

May 14, 2025

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: WAKACHIKU CONSTRUCTION CO.,LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 1888  
 URL: <https://www.wakachiku.co.jp/>  
 Representative: Katsuhiko Karasuda, President and Representative Director  
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 Scheduled date of annual general meeting of shareholders: June 27, 2025  
 Scheduled date to commence dividend payments: June 6, 2025  
 Scheduled date to file annual securities report: June 26, 2025  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	86,462	(8.9)	5,220	(25.2)	5,228	(32.1)	3,690	(27.5)
March 31, 2024	94,917	13.0	6,976	11.9	7,699	17.6	5,092	(6.4)

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥4,204 million [(29.5)%]  
 For the fiscal year ended March 31, 2024: ¥5,967 million [11.1%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2025	289.96	-	7.8	5.7	6.0
March 31, 2024	399.25	-	11.7	8.6	7.3

#### (2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2025	91,890	49,858	52.6	3,802.84
March 31, 2024	90,775	47,384	50.6	3,600.65

Reference: Equity  
 As of March 31, 2025: ¥48,322 million As of March 31, 2024: ¥45,931 million

#### (3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	(10,211)	(1,854)	6,399	13,217
March 31, 2024	(3,964)	(3,606)	(1,380)	18,891

### 2. Cash dividends

Fiscal year ended	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	0.00	-	120.00	120.00	1,540	30.1	3.5
March 31, 2025	-	0.00	-	126.00	126.00	1,617	43.5	3.4
March 31, 2026 (Forecast)		0.00		131.00	131.00		45.0	

Note: The total amount of dividends includes dividends paid to the Company's shares held by the trust account related to the Officer Grant Trust (9 million yen for the fiscal year ending March 31, 2024 and 16 million yen for the fiscal year ending March 31, 2025).

### 3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	100,600	16.4	5,750	10.2	5,500	5.2	3,700	0.3	291.18

#### \* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
  - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None
- (3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	12,964,993 shares
As of March 31, 2024	12,964,993 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2025	258,142 shares
As of March 31, 2024	208,603 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	12,727,471 shares
Fiscal year ended March 31, 2024	12,755,788 shares

Note: The number of treasury shares at the end of the fiscal year and the number of treasury shares to be deducted for the calculation of the average number of shares during the period include the Company's shares held by the trust account related to the Equity Grant Trust for Officers.

#### [Reference] Overview of non-consolidated financial results

##### 1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

###### (1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	83,636	(9.2)	4,783	(26.8)	4,876	(33.6)	3,566	(28.2)
March 31, 2024	92,126	13.5	6,534	15.0	7,345	20.7	4,968	(5.7)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	280.20	-
March 31, 2024	389.52	-

###### (2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	86,464	45,357	52.5	3,569.50
March 31, 2024	85,470	43,140	50.5	3,381.87

Reference: Equity

As of March 31, 2025: ¥45,357 million As of March 31, 2024: ¥43,140 million

##### 2. Non-consolidated earnings forecast for the fiscal year ending March 31, 2026 (April 1, 2025 ~ March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	98,000	17.2	5,200	6.6	3,600	0.9	283.31

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

## Consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	18,891	13,217
Notes receivable, accounts receivable from completed construction contracts and other	38,528	45,839
Real estate for sale	2,988	2,971
Costs on construction contracts in progress	291	105
Costs on real estate business	1,161	1,127
Advances paid	1,484	1,241
Accounts receivable - other	6,576	5,097
Other	488	704
Allowance for doubtful accounts	(48)	(50)
<b>Total current assets</b>	<b>70,364</b>	<b>70,253</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	4,785	5,581
Machinery, vehicles, tools, furniture and fixtures	4,788	4,571
Vessels	3,589	3,640
Land	6,582	6,581
Leased assets	178	217
Construction in progress	654	500
Accumulated depreciation	(9,538)	(9,800)
<b>Total property, plant and equipment</b>	<b>11,040</b>	<b>11,291</b>
<b>Intangible assets</b>	<b>389</b>	<b>512</b>
<b>Investments and other assets</b>		
Investment securities	5,559	6,705
Deferred tax assets	1,538	947
Retirement benefit asset	1,367	1,601
Other	975	1,043
Allowance for doubtful accounts	(459)	(466)
<b>Total investments and other assets</b>	<b>8,980</b>	<b>9,832</b>
<b>Total non-current assets</b>	<b>20,411</b>	<b>21,636</b>
<b>Total assets</b>	<b>90,775</b>	<b>91,890</b>

