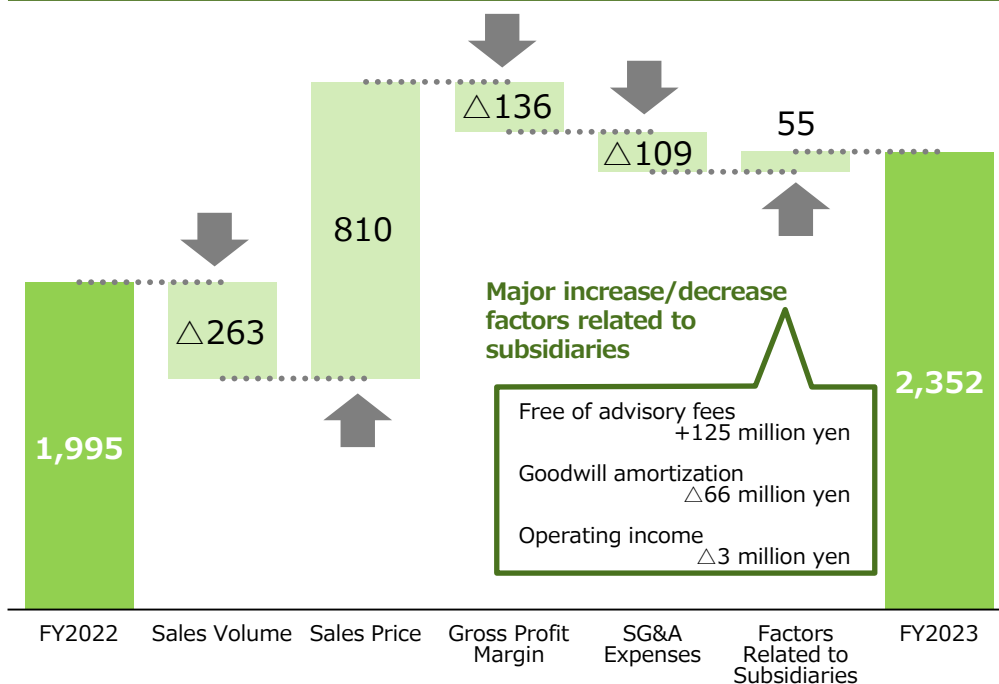
Products (approx.)	+330	Scaffolding suspension chains	+76	Orders increased due to a rise in the number of large-scale projects.
Merchandise (approx.)	+2,350	Other chains	+780	Sales increased due to some large orders.
Other	+1,071	KURIYAMA ALUMINUM		Sales increased on the contributions from new subsidiary.

※ Figures for FY2022 have been restated under new segment classification.



## Segment profit or loss analysis

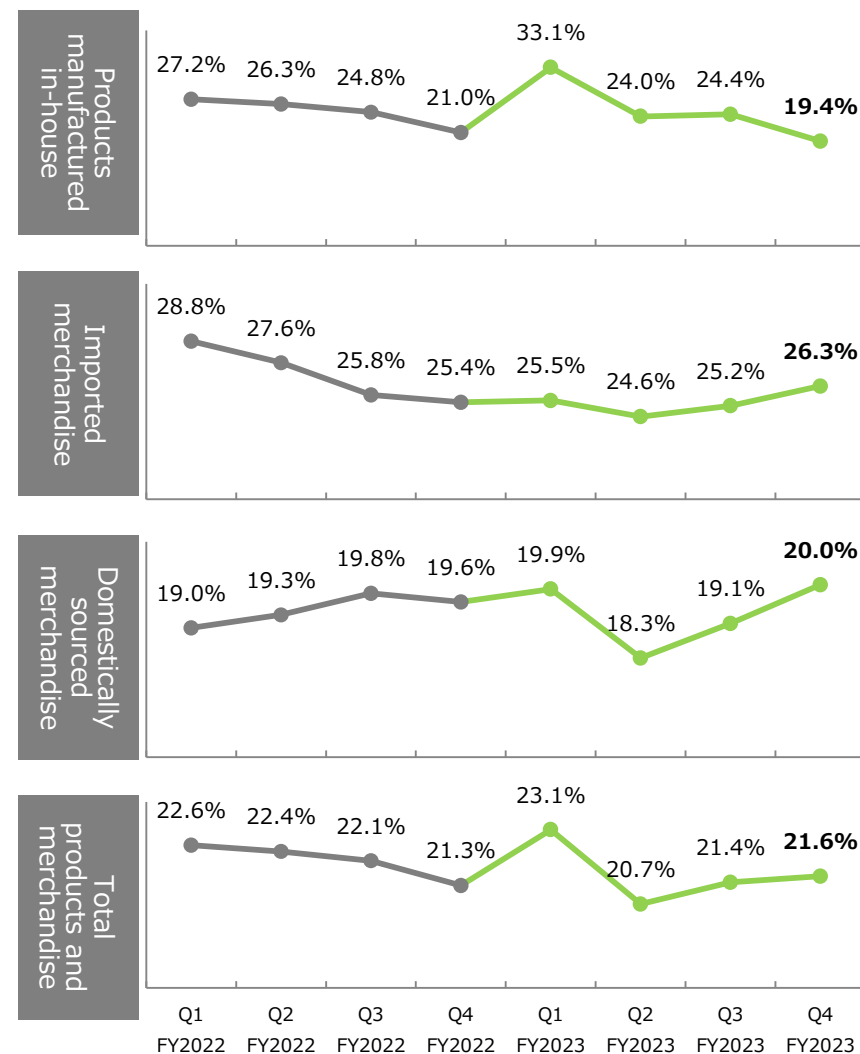
(million yen)



※ Note: The following figures do not include subsidiaries.

Sales Volume	Products $\Delta$ 36 million yen Merchandise $\Delta$ 226 million yen
Sales Price	Products +107 million yen Merchandise +703 million yen
Gross Profit Margin	Products 24.8% $\rightarrow$ 24.9% Merchandise 21.5% $\rightarrow$ 21.1% (including imported merchandise and domestically sourced merchandise)
SG&A Expenses	Bonuses +41 million yen Supplies expenses +9 million yen Travel and transportation expenses +7 million yen Salaries +7 million yen

## Quarterly GPM

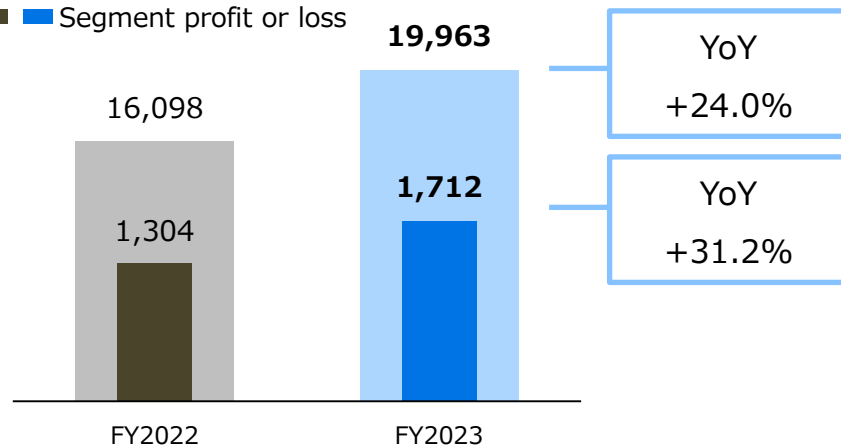


## Net sales and segment profit or loss

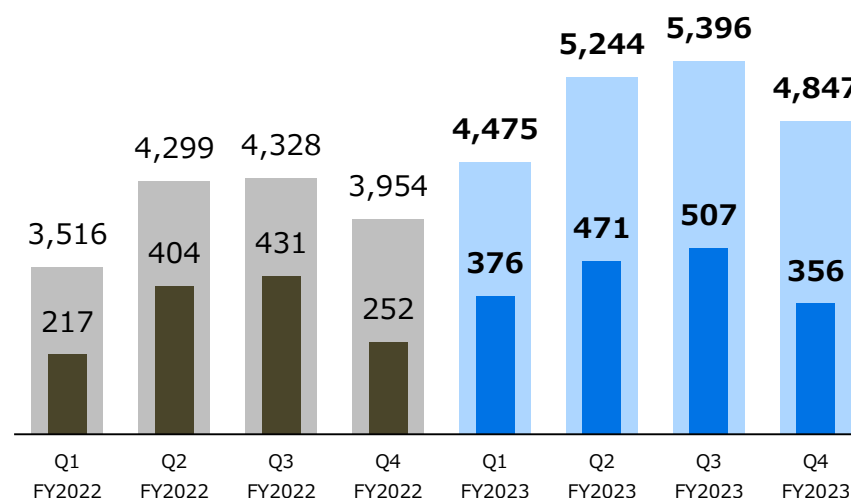
(million yen)

### ■ YoY

- Net sales
- Segment profit or loss



### ■ Quarterly



## Factors affecting net sales

### Net sales increased by about 3,870 million yen YoY.

Sales increased due to steady growth in sales of steel frame materials, anchor bolts, and braces, which reflected recovery in steel frame demand for large properties and price pass-through in response to higher manufacturing and procurement costs.

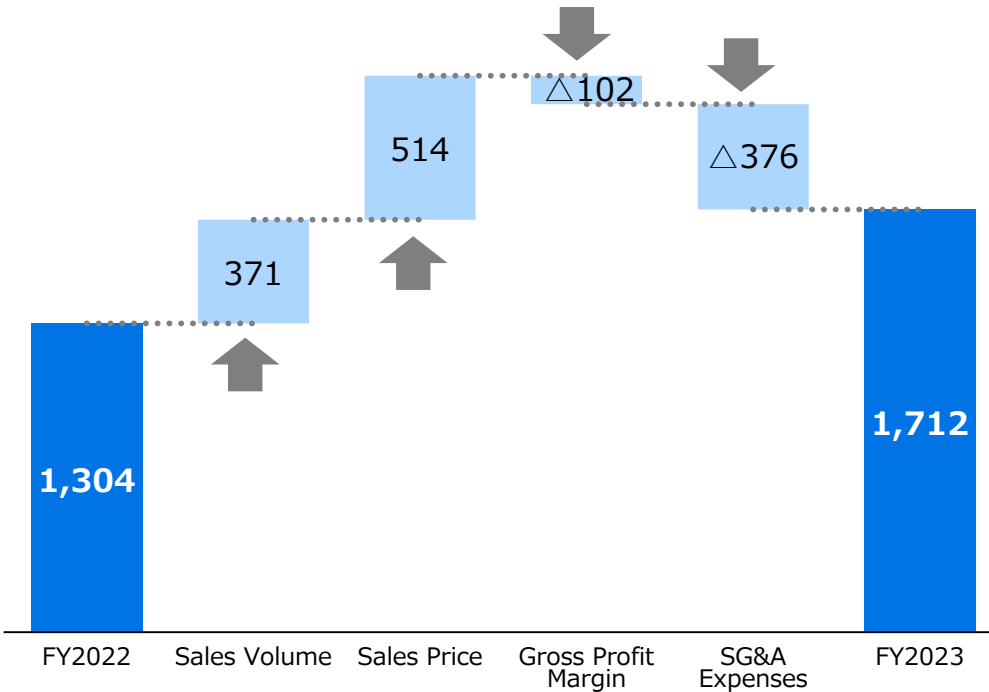
#### Increased/decreased amount in net sales (million yen)

Products (approx.)	+1,070	Braces	+558	Sales increased due to a rise in sales prices and the number of large property projects as well as a recovery in steel frame demand.
Merchandise (approx.)	+2,800	Steel frame materials	+1,077	Sales increased due to a rise in sales prices and the demand recovery.

# Structural Steel Materials

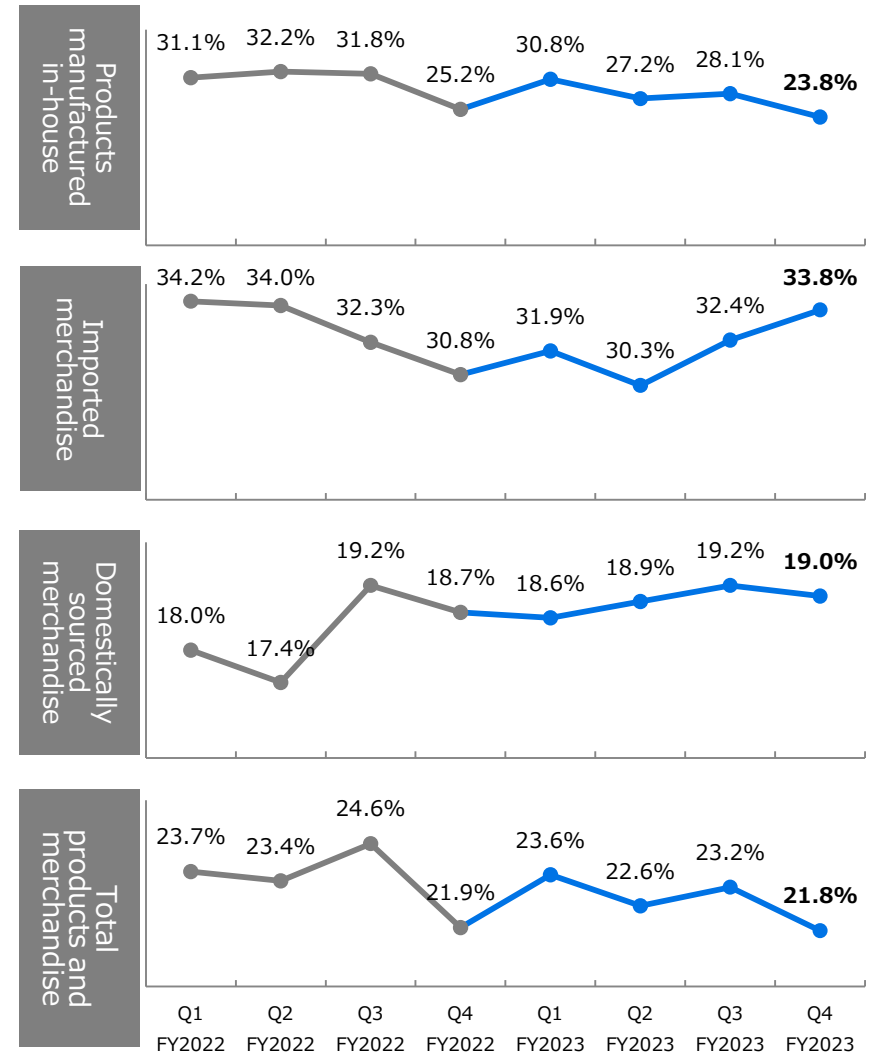
## Segment profit or loss analysis

(million yen)



Sales Volume	Products +99 million yen Merchandise +272 million yen
Sales Price	Products +222 million yen Merchandise +292 million yen
Gross Profit Margin	Products 30.2% → 27.4% Merchandise 20.1% → 20.6% (including imported merchandise and domestically sourced merchandise)
SG&A Expenses	Freight and packing costs +125 million yen Bonuses +97 million yen Salaries +47 million yen

## Quarterly GPM

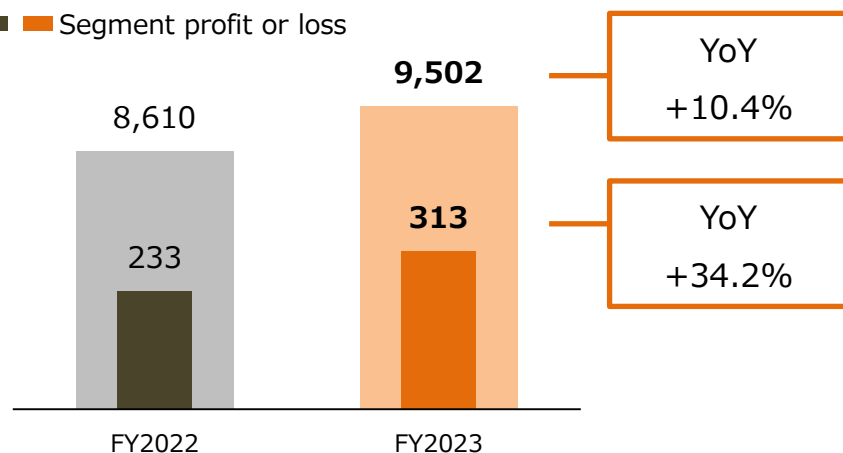


## Net sales and segment profit or loss

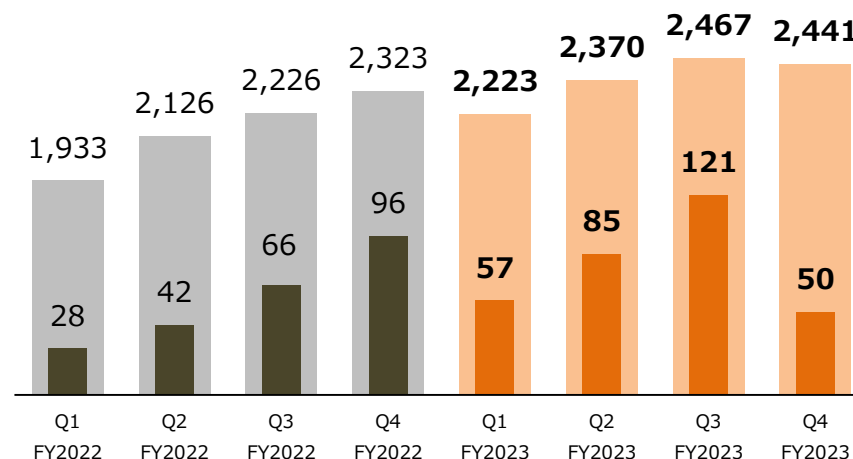
(million yen)

### YoY

- Net sales
- Segment profit or loss



### Quarterly



## Factors affecting net sales

### Net sales increased by about 890 million yen YoY.

As sluggish capital investment and delays in merchandise supplies stemming from the semiconductor shortages were resolved, sales increased as a result of the penetration of price pass-through in response to price revision requests from manufacturers and acquisition of orders related to carbon neutrality.

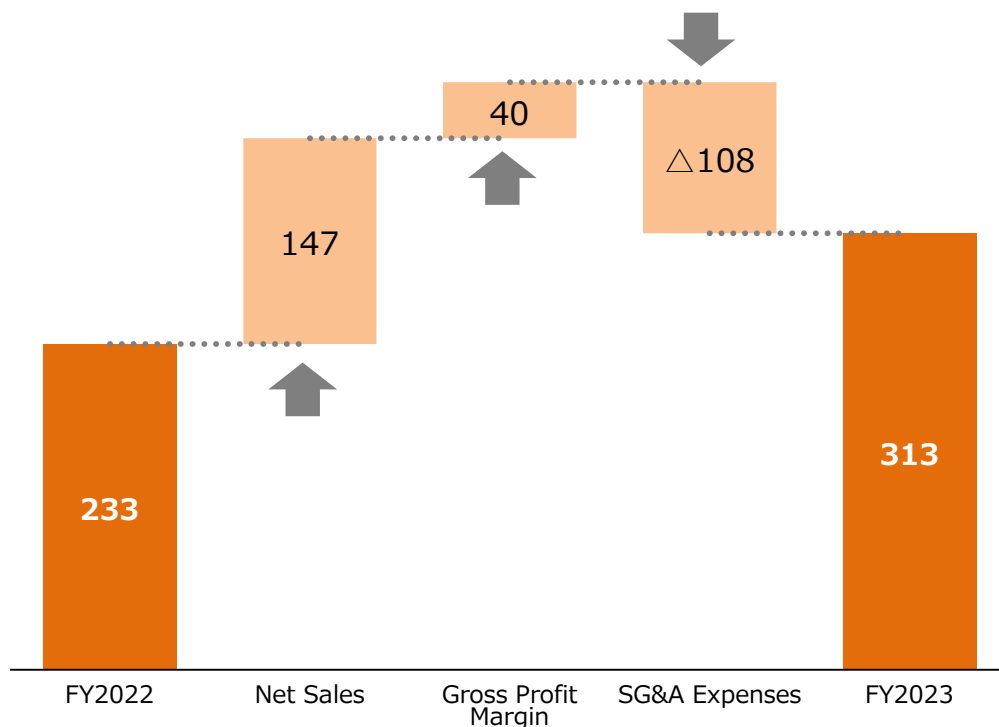
#### Increased/decreased amount in net sales (million yen)

Lighting fixtures	+303	Orders increased due to increases in LED lighting replacement works and large projects.
Electrical wires	+196	Orders increased due to an increase in large projects.

# Electrical Equipment

## Segment profit or loss analysis

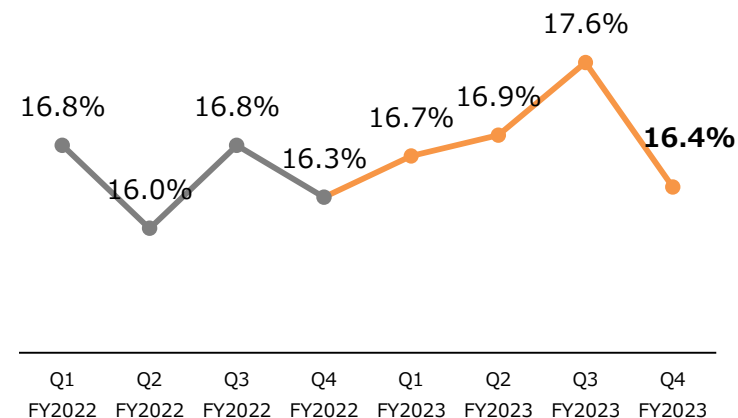
(million yen)



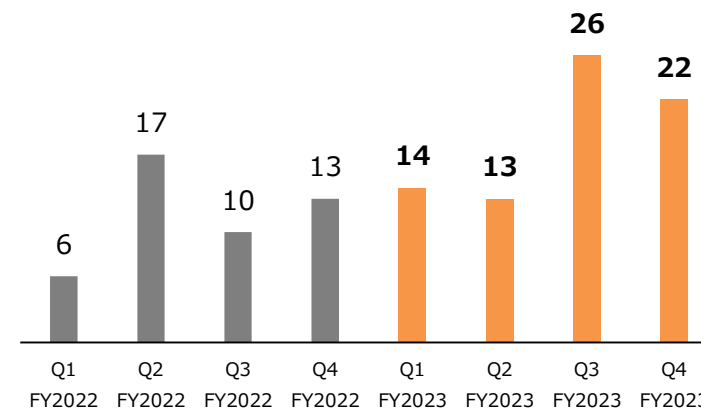
Gross Profit Margin	16.5% → 16.9%
SG&A Expenses	Bonuses +30 million yen Promotion expenses +16 million yen Salaries +10 million yen Commission expenses +7 million yen

## Quarterly GPM and the number of projects

Gross Profit Margin



The number of projects\*



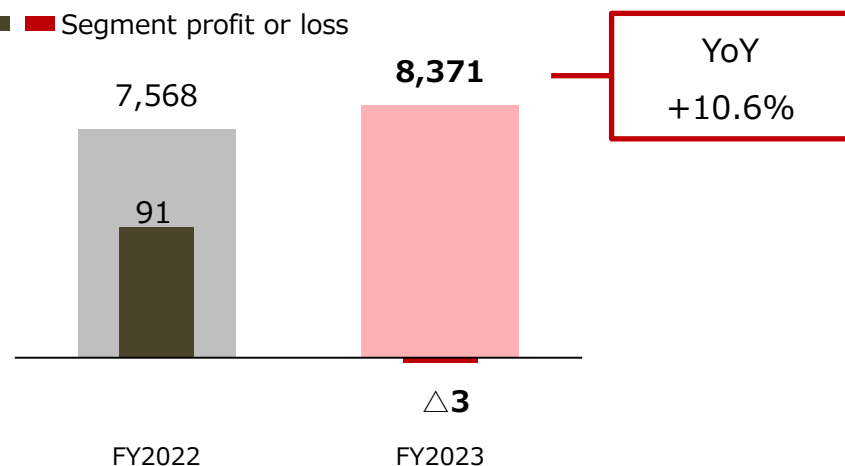
\*Note: Orders worth over 5 million yen from Electrical construction contractors.

## Net sales and segment profit or loss

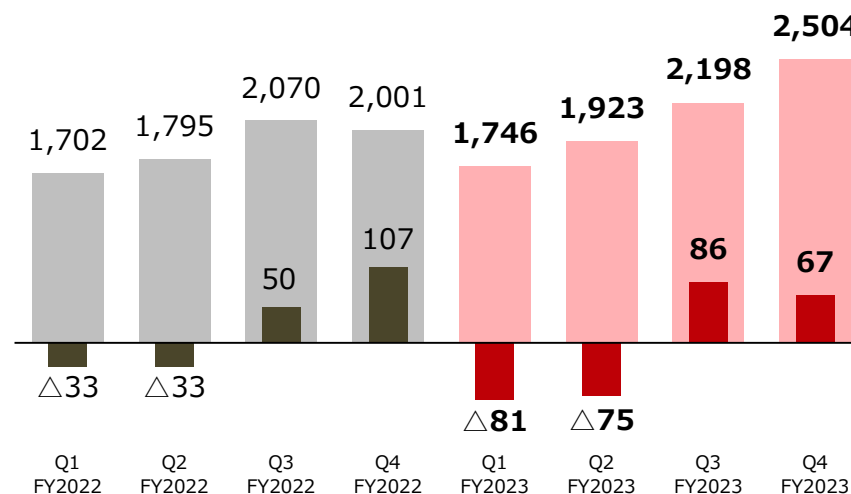
(million yen)

### YoY

■ Net sales  
■ Segment profit or loss



### Quarterly



## Factors affecting net sales

### Net sales increased by about 800 million yen YoY.

Despite recovery in private construction spending, construction sales remained generally flat due to sluggish housing demand. However, material sales were boosted by some large orders, while rental sales were driven by a reluctance to make purchases of scaffolding materials due to price hikes.

#### Increased/decreased amount in net sales (million yen)

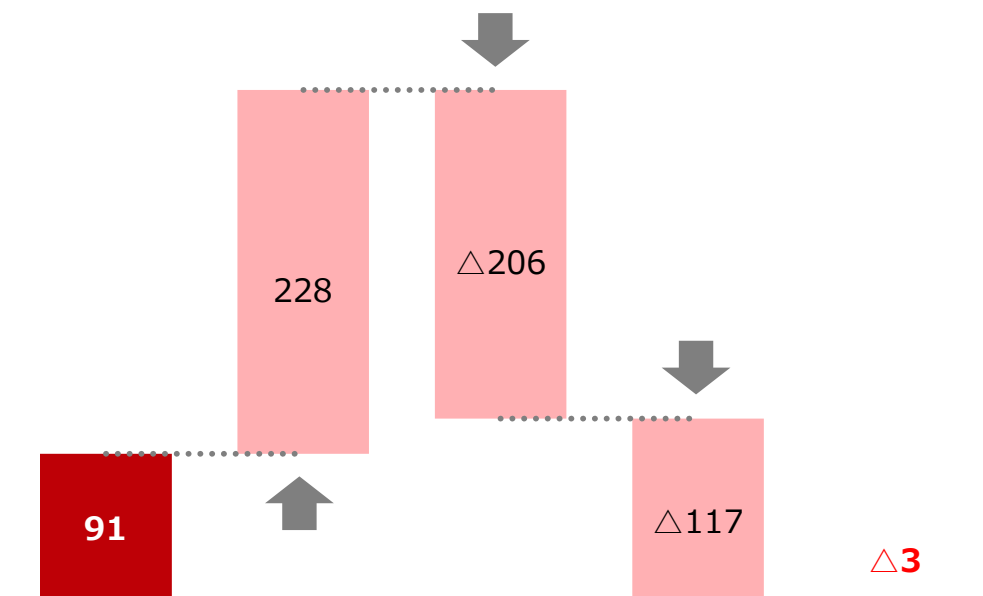
Material sales	+604	Sales increased due to some large orders.
Rental sales	+127	Sales increased due to a reluctance to make purchases of scaffolding materials amid soaring material prices

※ Figures for FY2022 have been restated under new segment classification.