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	14,679	13,830
Short-term borrowings	2,937	12,190
Lease liabilities	35	42
Income taxes payable	1,775	231
Advances received on uncompleted construction contracts	6,886	3,974
Deposits received	8,956	5,622
Provision for bonuses	1,254	972
Provision for warranties for completed construction	140	72
Provision for loss on construction contracts	571	300
Other	969	591
<b>Total current liabilities</b>	<b>38,207</b>	<b>37,830</b>
Non-current liabilities		
Long-term borrowings	1,410	378
Lease liabilities	52	89
Deferred tax liabilities for land revaluation	768	791
Provision for share awards	122	176
Retirement benefit liability	2,749	2,679
Other	80	86
<b>Total non-current liabilities</b>	<b>5,183</b>	<b>4,202</b>
<b>Total liabilities</b>	<b>43,391</b>	<b>42,032</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	11,374	11,374
Capital surplus	2,948	2,948
Retained earnings	28,044	30,194
Treasury shares	(329)	(518)
<b>Total shareholders' equity</b>	<b>42,037</b>	<b>43,998</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	718	1,120
Revaluation reserve for land	1,706	1,684
Remeasurements of defined benefit plans	1,468	1,518
<b>Total accumulated other comprehensive income</b>	<b>3,893</b>	<b>4,323</b>
Non-controlling interests	1,453	1,535
<b>Total net assets</b>	<b>47,384</b>	<b>49,858</b>
<b>Total liabilities and net assets</b>	<b>90,775</b>	<b>91,890</b>

# Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales		
Net sales of completed construction contracts	91,876	82,977
Net sales in real estate business and other	3,040	3,485
Total net sales	94,917	86,462
Cost of sales		
Cost of sales of completed construction contracts	78,670	71,239
Cost of sales in real estate business and other	2,137	2,489
Lose on valuation of realestate for sale	7	4
Total cost of sales	80,814	73,734
Gross profit		
Gross profit on completed construction contracts	13,206	11,737
Gross profit on real estate business and other	896	990
Total gross profit	14,103	12,728
Selling, general and administrative expenses	7,126	7,508
Operating profit	6,976	5,220
Non-operating income		
Interest income	161	67
Dividend income	77	95
Foreign exchange gains	680	-
Dividend income of insurance	28	33
Other	26	40
Total non-operating income	973	237
Non-operating expenses		
Interest expenses	137	148
Commission for syndicated loans	70	50
Other	42	29
Total non-operating expenses	250	228
Ordinary profit	7,699	5,228
Extraordinary income		
Gain on sale of non-current assets	6	5
Total extraordinary income	6	5
Extraordinary losses		
Loss on retirement of non-current assets	16	0
Impairment losses	7	1
Loss on valuation of golf club membership	-	1
Total extraordinary losses	23	2
Profit before income taxes	7,682	5,230
Income taxes - current	2,517	1,114
Income taxes - deferred	(12)	341
Total income taxes	2,505	1,456
Profit	5,177	3,774
Profit attributable to non-controlling interests	84	84
Profit attributable to owners of parent	5,092	3,690

## Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	5,177	3,774
Other comprehensive income		
Valuation difference on available-for-sale securities	142	402
Revaluation reserve for land	-	(22)
Remeasurements of defined benefit plans, net of tax	648	50
Total other comprehensive income	790	429
Comprehensive income	5,967	4,204
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,883	4,120
Comprehensive income attributable to non-controlling interests	84	84