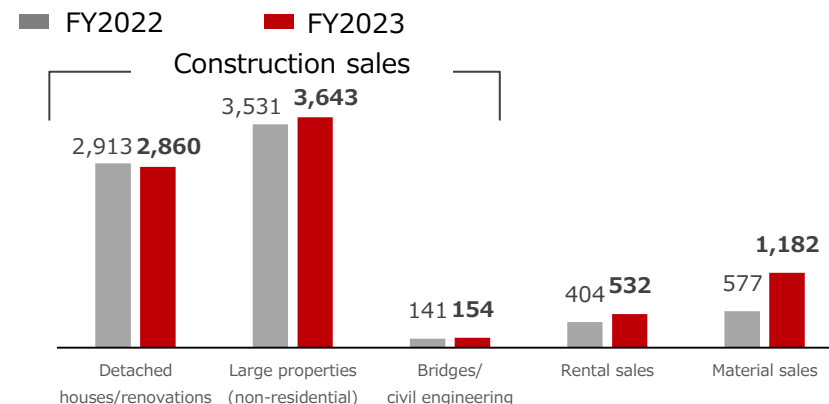
# Scaffolding Construction

## Segment profit or loss analysis

(million yen)

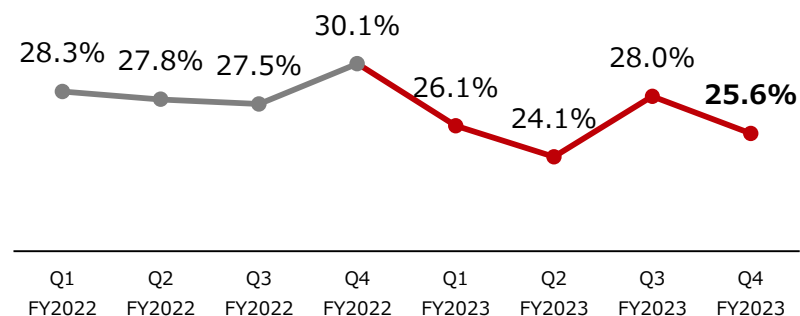


## Sales fluctuations by service type



Unfilled orders (as of end March 2023) 2,461 million yen

## Quarterly GPM



	FY2022	FY2023
Gross Profit Margin	28.5%	26.0%
SG&A Expenses		Salaries +67 million yen Travel and transportation expenses +5 million yen

## **6. FY2024 Financial Forecast**

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# FY2024 Consolidated Financial Forecast



(million yen)

	FY2023	FY2024	Change	
	Actual	Forecast	Amount	%
Net sales	75,447	<b>78,000</b>	+2,552	+3.4%
Gross profit	16,253	<b>17,450</b>	+1,196	+7.4%
SG&A expenses	11,898	<b>12,950</b>	+1,052	+8.8%
Operating income	4,355	<b>4,500</b>	+145	+3.3%
Ordinary income	4,563	<b>4,700</b>	+136	+3.0%
Profit attributable to owner of parent	2,414	<b>2,900</b>	+486	+20.1%

# FY2024 Financial Forecast by Segment



(million yen)















		FY2023 Actual	FY2024 Forecast	Change	
				Amount	%
Industrial Materials	Net sales	37,610	<b>39,293</b>	+1,683	+4.5%
	Segment profit or loss	2,352	<b>2,597</b>	+244	+10.4%
Structural Steel Materials	Net sales	19,963	<b>20,873</b>	+910	+4.6%
	Segment profit or loss	1,712	<b>1,589</b>	△122	△7.2%
Electrical Equipment	Net sales	9,502	<b>9,684</b>	+182	+1.9%
	Segment profit or loss	313	<b>279</b>	△34	△11.0%
Scaffolding Construction	Net sales	8,371	<b>8,147</b>	△224	△2.7%
	Segment profit or loss	△3	<b>54</b>	+58	—

## **7. Response to ESG Issues**

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# ESG Basic Policy

- In engaging in corporate activities, we recognize that management promoting response to ESG (environment, social, and governance) issues will lead to sustainable growth.

		Materiality	Relevant SDGs
Environment	<ul style="list-style-type: none"> <li>Provision of optimal products and merchandise for environment measures</li> </ul>	Expansion of the handling of environment-related products and merchandise	   
	<ul style="list-style-type: none"> <li>Business activities paying attention to the environment</li> </ul>	Initiatives for environmental protection and energy-saving  Management of emissions (material balance)	
Social	<ul style="list-style-type: none"> <li>Product liability and quality assurance</li> </ul>	Quality control of products and merchandise  Stance for security and safety	          
	<ul style="list-style-type: none"> <li>Procurement and provision of high-value-added products, merchandise and services</li> </ul>	Provision of better products, merchandise for customers	
	<ul style="list-style-type: none"> <li>Communication with shareholders and investors</li> </ul>	Engagement with shareholders	
	<ul style="list-style-type: none"> <li>Appropriate information disclosure and security</li> </ul>	Stance for information disclosure  Information security measures	
	<ul style="list-style-type: none"> <li>Co-existence with local communities</li> </ul>	Operating site opening plan  Response to disasters and contributions to local communities	
	<ul style="list-style-type: none"> <li>Safety measures and work-style reform</li> </ul>	Risk control for disasters and others  Employee health, safety, and hygiene	
	<ul style="list-style-type: none"> <li>Human resource development and diversity</li> </ul>	<ul style="list-style-type: none"> <li>Policy on human resource development</li> <li>Diversity</li> <li>Employee benefits</li> </ul>	
Governance	<ul style="list-style-type: none"> <li>Strengthening of corporate governance</li> </ul>	Corporate governance	
	<ul style="list-style-type: none"> <li>Thorough compliance</li> </ul>	Compliance Basic Policy	

- We have established our ESG basic policy and link it to sustainable corporate growth by incorporating it in the management strategy.
- SDGs Promotion Department established to explore, research and design initiatives to facilitate achieving the SDGs targets.

## Current Specific Initiatives

	Cost Reduction and Risk Management	Enhancement of Corporate Value
Environment	<ul style="list-style-type: none"> <li>● Implementation of energy-saving measures (LED installations, achieving 10% cut in power usage)</li> <li>● Acquisition of ISO14001</li> </ul>	<ul style="list-style-type: none"> <li>● Sales of environment-related merchandise</li> <li>● Installation of solar power generation</li> </ul>
Social	<ul style="list-style-type: none"> <li>● Acquisition of ISO9001 and compliance with ISO/JIS and other industry standards</li> <li>● Introduction of the risk control manual</li> <li>● Holding of Safety and Health Committee</li> </ul>	<ul style="list-style-type: none"> <li>● Introduction of internal training and “Lifting equipment advisor” system (as an internally certified qualification)</li> <li>● Maternity leave/childcare leave/support for returning to work/Recruitment of foreign students studying in Japan</li> <li>● Introduction of a restricted stock compensation plan and employee shareholders association system</li> </ul>
Governance	<ul style="list-style-type: none"> <li>● Prevention of the manifestation of potential costs by the development governance system</li> <li>● Formulation of a compliance manual</li> </ul>	<ul style="list-style-type: none"> <li>● Evaluation of the effectiveness of the Board of Directors</li> <li>● Establishment of a Nomination and Compensation Committee and transition to a Company with an Audit &amp; Supervisory Committee</li> </ul>

Improve Productivity and Profitability

Sales Growth and Business Expansion

**Sustainable Growth**

## Environment

### Provision of optimal products and merchandise for environment measures

#### ■ Oil hunter

This is an eco-mark certified oil absorption mat using recycled materials. It is used for the disposing of oil at the time of marine pollution caused by oil spills and at factories which use oil.



#### ■ Merchandise using renewable plastics

KONDOTEC also offers recycled PP strapping merchandise made from plastic collected from consumers and construction deck plates made from biomass plastics, both of which an Eco Mark certified.



#### ■ Hardware for CLT construction

Our double end stub bolt set manufactured at our Shiga Factory is certified as an “x (cross mark) hardware” for meeting the requirements for metallic hardware used in CLT panel construction (set by the Japan Housing and Wood Technology Center). The metallic hardware standard for CLT panel construction is a standard for metallic hardware used in construction works using CLT, a next-generation lumber material that contributes to reducing CO2 emissions.



### Business activities paying attention to the environment

#### ■ Initiatives for environmental protection and energy-saving

##### ➤ Initiatives for environmental protection

As part of efforts to reduce CO2 emissions, KONDOTEC has begun plans to replace Company cars with EVs, and to switch to renewable energy sources to power Company facilities.

##### ➤ LED installations

In 2015, we completed installing LED lighting in factories and are currently in the process of installing LED lighting in our operating sites. These LED installations are being carried out in cooperation with Sanwa Denzai Co., Ltd., our subsidiary and wholesaler of electric equipment.

##### ➤ Acquisition of ISO14001

We obtained ISO14001 certification for Sapporo Factory in July 2022 (completed to obtain ISO14001 certification for all parent factories). We will continue to work on business activities with full consideration for environmental preservation.

## Social

### Human resource development and diversity

- We aim to create a working environment in which employees with diverse backgrounds fully demonstrate their respective abilities and are motivated to work.

#### ■ Male-female ratio of new employees with main career track

(※ as of end March 2023)

Year of employment	Male	Female	Total	Nationality of international student (other than Japan)	Number of turnover (※)
April-2023	13 persons	6 persons	19 persons	China	0 person
April-2022	8 persons	5 persons	13 persons		0 person
April-2021	10 persons	10 persons	20 persons		1 person
April-2020	11 persons	7 persons	18 persons		6 persons
April-2019	19 persons	4 persons	23 persons	Brazil	1 person

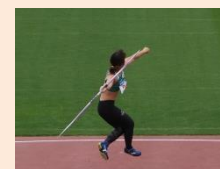
#### ■ Benefit program

Number of employees taking childcare leave (as of end March 2023)

	Those who took childcare leave during the period	Return to work rate after childcare leave during the period	Rate of those who are currently on childcare leave during the period
2022.4.1~2023.3.31	13 persons	53.8 %	46.2 %
2021.4.1~2022.3.31	6 persons	100 %	
2020.4.1~2021.3.31	7 persons	100 %	-

### TOPIC Introduction of athlete employees aspiring to participate in the Olympic Games

We have been supporting our employees in competitive sports.



◀ **Javelin Throw**

Kiho Kuze



◀ **Discus Throw**

Mika Yamamoto



◀ **Pole Vault**

Yuki Noshi



◀ **Hammer Throw**

Sara Fujimoto



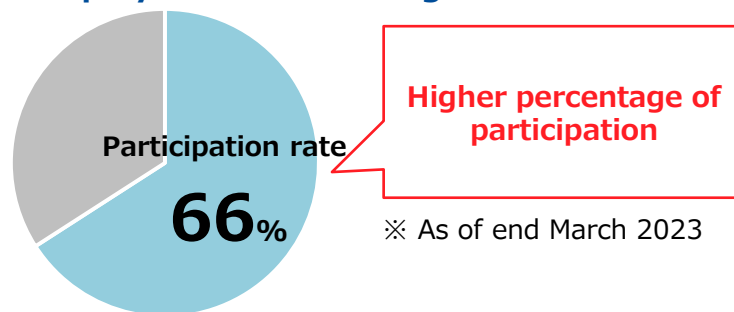
Please check latest updates and Track & Field Club's activity reports on our website.

## Social

### Improving employee motivation

- We have introduced an employee restricted stock program. By issuing shares as an incentive to employees, we encourage employees to boost their motivation and morale toward enhancing performance.
- We target DOE of at least 2.5% and look to pay continuously increasing dividends. We have not lowered dividend since listing, and continue to increase dividend for the twelfth consecutive year. This target serves as a benchmark aimed at improving employee incentives, which improves employee awareness of stock price. Further, we have decided to set a new DOE target of 4.0% or more in FY2024.

#### ■ Percentage of participation in employees shareholding association

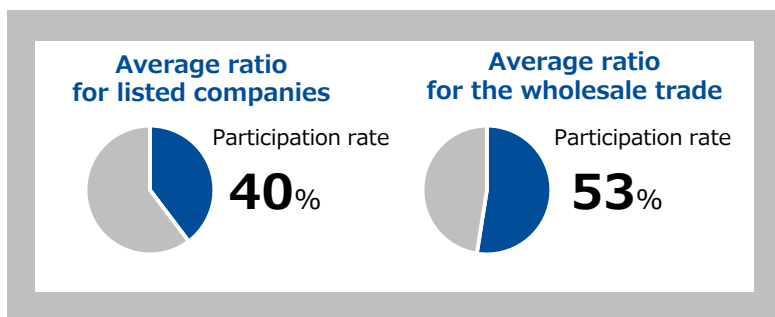


#### ■ Shareholding status (excluding the founding family)

- The shareholding ratios of executive members, employees and former employees exceeded the average ratios for listed companies and the wholesale trade.
- KONDOTEK has not lowered its dividend since its listing, and plans to increase its dividend for the twelfth consecutive year. Dividends can serve the same function as pensions for former employees.

	Executive members Excluding the founding family	Employees Including the employees shareholding association	Former employees	Total	
Shareholding ratio	KONDOTEK	1.2%	8.4%	11.7%	<b>21.3%</b>
	Average ratio for listed companies	–	1.1%	–	1.1%
	Average ratio for the wholesale trade	–	1.2%	–	1.2%

- ※ As of end March 2023
- ※ Shareholding ratio is calculated based on all outstanding shares (treasury stock is not included).
- ※ For details on average ratio/participation rate for listed companies and the wholesale trade, refer to “Summary of 2020 Employee Stock Ownership Plan,” published by Japan Exchange Group, Inc., June 2022.





## Governance

### Corporate governance

- KONDOTEK recognizes that strengthening and enhancing corporate governance through increasing soundness, transparency and efficiency of management and maximizing corporate value is one of the most important management objectives.

#### Determination of compensation for executive members

KONDOTEK has introduced a restricted stock compensation plan to promote its shared values with its shareholders and increase the contribution of its Directors (excluding Outside Directors and Directors who are Audit & Supervisory Committee Members) and Executive Officers to performance and enhancement of corporate value.

#### Establishment of Audit & Supervisory Committee

KONDOTEK works to enhance corporate governance and corporate value by increasing soundness and transparency of management. Furthermore, we grant voting rights for the Board of Directors to Directors who are Audit & Supervisory Committee members with the aim of strengthening supervisory functions.

#### Formulation and announcement of management strategy and management plan

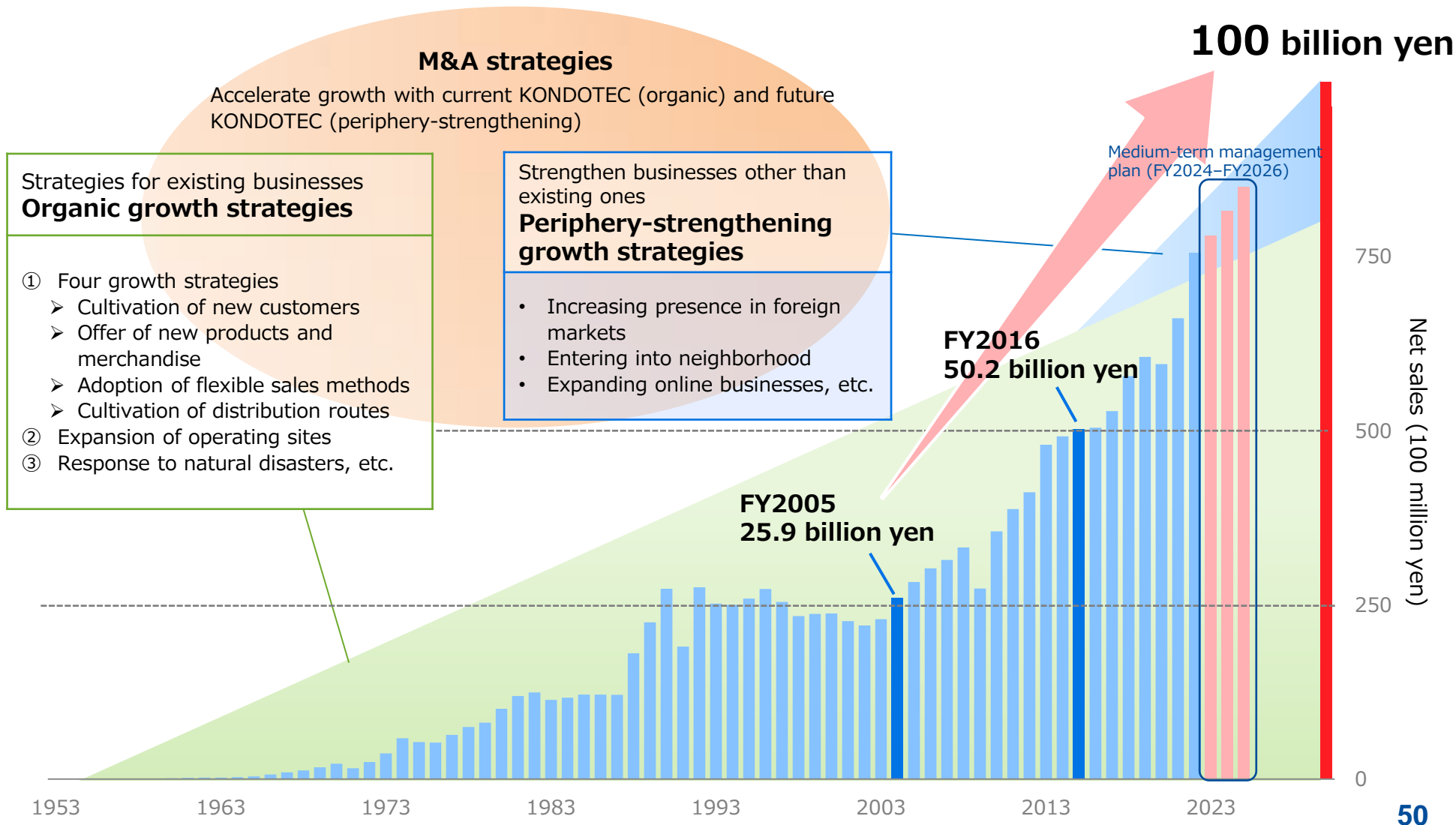
KONDOTEK accurately tracks its cost of capital (Weighted Average Cost of Capital[WACC]), formulates a medium-term management plan, and publishes a management resources allocation plan that includes growth investments (personnel, capital, capex, and strategic investment) aimed at achieving targets for net sales, operating income, ROE, and DOE on its website and other platforms. In addition, we explain concrete measures for achieving our targets at financial results briefings. We review our medium-term plan each year in light of earnings and anticipated social and economic trends. In cases when we revise plans, we explain the changes and the reasons for them at financial results briefings or shareholder meetings.

## **8. Growth Strategies**

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# Towards Achieving 100 Billion Yen Sales Target

- We target consolidated **sales of 100 billion yen** in the 2020s by strengthening the earnings capability of existing core businesses and expanding into fields with growth prospects.



# ① Four Growth Strategies

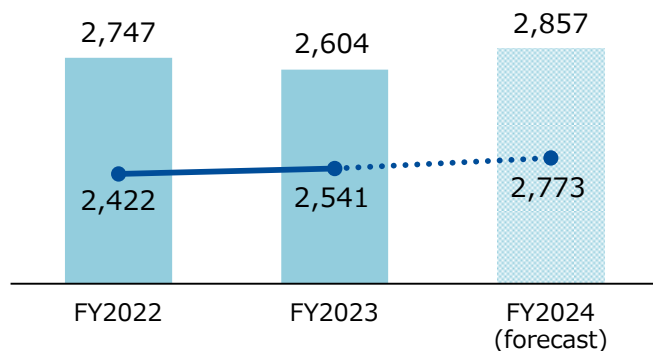
~ Cultivation of New Customers and Offer of New Products and Merchandise ~

## Cultivation of new customers

- We achieve a monthly average of one new customer per sales representative. In addition, we exploit a yearly average of 10 dormant customers per sales representative. These activities from the source for 20,000 sales customers.

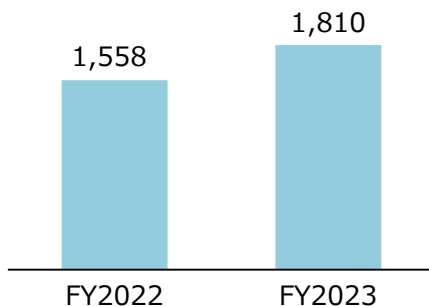
### Cultivation of new customers

■ Net sales (million yen)    ●— New customers






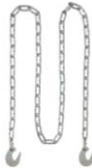
### Cultivation of dormant customers

■ Net sales (million yen)



## Offer of new products and merchandise

- For the purpose of developing new merchandise, joint New Products and Merchandise Committee meeting are held between the sales division and the manufacturing division periodically to discuss requests from customers and proposals for improvement. We will continue to develop and cultivate products and merchandise with even higher added value in order to offer such products and merchandise.

	Net sales (million yen)	FY2022	FY2023
KONDO furring bolts 		248	369
Square shaped hook bolts for railroad tie 		157	166
KT suspension balance 		7	11
Lightweight scaffolding chains "Carina" 		14	9

# ① Four Growth Strategies

~ Adoption of Flexible Sales Methods and Cultivation of Distribution Routes ~

## Adoption of flexible sales methods

### ■ Differentiation strategies

#### ➢ Launch of website, "Tsurikata" for lifting equipment inspection

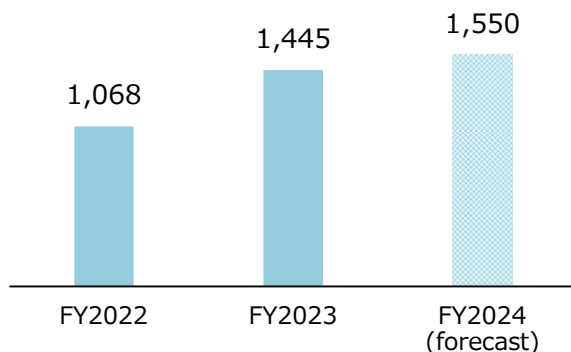
We operate the "Tsurikata" inspection site for lifting equipment to simplify the individual management and inspection of merchandise centered on cargo handling equipment. We will continue to not only sell products and merchandise but to also provide high-value-added services.



### ■ Engaging in anchor bolt installation work

By engaging in anchor bolt installation work and thus gaining early-stage access to construction sites, we are able to rapidly collect information on required construction materials and leverage it in sales.

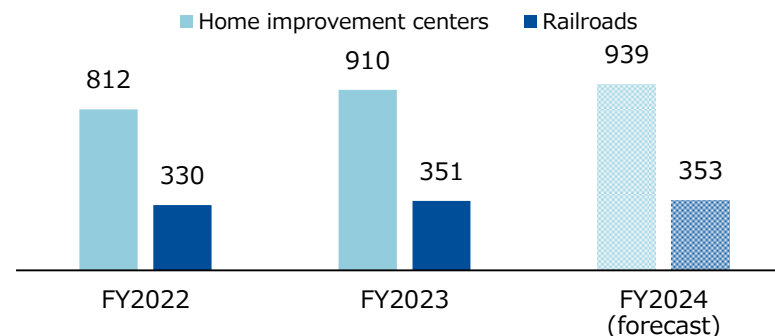
Net sales from anchor construction work (million yen)



## Cultivation of distribution routes

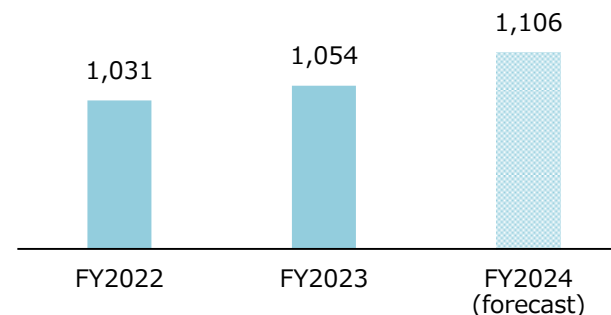
- We are working to expand our business into new sectors, such as Home improvement centers and railroad companies, in addition to the existing sales routes.
- We established the "E-commerce Group" in July 2017 to explore sales through the Internet.

Net sales (million yen)



- We have in place a sales force dedicated to the Tokyo metropolitan area to accommodate bulk purchasing from large trading companies and headquarters of general construction companies from which orders have been increasing in recent years.

Tokyo metropolitan sales (million yen)



## ② Expansion of Operating Sites

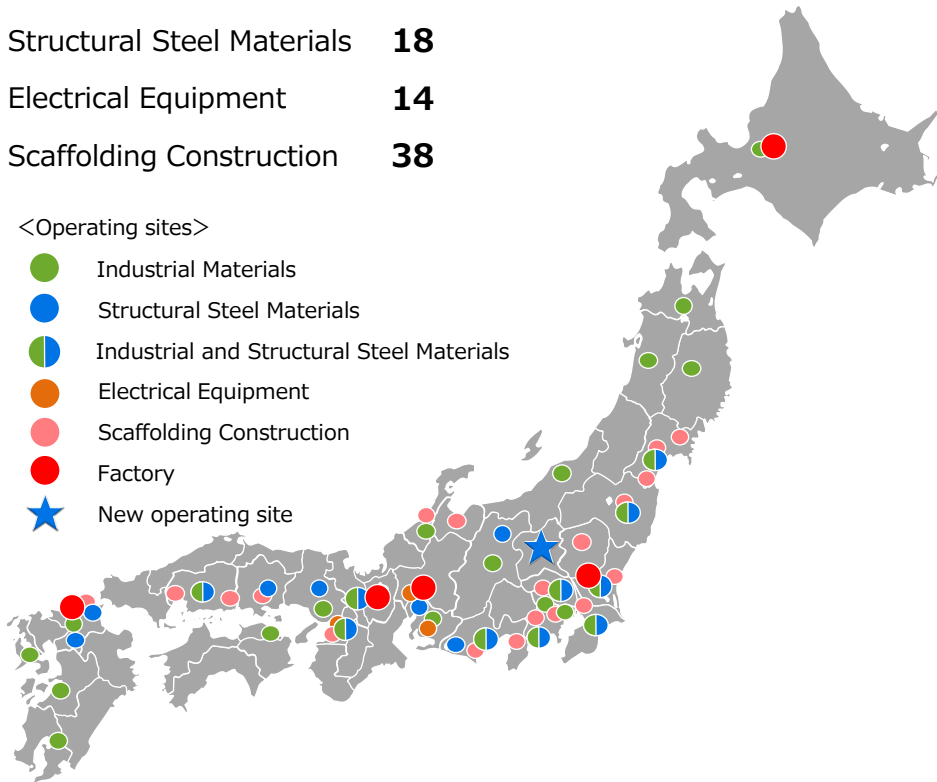
- We strive for expansion of operating sites which maintained a local-community-oriented sales structures in order to respond quickly to customer needs. Recently we opened the Gunma office in April 2022. We will continue to execute quick deliveries in an effort to realize customer-focused management.