## Consolidated statement of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,374	2,948	24,235	(337)	38,220
Dividends of surplus			(1,283)		(1,283)
Profit attributable to owners of parent			5,092		5,092
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				8	8
Net changes in items other than shareholders' equity					
Total changes during period	-	-	3,809	8	3,817
Balance at end of period	11,374	2,948	28,044	(329)	42,037

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	575	1,706	819	3,102	1,370	42,694
Dividends of surplus						(1,283)
Profit attributable to owners of parent						5,092
Purchase of treasury shares						(0)
Disposal of treasury shares						8
Net changes in items other than shareholders' equity	142	-	648	790	82	873
Total changes during period	142	-	648	790	82	4,690
Balance at end of period	718	1,706	1,468	3,893	1,453	47,384

## Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,374	2,948	28,044	(329)	42,037
Dividends of surplus			(1,540)		(1,540)
Profit attributable to owners of parent			3,690		3,690
Purchase of treasury shares				(193)	(193)
Disposal of treasury shares				4	4
Net changes in items other than shareholders' equity					
Total changes during period	-	-	2,149	(188)	1,961
Balance at end of period	11,374	2,948	30,194	(518)	43,998

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	718	1,706	1,468	3,893	1,453	47,384
Dividends of surplus						(1,540)
Profit attributable to owners of parent						3,690
Purchase of treasury shares						(193)
Disposal of treasury shares						4
Net changes in items other than shareholders' equity	402	(22)	50	429	82	512
Total changes during period	402	(22)	50	429	82	2,473
Balance at end of period	1,120	1,684	1,518	4,323	1,535	49,858

# Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	7,682	5,230
Depreciation	847	844
Impairment losses	7	1
Increase (decrease) in allowance for doubtful accounts	58	8
Increase (decrease) in retirement benefit liability	(141)	(202)
Increase (decrease) in other provisions	147	(620)
Interest and dividend income	(239)	(162)
Interest expenses	137	148
Syndicate loan charges	70	50
Loss (gain) on sale and retirement of non-current assets	9	(4)
Decrease (increase) in trade receivables	(5,094)	(7,310)
Decrease (increase) in costs on construction contracts in progress	531	220
Decrease (increase) in real estate for sale	(50)	17
Increase (decrease) in trade payables	(4,187)	(848)
Increase (decrease) in advances received on uncompleted construction contracts and other	(854)	(2,912)
Decrease (increase) in other assets	(2,663)	1,734
Increase (decrease) in other liabilities	1,880	(3,492)
Other, net	(359)	(79)
Subtotal	(2,216)	(7,377)
Interest and dividends received	238	162
Interest paid	(146)	(150)
Income taxes paid	(1,839)	(2,846)
Net cash provided by (used in) operating activities	(3,964)	(10,211)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,463)	(1,089)
Proceeds from sale of property, plant and equipment	16	50
Purchase of intangible assets	(160)	(234)
Purchase of investment securities	(1,974)	(545)
Other, net	(25)	(34)
Net cash provided by (used in) investing activities	(3,606)	(1,854)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,050	9,962
Proceeds from long-term borrowings	585	100
Repayments of long-term borrowings	(1,631)	(1,841)
Purchase of treasury shares	(0)	(193)
Dividends paid	(1,277)	(1,534)
Dividends paid to non-controlling interests	(2)	(2)
Repayments of finance lease liabilities	(34)	(40)
Syndicate loan charges paid	(70)	(50)
Net cash provided by (used in) financing activities	(1,380)	6,399
Effect of exchange rate change on cash and cash equivalents	523	(8)
Net increase (decrease) in cash and cash equivalents	(8,427)	(5,674)
Cash and cash equivalents at beginning of period	27,319	18,891
Cash and cash equivalents at end of period	18,891	13,217

(Segment information)

### 1. Overview of Reporting Segments

The Company's reporting segments are those of the Company's constituent units for which segregated financial information is available and is subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate performance.

The Company has a department in charge of the construction business at its headquarters, which formulates a comprehensive strategy for domestic and overseas construction business and develops business activities. In addition, in the real estate business, the head office oversees the domestic real estate business.

Accordingly, the Company has "Construction Business" and "Real Estate Business" as its reporting segments.

The Construction Business is mainly engaged in the construction industry in Japan, including offshore civil engineering, onshore civil engineering, and construction work. The Real Estate segment is engaged in the sale and leasing of real estate in Japan.

### 2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The accounting methods for the reported business segments are identical to those used for the preparation of consolidated financial statements. Profit in the reporting segment is operating income. Internal sales and transfers between segments are based on prevailing market prices.

### 3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

The previous fiscal year (April 1, 2023 to March 31, 2024)

(in millions of yen)

	Reportable segments			Other (Note) 1	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
	Construction industry	Real estate business	Total			
Sales						
Revenues from external customers	93,723	472	94,195	721	-	94,917
Transactions with other segments	-	-	-	80	(80)	-
Total	93,723	472	94,195	802	(80)	94,917
Segment Profit	8,902	193	9,095	52	(2,172)	6,976
Segment Assets	57,320	7,820	65,140	391	25,243	90,775
Other items						
Depreciation	753	41	794	-	52	847
Impairment losses	-	-	-	-	7	7
Increase in property, plant and equipment and intangible assets	1,425	81	1,507	-	64	1,571

Note:

1. The "Other" category is a business segment that is not included in the reporting segment, and the main content is ship supervision.

2. The adjustment amount is as follows:

(1) Adjustments to segment profit of (2,172) million yen are company-wide expenses that are not attributable to business segments. Corporate expenses are general and administrative expenses that are not primarily attributable to business segments.

(2) Adjusted segment assets of ¥25,243 million are company-wide assets that have not been allocated to business segments. Company-wide assets are cash deposits that are not primarily allocated to business segments.

(3) Adjustments to depreciation and amortization of 52 million yen, impairment losses of 7 million yen, and increases in property, plant and equipment and intangible assets of 64 million yen pertain to fixed assets that are not allocated to business segments.

3. Segment profit is adjusted to operating income in the consolidated statements of income.

	Reportable segments			Other (Note) 1	Adjustment amount (Note) 2	Amount recorded in consolidated financial statements (Note)3
	Construction industry	Real estate business	Total			
Sales						
Revenues from external customers	84,862	504	85,367	1,095	-	86,462
Transactions with other segments	-	-	-	54	(54)	-
Total	84,862	504	85,367	1,149	(54)	86,462
Segment Profit	7,101	227	7,328	114	(2,222)	5,220
Segment Assets	61,966	7,887	69,853	1,230	20,806	91,890
Other items						
Depreciation	755	41	797	-	47	844
Impairment losses	-	-	-	-	1	1
Increase in property, plant and equipment and intangible assets	870	116	987	-	202	1,189

## Note:

1. The "Other" category is a business segment that is not included in the reporting segment, and the main content is ship supervision.

2. The adjustment amount is as follows:

(1) Segment profit adjustment of (2,222) million yen is a company-wide expense that is not attributable to business segments. Corporate expenses are general and administrative expenses that are not primarily attributable to business segments.

(2) Adjusted segment assets of ¥20,806 million are company-wide assets that have not been allocated to business segments. Company-wide assets are cash deposits that are not primarily allocated to business segments.

(3) Adjustments to depreciation and amortization of 47 million yen, impairment losses of 1 million yen, and adjustments to increases in property, plant and equipment and intangible assets of 202 million yen pertain to fixed assets that are not allocated to business segments.