### Expanding sales network: 105 operating sites (as of end March 2023)

Industrial Materials	<b>35</b>
Structural Steel Materials	<b>18</b>
Electrical Equipment	<b>14</b>
Scaffolding Construction	<b>38</b>

<Operating sites>

- Industrial Materials
- Structural Steel Materials
- Industrial and Structural Steel Materials
- Electrical Equipment
- Scaffolding Construction
- Factory
- ★ New operating site



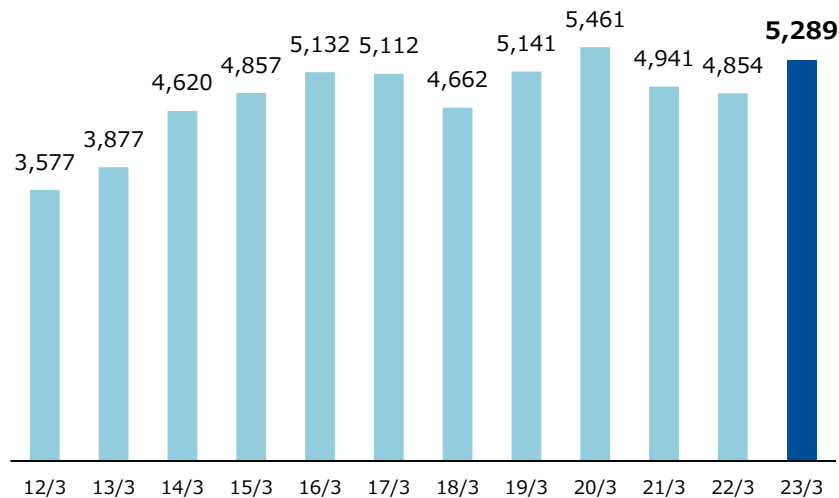
### History of operating site network expansion

●	<b>2006</b>	Akita Office, Fukushima Office
●	<b>2012</b>	Tohoku Office
●	<b>2015</b>	Morioka Office
●	<b>2016</b>	Nagano Office, Kumamoto Office
●	<b>2017</b>	<Relocation> Shizuoka Office, Tokai Office
●	<b>2017</b>	Sanwa Denzai Co., Ltd. Aihoku Office
●	<b>2018</b>	Okayama Office
●	<b>2019</b>	CHUOH GIKEN Co., Ltd. Kusatsu Office
●	<b>2021</b>	<Relocation> Chukyo Branch
●	<b>2022</b>	Gunma Office
●	<b>2023</b>	Sanwa Denzai Co., Ltd. Nagoya-Higashi Branch

### ③ Response to Natural Disasters

#### Response to natural disasters

- We have established a structure that allows it to rapidly respond to demand for products and merchandise that are generally urgently required for reconstruction work in the wake of natural disasters that affect various regions throughout Japan, such as earthquakes or abnormal weather conditions, including extremely heavy rainfall.
- Net sales of disaster-related products and merchandise (million yen)



#### Related merchandise

Flexible container bags Tarpaulins, Sandbags etc. Net, Sheet etc.



#### Response to “New stage” published by Ministry of Land, Infrastructure, Transport and Tourism

- The Ministry of Land, Infrastructure, Transport and Tourism has acknowledged that rainfall patterns are clearly changing and is therefore calling on companies to remain alert and prepare for a “new stage” of disaster prevention/mitigation measures.
- To respond to the “New Stage”, we will also focus on advance preparation to minimize damage.

#### Extraordinary climate in recent years

Heavy rains with hourly rainfall exceeding 50mm have increased across Japan, raining locally, intensively and severely

→ **Recognized as a “New Stage”**

#### Examples of weather conditions bringing disasters

August 2014 heavy rain	Heavy rainfall in a wide range of areas from west to eastern Japan (Landslide disaster occurred in Hiroshima prefecture)
July 2018 heavy rain	Record-breaking heavy rainfall in a wide range of areas across Japan centered on western Japan
October 2019 Typhoon No.19	Rain storm centered on eastern Japan
July 2020 heavy rain	Heavy rainfall in a wide range of areas centered on northern Kyushu

To respond to the “New Stage”, we need mitigate damage to infrastructures as much as possible and make advance preparations for early recovery.

Source: The website of Ministry of Land, Infrastructure, Transport and Tourism

# Periphery-Strengthening Growth Increasing Presence in Foreign Markets

- Based on our view that increasing presence in foreign markets where growth is expected will contribute to enhancing our earning capability, we established a subsidiary in Thailand in November 2012. We executed a capital increase in August 2014, acquired all shares from the two joint venture companies and subsidiary.
- Currently, we are moving ahead with activities to expand our business in ASEAN countries with Thailand as our base location.
- We will further strengthen our sales & marketing capabilities by widening our sales network and reinforcing manpower with a view to increasing the ratio of net sales from our overseas business.

## Subsidiary in Thailand

Company name	KONDOTEC INTERNATIONAL (THAILAND) CO.,LTD.
Location	Bangkok, Thailand
Business areas	Import, export, and local sales of industrials, structural steel materials and electrical equipment, etc. in Thailand
Paid-in capital	102 million baht (approximately 316 million yen)
Date established	November 1, 2012

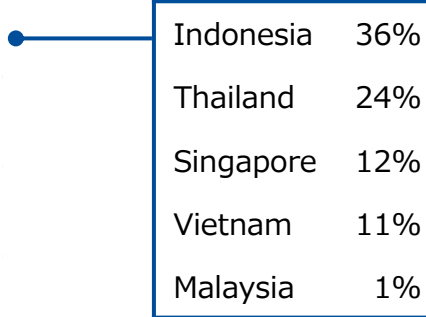


## Net sales of overseas business (FY2023)

(million yen)	FY2022	FY2023	FY2024 forecast
International Sales Division	51	62	106
Local Subsidiary in Thailand	130	280	310
<b>Total</b>	<b>181</b>	<b>342</b>	<b>416</b>

※Note: Amounts of inter-company transaction are not included.

## Percentage of sales by country (FY2023)

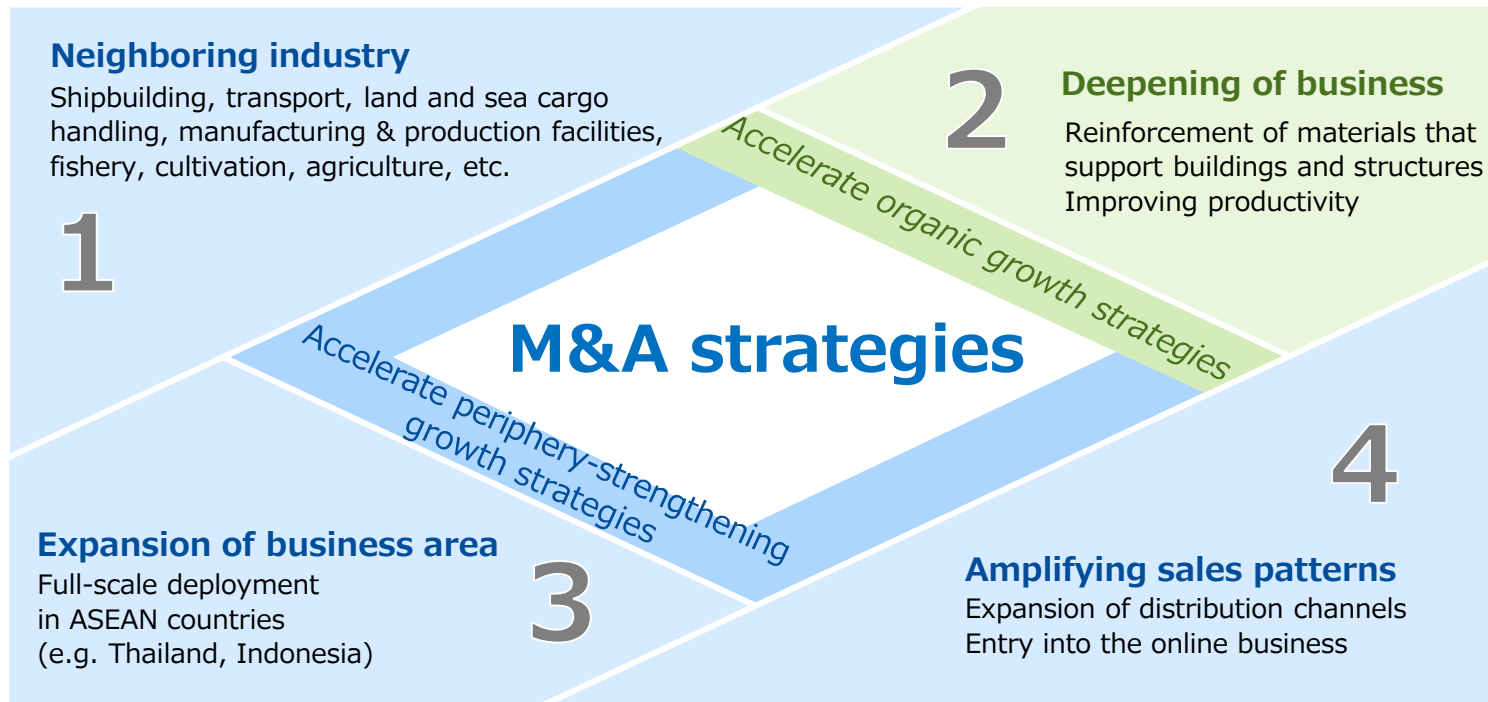
<b>ASEAN</b>		<b>84%</b>
Indonesia	36%	
Thailand	24%	
Singapore	12%	
Vietnam	11%	
Malaysia	1%	
East Asia/China	13%	
Near and Middle East	3%	
Other countries	0%	



# M&A Strategy (Corporate Acquisitions and Capital/Business Tie-Ups )

- We view that pursuing corporate acquisitions and capital/business tie-ups is an important strategy to strengthen our business platform.

## Four perspective in pursuing M&A



### 1. Neighboring industry

Pursue M&A with companies associated with industries other than the construction industry and promote business expansion.

**Actual case :**

**Sanwa Deazai Co., Ltd.**  
**KURIYAMA ALUMINUM Co., Ltd.**

### 2. Deepening of business

Pursue M&A with material manufactures, etc.

**Actual case :**

**CHUOH GIKEN Co., Ltd.**  
**TECBUILD CO., LTD.**  
**TOKAI STEP CO., LTD.**  
**FUKOKU, Ltd.**

### 3. Expansion of business area

Pursue M&A with companies that maintain overseas sites to promote business area expansion.

### 4. Amplifying sales patterns

Pursue M&A with companies that operates different sales patterns from those of KONDOTEK, such as retail, catalog-based selling, and online sales.

## **9. Shareholder Return**

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# Change in Dividend Policy Regarding the Return of Profits

- Kondotec views the return of profits to shareholders as one of its important policies and aims to improve capital efficiency as it works to strengthen its earnings power by increasing strategic investment (execution of M&A) and aggressive investments with an eye on future business expansion.
- Factoring in medium- to long-term performance and capital efficiency in future, Kondotec has made a change to its dividend policy regarding the return of profits in FY2024 to further enhance shareholder returns due to an overall increase in dividends in the market.

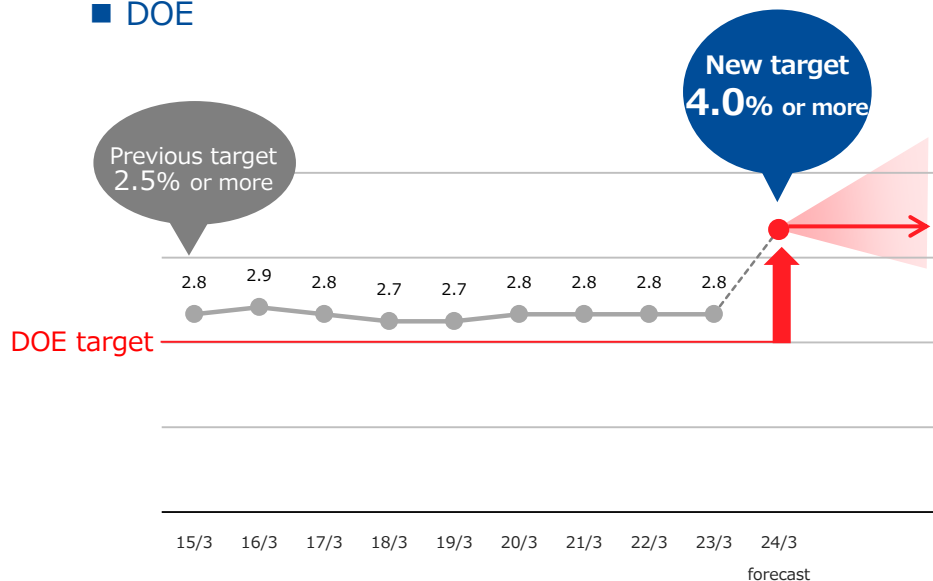
## New DOE target

- Kondotec has decided to **increase the DOE target to 4.0% from 2.5%** in FY2024.

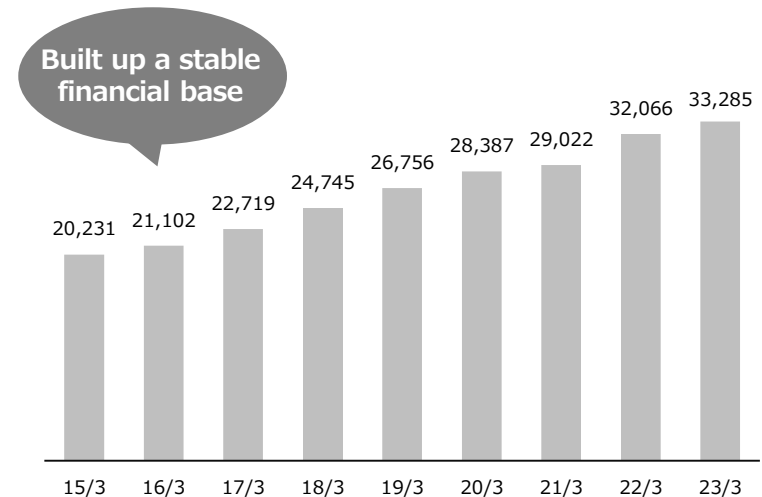
**DOE**

DOE is the ratio of the dividend paid to shareholders to net assets. It measures a company's ability to pay out dividends sustainably despite short term impacts on profits.