3. Segment profit is adjusted to operating income in the consolidated statements of income.

## Balance sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	16,583	10,977
Notes receivable - trade	489	95
Accounts receivable from completed construction contracts	37,334	44,181
Accounts receivable-real estate business	352	1,061
Real estate for sale	2,700	2,683
Costs on construction contracts in progress	215	188
Costs on real estate business	49	177
Accounts receivable - other	6,577	5,096
Advances paid	1,486	1,241
Other	445	658
Allowance for doubtful accounts	(47)	(48)
Total current assets	66,186	66,314

	As of March 31, 2024	As of March 31, 2025
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	3,321	3,620
Accumulated depreciation	(1,498)	(1,574)
Buildings, net	1,823	2,046
Structures	342	342
Accumulated depreciation	(286)	(292)
Structures, net	56	50
Machinery and equipment	1,442	1,444
Accumulated depreciation	(1,124)	(1,219)
Machinery and equipment, net	317	225
Vessels	3,279	3,330
Accumulated depreciation	(2,730)	(2,892)
Vessels, net	548	437
Vehicles	53	38
Accumulated depreciation	(52)	(37)
Vehicles, net	0	0
Tools, furniture and fixtures	814	823
Accumulated depreciation	(667)	(679)
Tools, furniture and fixtures, net	146	143
Land	6,279	6,277
Leased assets	178	217
Accumulated depreciation	(98)	(97)
Leased assets, net	79	120
Construction in progress	395	468
Total property, plant and equipment	9,647	9,771
<b>Intangible assets</b>		
Leasehold interests in land	1	1
Other	382	503
Total intangible assets	383	504
<b>Investments and other assets</b>		
Investment securities	5,487	6,584
Shares of subsidiaries and associates	77	77
Long-term loans receivable	5	5
Long-term loans receivable from subsidiaries and associates	2,010	1,960
Distressed receivables	328	334
Long-term prepaid expenses	21	50
Deferred tax assets	1,590	1,047
Leasehold and guarantee deposits	393	388
Other	192	228
Allowance for doubtful accounts	(852)	(802)
Total investments and other assets	9,253	9,873
Total non-current assets	19,284	20,149
Total assets	85,470	86,464

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes payable - trade	2,510	-
Accounts payable for construction contracts	11,622	13,410
Accounts payable-real estate	99	187
Short-term borrowings	2,780	12,080
Lease liabilities	35	42
Accounts payable - other	702	388
Income taxes payable	1,726	152
Accrued consumption taxes	100	80
Advances received on uncompleted construction contracts	6,107	3,255
Deposits received	8,968	5,606
Provision for bonuses	1,188	925
Provision for warranties for completed construction	139	72
Provision for loss on construction contracts	571	287
Other	42	59
<b>Total current liabilities</b>	<b>36,595</b>	<b>36,549</b>
Non-current liabilities		
Long-term borrowings	1,320	240
Lease liabilities	52	89
Deferred tax liabilities for land revaluation	768	791
Provision for retirement benefits	3,437	3,225
Provision for share awards	122	176
Other	33	35
<b>Total non-current liabilities</b>	<b>5,734</b>	<b>4,558</b>
<b>Total liabilities</b>	<b>42,330</b>	<b>41,107</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	11,374	11,374
Capital surplus		
Legal capital surplus	2,843	2,843
Other capital surplus	88	88
<b>Total capital surplus</b>	<b>2,931</b>	<b>2,931</b>
Retained earnings		
Other retained earnings		
Retained earnings brought forward	26,738	28,764
<b>Total retained earnings</b>	<b>26,738</b>	<b>28,764</b>
Treasury shares	(329)	(518)
<b>Total shareholders' equity</b>	<b>40,715</b>	<b>42,552</b>
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	718	1,120
Revaluation reserve for land	1,706	1,684
<b>Total valuation and translation adjustments</b>	<b>2,425</b>	<b>2,804</b>
<b>Total net assets</b>	<b>43,140</b>	<b>45,357</b>
<b>Total liabilities and net assets</b>	<b>85,470</b>	<b>86,464</b>