### ■ DOE



### ■ Net assets (million yen)



# Dividends and Shareholder Incentive Plan



- We target ROE of 10% or more and DOE of 4.0% or more with the aim of continuing to increase dividends.

## Transition in dividends

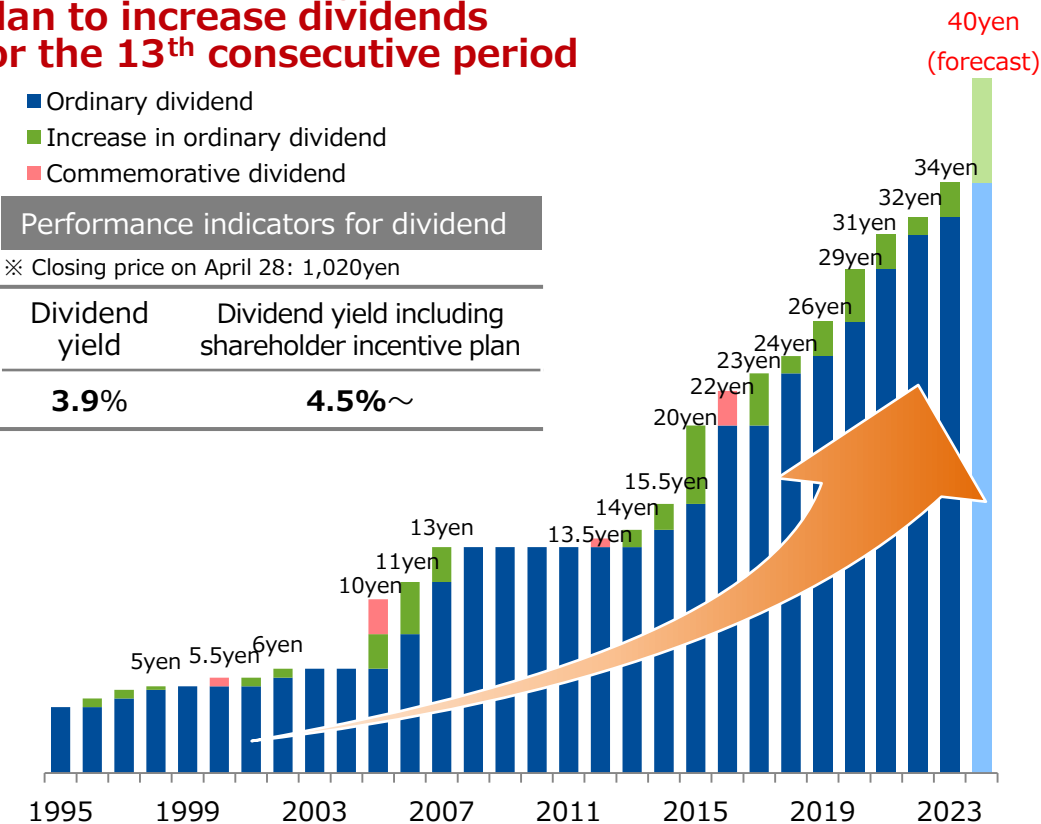
**Since initial listing: No decrease in dividends  
Plan to increase dividends  
for the 13<sup>th</sup> consecutive period**

- Ordinary dividend
- Increase in ordinary dividend
- Commemorative dividend

### Performance indicators for dividend

※ Closing price on April 28: 1,020yen

Dividend yield	Dividend yield including shareholder incentive plan
3.9%	4.5%~



Note: Dividend per share have been retroactively adjusted to reflect the impact of the stock split effective January 1, 2012.

## Shareholder incentive plan

- Shareholders can redeem reward points for over 2,000 choices (including food, appliances, electronics, travel, activities and much more) through the Premium Special Club PORTAL.

Number of shares held	Reward points
500 to less than 600	3,000 points
600 to less than 700	4,000 points
700 to less than 800	5,000 points
800 to less than 900	6,000 points
900 to less than 1,000	7,000 points
1,000 or more	10,000 points

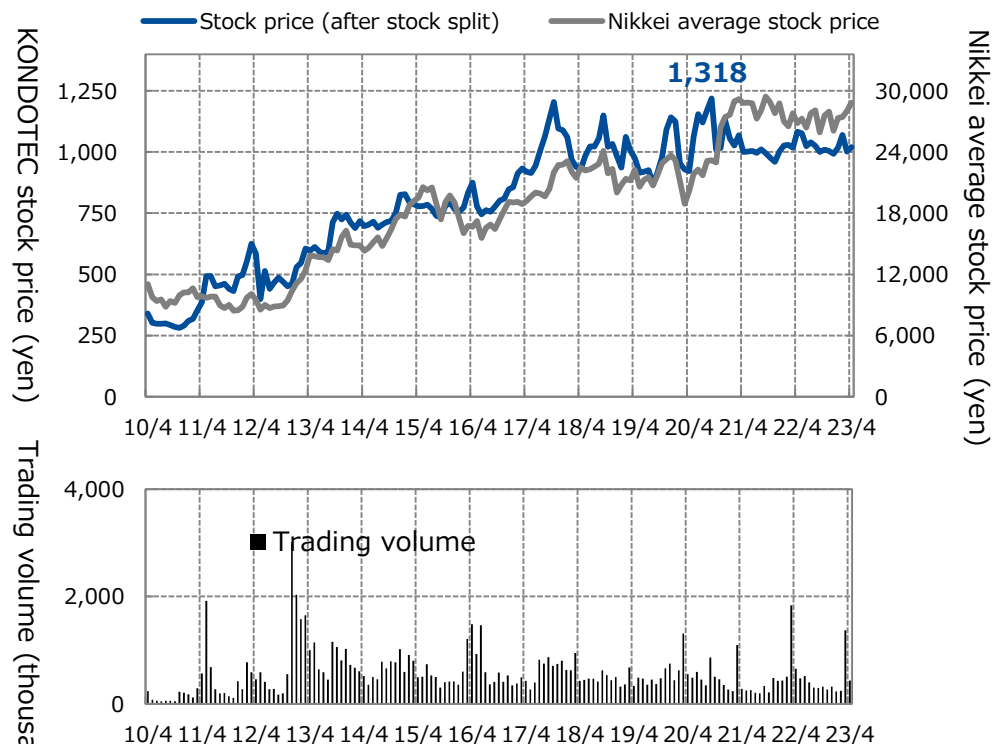
※Note: 1 point is worth 1 yen.

## Acquisition of treasury stocks

Total acquisition price	899 million yen
Total number of shares acquired	859,000 shares
Acquisition period	January 4, 2022 - July 7, 2022

# Transition of Stock Price

## Transition of stock price



Note: The closing prices and trading volumes have been retroactively adjusted to reflect the impact of the stock split effective January 1, 2012.

Note: In December 2012, KONDOTEK issued new shares through a public offering and third-party allotment.

Closing price on April 28

**1,020 yen**

PER : **9.0** PBR : **0.8**

EPS : 113.82 yen (FY2024 forecast)

BPS : 1,227.81 yen (as of end March 2023)

## Ranking among listed companies

Among **3,968** listed companies ...

<b>ROE</b>	1,699th
<b>Profit attributable to owner of parent</b>	1,351st
<b>Ordinary income</b>	1,280th
<b>Net assets</b>	1,437th
<b>Market capitalization</b>	1,613th
<b>PBR</b>	2,418th
<b>PER</b>	2,453rd

Source: Mizuho Securities Co., Ltd. (as of March 31, 2023)

## **10.Highlights of Results**

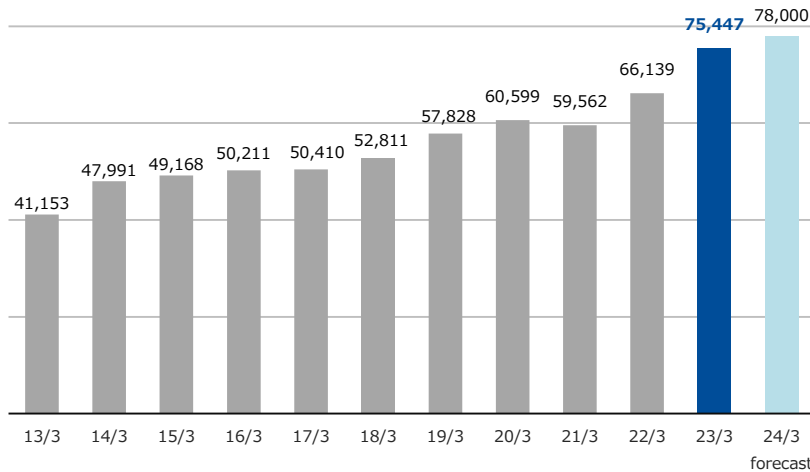
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# Highlights of Consolidated Financial Results



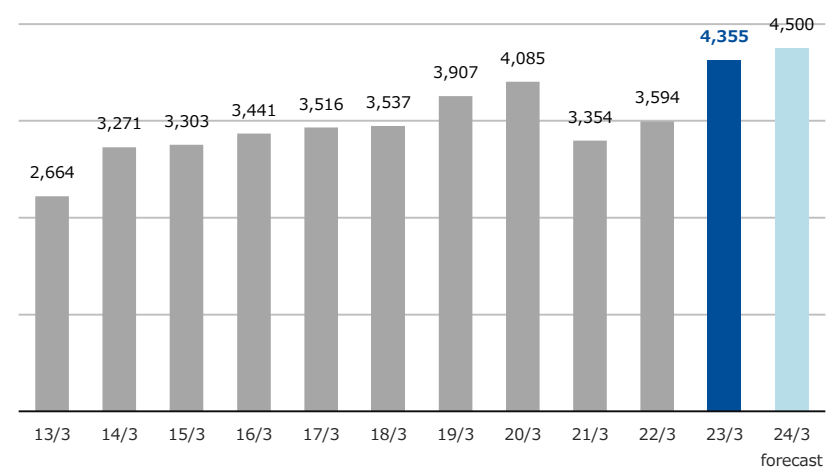
Net sales  
(million yen)

**75,447** million yen



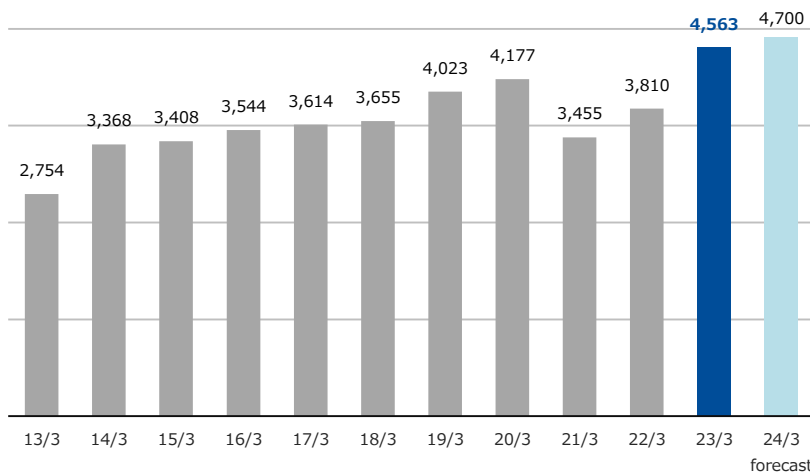
Operating income  
(million yen)

**4,355** million yen



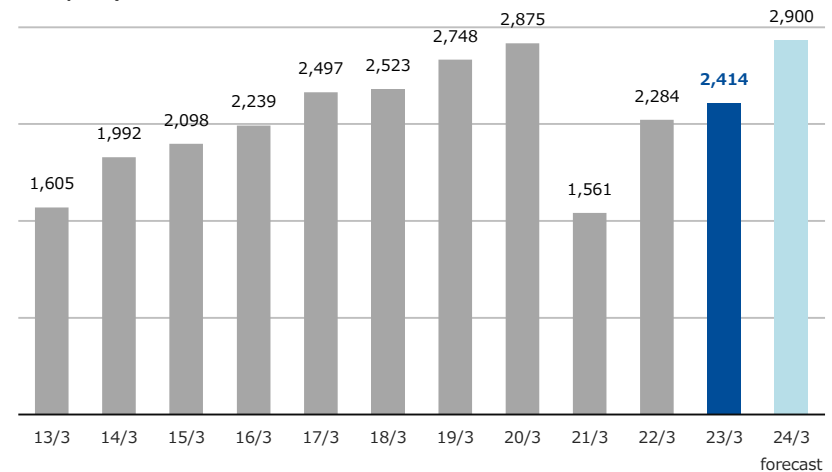
Ordinary income  
(million yen)

**4,563** million yen



Profit attributable to  
owner of parent  
(million yen)

**2,414** million yen

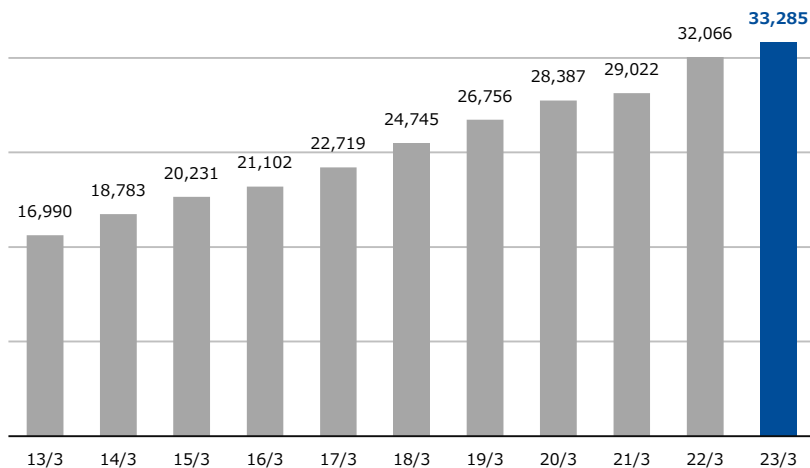


# Highlights of Consolidated Financial Results



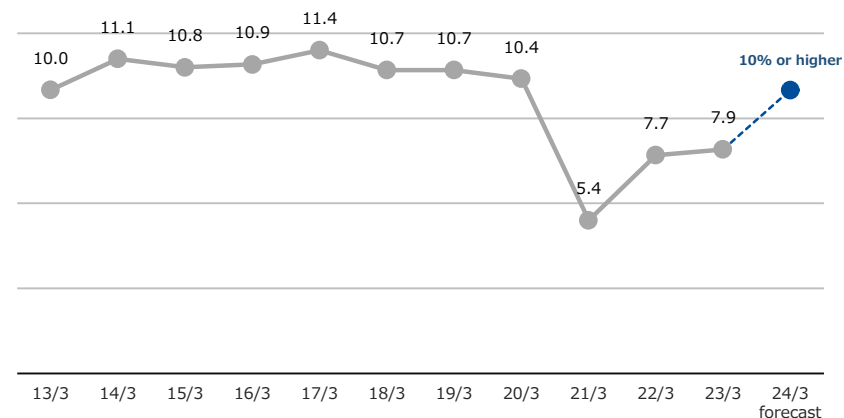
Net assets (million yen)

**33,285** million yen



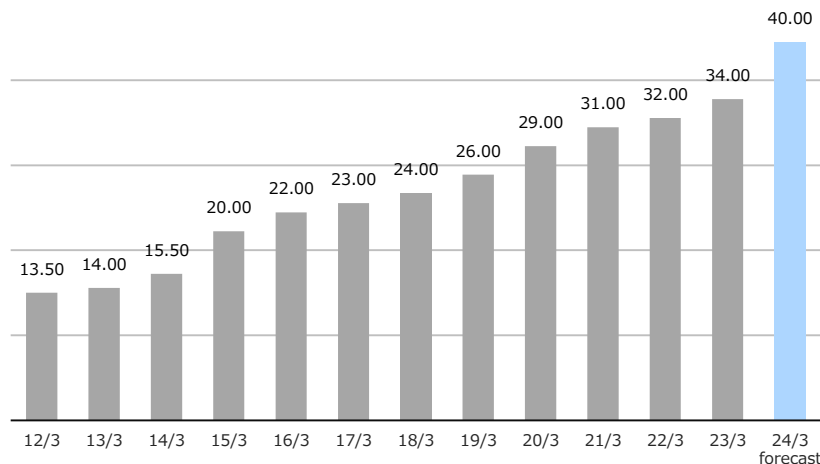
ROE (%)

Target **10** % or higher



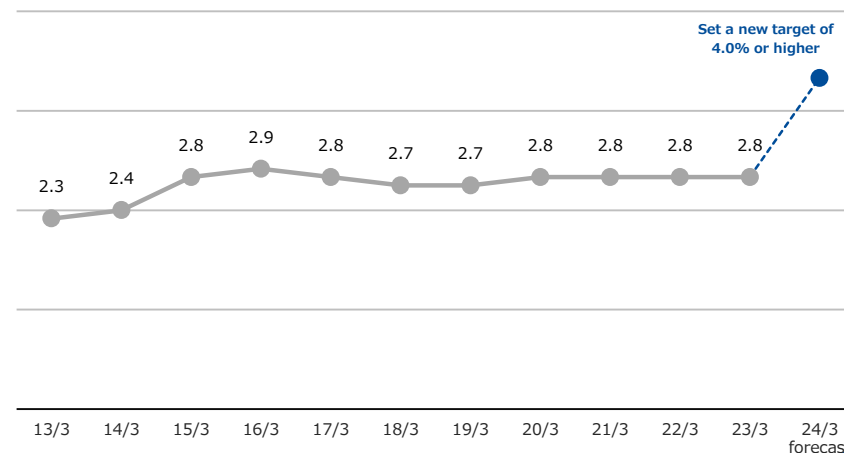
Dividend per share (yen)

**34.00** yen



DOE (%)

New target in FY2024 **4.0** % or higher



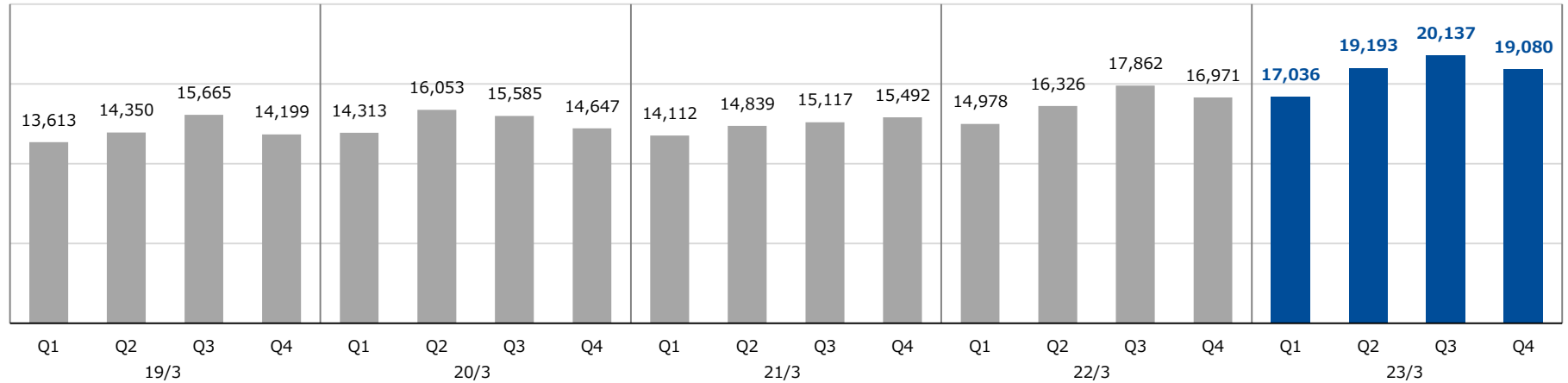


# Highlights of Consolidated Financial Results

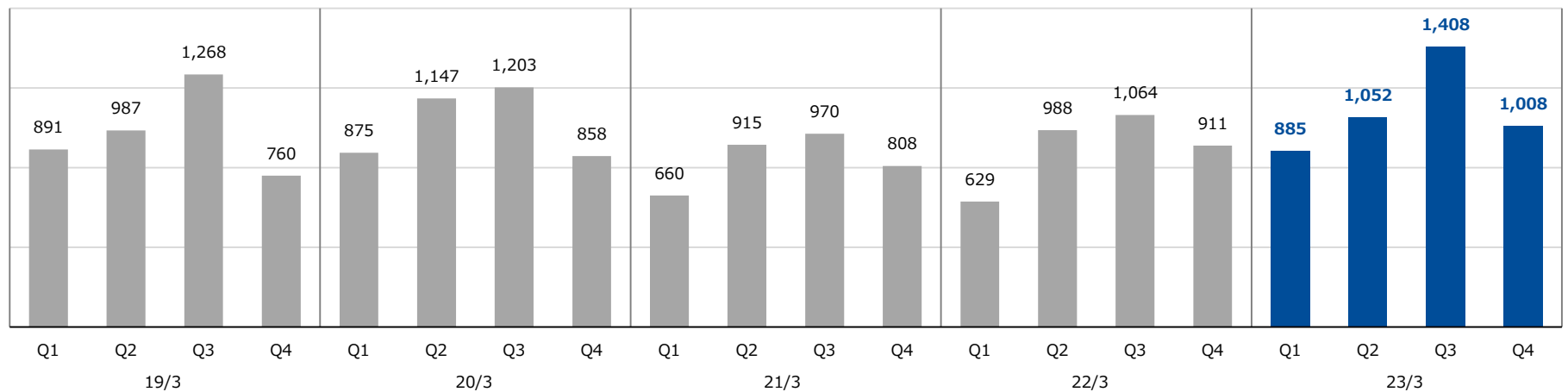
	13/3	14/3	15/3	16/3	17/3	18/3	19/3	20/3	21/3	22/3	23/3	24/3 (forecast)
<b>Result of Operations</b> (million yen)												
Net sales	41,153	47,991	49,168	50,211	50,410	52,811	57,828	60,599	59,562	66,139	75,447	78,000
Operating profit	2,664	3,271	3,303	3,441	3,516	3,537	3,907	4,085	3,354	3,594	4,355	4,500
Ordinary income	2,754	3,368	3,408	3,544	3,614	3,655	4,023	4,177	3,455	3,810	4,563	4,700
Profit attributable to owner of parent	1,605	1,992	2,098	2,239	2,497	2,523	2,748	2,875	1,561	2,284	2,414	2,900
EBITDA	3,178	3,846	3,948	3,910	4,052	4,079	4,425	4,916	3,783	5,095	5,482	-
Capital investment	566	679	403	842	695	423	981	917	1,097	1,694	1,453	-
Depreciation	390	418	449	405	438	423	404	697	897	1,091	1,134	-
<b>Financial Position</b> (million yen)												
Total assets	31,192	34,481	35,186	34,645	36,524	39,313	43,820	46,335	49,426	56,009	58,163	-
Net assets	16,990	18,783	20,231	21,102	22,719	24,745	26,756	28,387	29,022	32,066	33,285	-
Interest-bearing debt	808	806	636	508	501	500	853	1,106	3,875	5,315	4,513	-
<b>Cash Flows</b> (million yen)												
Cash flows from operating activities	2,077	1,887	1,818	1,945	2,737	2,429	2,699	4,385	4,196	1,227	3,961	-
Cash flows from investing activities	△ 494	△ 660	828	△ 829	△ 646	△ 506	△ 1,551	△ 5,205	△ 2,264	△ 2,373	△ 1,389	-
Cash flows from financing activities	426	△ 389	△ 699	△ 1,092	△ 1,032	△ 703	△ 915	△ 992	1,060	△ 22	△ 2,025	-
Cash and cash equivalents, end of year	4,798	5,636	7,626	7,594	8,660	9,893	10,133	8,305	11,317	10,164	10,733	-
<b>Per Share Information</b> (yen)												
Profit attributable to owners of parent per share	60.77	72.13	75.91	81.01	93.29	94.25	102.65	107.46	59.60	87.26	94.75	113.82
Net assets per share	615.12	679.27	730.49	774.18	846.59	922.62	996.99	1,071.09	1,110.01	1,170.84	1,227.81	-
Dividend per share	14.00	15.50	20.00	22.00	23.00	24.00	26.00	29.00	31.00	32.00	34.00	40.00
<b>Financial Indicators</b>												
Gross profit margin (%)	6.5	6.8	6.7	6.9	7.0	6.7	6.8	6.7	5.6	5.4	5.8	5.8
ROE (%)	10.0	11.1	10.8	10.9	11.4	10.7	10.7	10.4	5.4	7.7	7.9	10% or higher
Equity ratio (%)	54.5	54.4	57.4	60.8	62.1	62.8	61.0	61.2	58.7	53.7	53.8	-
DOE (%)	2.3	2.4	2.8	2.9	2.8	2.7	2.7	2.8	2.8	2.8	2.8	4.0% or higher
<b>Stock Price Index</b>												
Stock closing price (yen)	606	718	786	834	933	939	1,006	929	1,069	1,017	1,002	-
Price earnings ratio (times)	10.0	10.0	10.4	10.3	10.0	10.0	9.8	8.6	17.9	11.7	10.6	-

## Consolidated

### Net sales (million yen)

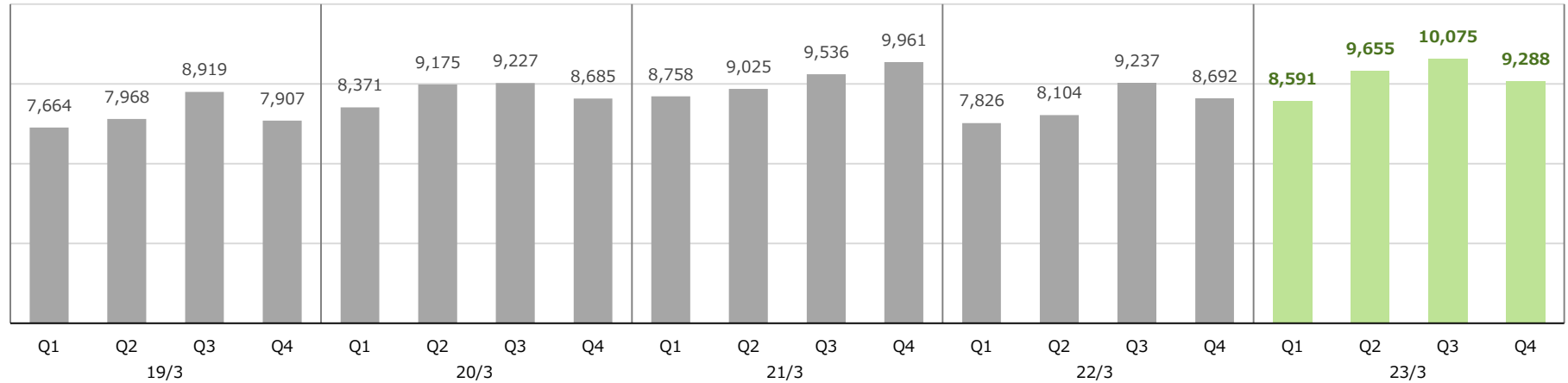


### Operating income (million yen)

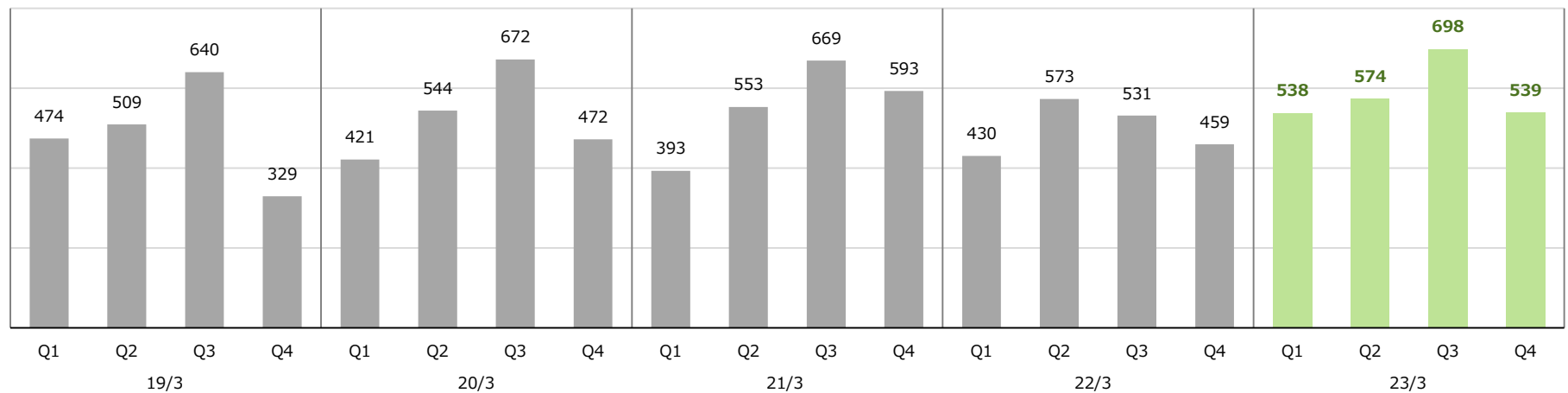


## Industrial Materials

Net sales (million yen)