# Statement of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales		
Net sales of completed construction contracts	91,086	82,233
Net sales in real estate business and other	1,040	1,402
<b>Total net sales</b>	<b>92,126</b>	<b>83,636</b>
Cost of sales		
Cost of sales of completed construction contracts	77,968	70,589
Cost of sales in real estate business and other	834	1,117
Lose on valuation of realestate for sale	7	4
<b>Total cost of sales</b>	<b>78,809</b>	<b>71,711</b>
Gross profit		
Gross profit on completed construction contracts	13,117	11,644
Gross profit on real estate business and other	198	280
<b>Total gross profit</b>	<b>13,316</b>	<b>11,925</b>
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	241	283
Employees' salaries and allowances	2,529	2,790
Provision for bonuses	365	299
Retirement benefit expenses	79	58
Legal welfare expenses	469	475
Welfare expenses	245	272
Repair and maintenance expenses	12	26
Stationery expenses	71	85
Communication and transportation expenses	454	473
Power utilities expenses	38	44
Research study expenses	265	344
Advertising expenses	129	169
Provision of allowance for doubtful accounts	62	6
Entertainment expenses	251	212
Donations	26	37
Rent expenses on land and buildings	319	325
Depreciation	51	64
Taxes and dues	410	351
Insurance expenses	19	21
Miscellaneous expenses	738	796
<b>Total selling, general and administrative expenses</b>	<b>6,782</b>	<b>7,141</b>

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Operating profit	6,534	4,783
Non-operating income		
Interest income	181	87
Dividend income	81	99
Reversal of allowance for doubtful accounts	62	56
Foreign exchange gains	680	-
Dividend income of insurance	28	33
Other	25	41
Total non-operating income	1,059	318
Non-operating expenses		
Interest expenses	135	145
Commission for syndicated loans	70	50
Other	42	29
Total non-operating expenses	247	225
Ordinary profit	7,345	4,876

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Extraordinary income		
Gain on sale of non-current assets	1	-
Total extraordinary income	1	-
Extraordinary losses		
Loss on retirement of non-current assets	16	0
Impairment losses	7	1
Loss on valuation of golf club membership	-	1
Total extraordinary losses	23	2
Profit before income taxes	7,323	4,873
Income taxes - current	2,366	962
Income taxes - deferred	(12)	345
Total income taxes	2,354	1,307
Profit	4,968	3,566

**Statement of changes in equity Fiscal year ended March 31, 2024**

(Millions of yen)

	Shareholders' equity							Total shareholders' equity
	Share capital	Capital surplus			Retained earnings		Treasury shares	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at beginning of period	11,374	2,843	88	2,931	23,054	23,054	(337)	37,022
Dividends of surplus					(1,283)	(1,283)		(1,283)
Profit					4,968	4,968		4,968
Purchase of treasury shares							(0)	(0)
Disposal of treasury shares							8	8
Net changes in items other than shareholders' equity								
Total changes during period	-	-	-	-	3,684	3,684	8	3,693
Balance at end of period	11,374	2,843	88	2,931	26,738	26,738	(329)	40,715

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	575	1,706	2,282	39,305
Dividends of surplus				(1,283)
Profit				4,968
Purchase of treasury shares				(0)
Disposal of treasury shares				8
Net changes in items other than shareholders' equity	142	-	142	142
Total changes during period	142	-	142	3,835
Balance at end of period	718	1,706	2,425	43,140

**Statement of changes in equity Fiscal year ended March 31, 2025**

(Millions of yen)

	Shareholders' equity							Total shareholders' equity
	Share capital	Capital surplus			Retained earnings		Treasury shares	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at beginning of period	11,374	2,843	88	2,931	26,738	26,738	(329)	40,715
Dividends of surplus					(1,540)	(1,540)		(1,540)
Profit					3,566	3,566		3,566
Purchase of treasury shares							(193)	(193)
Disposal of treasury shares							4	4
Net changes in items other than shareholders' equity								
Total changes during period	-	-	-	-	2,025	2,025	(188)	1,836
Balance at end of period	11,374	2,843	88	2,931	28,764	28,764	(518)	42,552

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	718	1,706	2,425	43,140
Dividends of surplus				(1,540)
Profit				3,566
Purchase of treasury shares				(193)
Disposal of treasury shares				4
Net changes in items other than shareholders' equity	402	(22)	379	379
Total changes during period	402	(22)	379	2,216
Balance at end of period	1,120	1,684	2,804	45,357