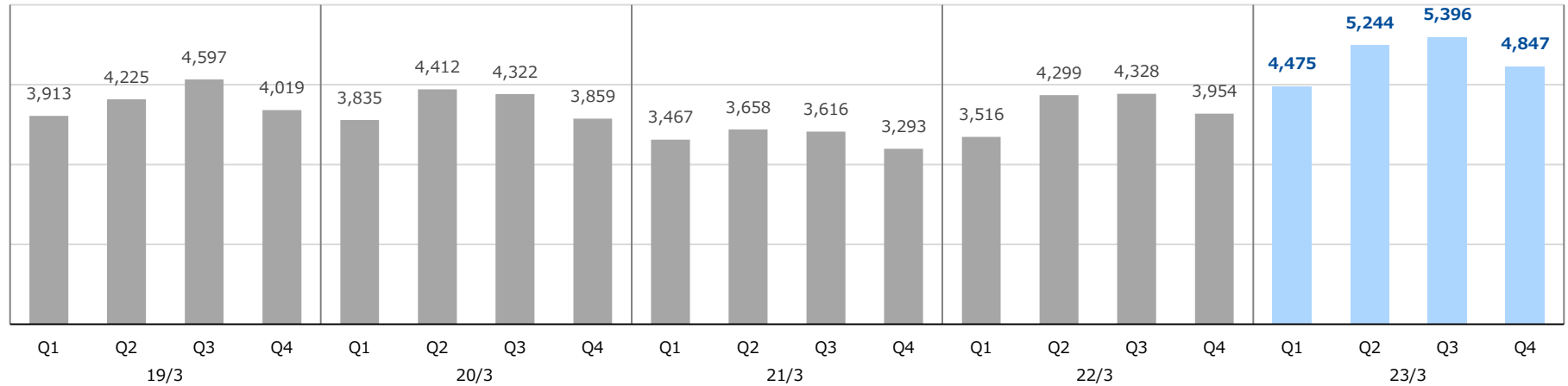
Segment profit or loss (million yen)



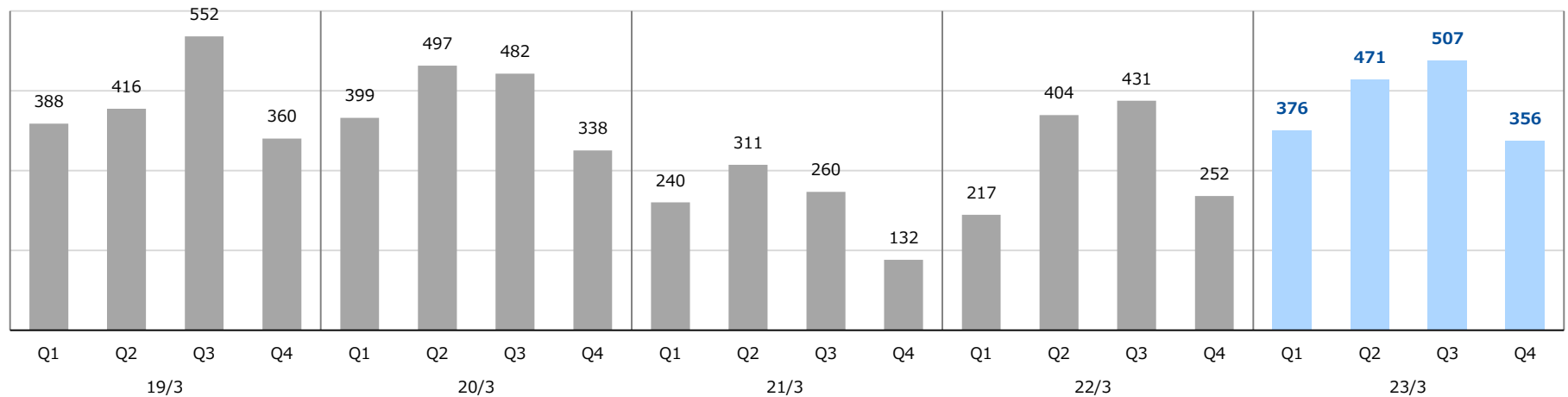
※ Figures for sales and segment profit or loss are calculated based on new segments since FY2022.

## Structural Steel Materials

Net sales (million yen)

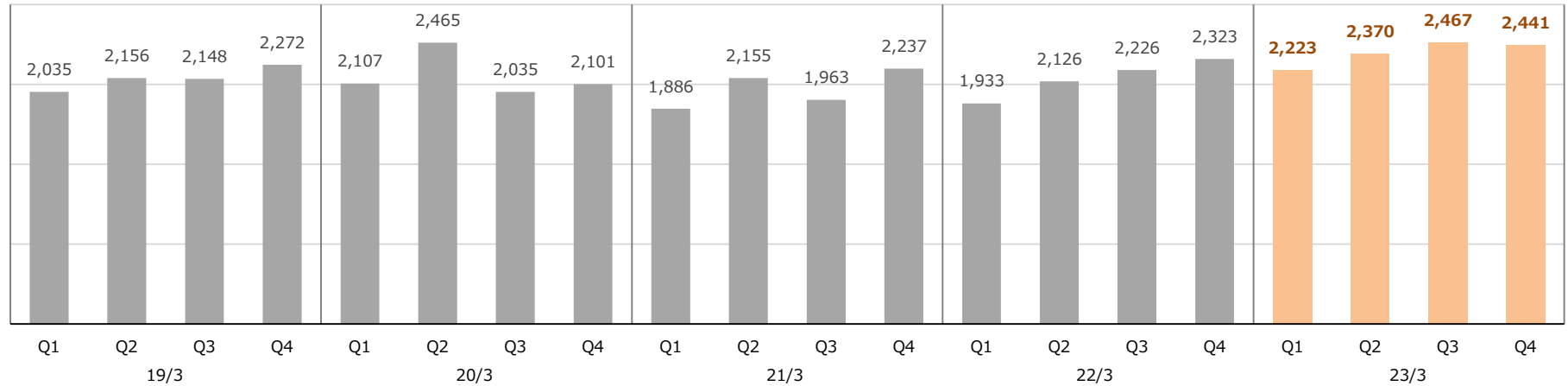


Segment profit or loss (million yen)

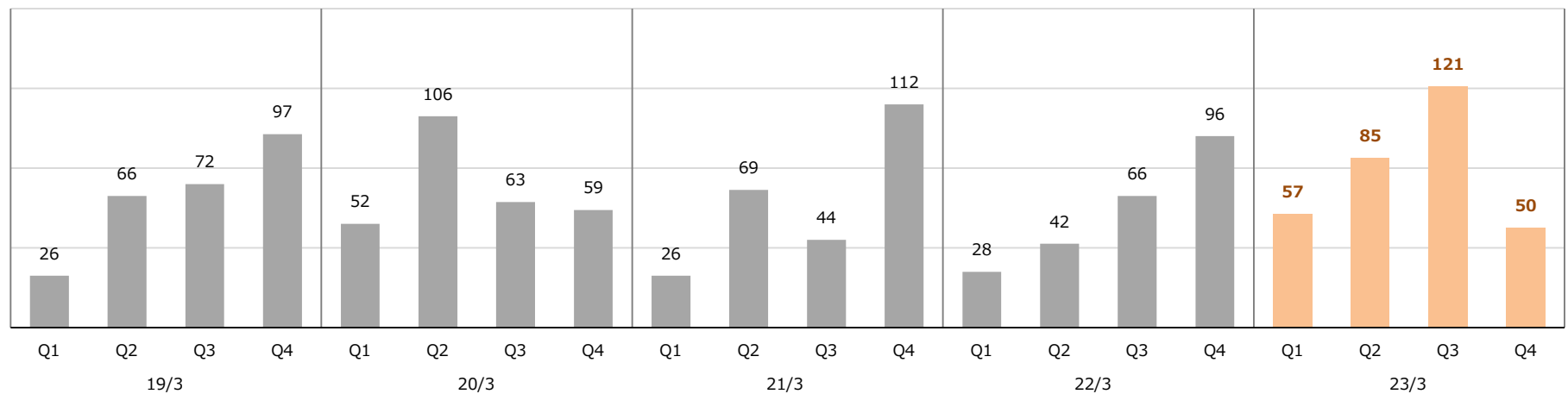


## Electrical Equipment

Net sales (million yen)

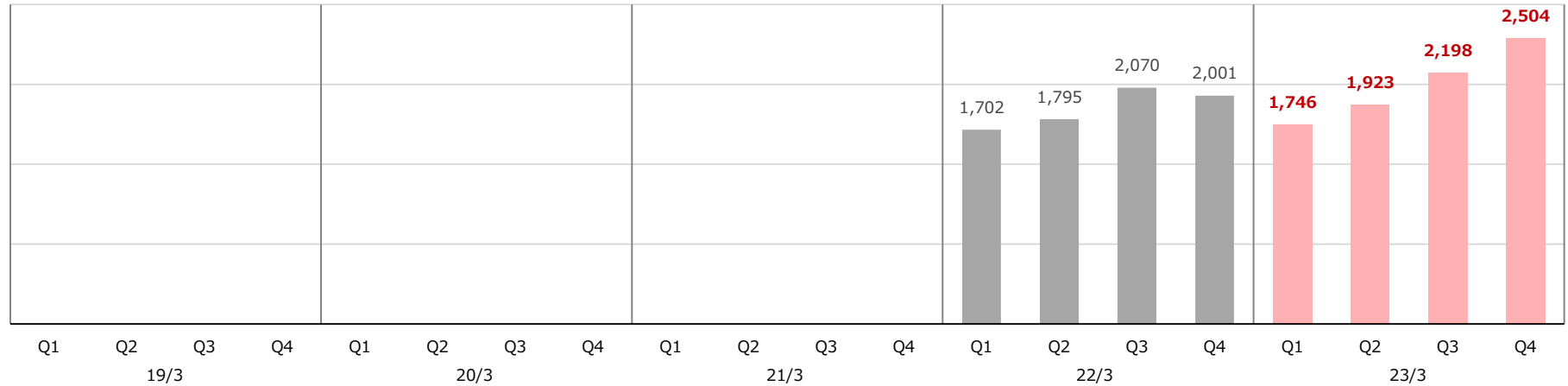


Segment profit or loss (million yen)

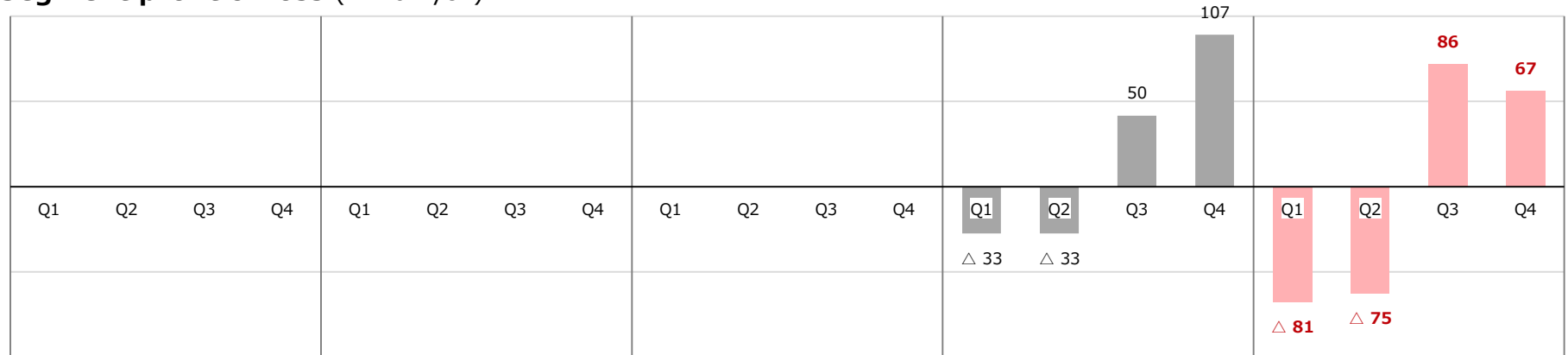


## Scaffolding Construction

Net sales (million yen)



Segment profit or loss (million yen)



19/3

20/3

21/3

22/3

23/3

※ Figures for sales and segment profit or loss are calculated based on new segments since FY2022.



## Official SNS accounts

KONDTEC opened new official Instagram and Facebook accounts. Please follow us to get to know us better and for information and updates on our products and merchandise.



### Instagram

URL : [https://www.instagram.com/kondotec\\_official/](https://www.instagram.com/kondotec_official/)



### Facebook

URL : <https://www.facebook.com/kondotec.official/>



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