

May 14, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: WAKACHIKU CONSTRUCTION CO.,LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 1888
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 Scheduled date of annual general meeting of shareholders: June 26, 2026
 Scheduled date to commence dividend payments: June 5, 2026
 Scheduled date to file annual securities report: June 24, 2026
 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, 2026 (from April 1, 2025 to March 31, 2026)

(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, 2026	104,748	21.1	6,649	27.4	6,426	22.9	4,367	18.4
March 31, 2025	86,462	(8.9)	5,220	(25.2)	5,228	(32.1)	3,690	(27.5)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥6,496 million [54.5%]
 For the fiscal year ended March 31, 2025: ¥4,204 million [(29.5)%]

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, 2026	343.44	-	8.5	6.0	6.3
March 31, 2025	289.96	-	7.8	5.7	6.0

(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, 2026	122,423	54,759	44.1	4,242.52
March 31, 2025	91,890	49,858	52.6	3,802.84

Reference: Equity
 As of March 31, 2026: ¥53,996 million As of March 31, 2025: ¥48,322 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, 2026	477	(1,162)	7,086	19,638
March 31, 2025	(10,211)	(1,854)	6,399	13,217

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			
March 31, 2025	-	0.00	-	126.00	126.00	1,617	43.5	3.4
March 31, 2026	-	0.00	-	135.00	135.00	1,732	39.3	3.4
March 31, 2027 (Forecast)	-	0.00	-	145.00	145.00		41.9	

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 (16 million yen for the fiscal year ending March 31, 2025 and 14 million yen for the fiscal year ending March 31, 2026).

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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, 2027	116,000	10.7	7,100	6.8	6,500	1.1	4,400	0.7	345.71

* 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, 2026	12,964,993 shares
As of March 31, 2025	12,964,993 shares

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

As of March 31, 2026	237,638 shares
As of March 31, 2025	258,142 shares

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

Fiscal year ended March 31, 2026	12,718,286 shares
Fiscal year ended March 31, 2025	12,727,471 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, 2026 (from April 1, 2025 to March 31, 2026)

(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, 2026	101,776	21.7	6,244	30.5	6,104	25.2	4,253	19.3
March 31, 2025	83,636	(9.2)	4,783	(26.8)	4,876	(33.6)	3,566	(28.2)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	334.47	-
March 31, 2025	280.20	-

(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, 2026	115,734	49,152	42.5	3,861.97
March 31, 2025	86,464	45,357	52.5	3,569.50

Reference: Equity

As of March 31, 2026: ¥49,152 million As of March 31, 2025: ¥45,357 million

2. Non-consolidated earnings forecast for the fiscal year ending March 31, 2027 (April 1, 2026 ~ March 31, 2027)

(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, 2027	113,000	11.0	6,200	1.6	4,300	1.1	337.86

* 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, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	13,217	19,638
Notes receivable, accounts receivable from completed construction contracts and other	45,839	59,794
Real estate for sale	2,971	2,974
Costs on construction contracts in progress	105	490
Costs on real estate business	1,127	1,079
Advances paid	1,241	2,118
Accounts receivable - other	5,097	11,288
Other	704	872
Allowance for doubtful accounts	(50)	(72)
Total current assets	70,253	98,185
Non-current assets		
Property, plant and equipment		
Buildings and structures	5,581	5,431
Machinery, vehicles, tools, furniture and fixtures	4,571	4,470
Vessels	3,640	3,660
Land	6,581	6,541
Leased assets	217	180
Construction in progress	500	668
Accumulated depreciation	(9,800)	(9,970)
Total property, plant and equipment	11,291	10,981
Intangible assets	512	1,102
Investments and other assets		
Investment securities	6,705	8,432
Deferred tax assets	947	92
Retirement benefit asset	1,601	3,064
Other	1,043	652
Allowance for doubtful accounts	(466)	(86)
Total investments and other assets	9,832	12,155
Total non-current assets	21,636	24,238
Total assets	91,890	122,423

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	13,830	18,950
Short-term borrowings	12,190	16,120
Lease liabilities	42	35
Income taxes payable	231	1,709
Advances received on uncompleted construction contracts	3,974	8,761
Deposits received	5,622	10,909
Provision for bonuses	972	1,169
Provision for warranties for completed construction	72	105
Provision for loss on construction contracts	300	111
Other	591	844
Total current liabilities	37,830	58,719
Non-current liabilities		
Long-term borrowings	378	5,358
Lease liabilities	89	72
Deferred tax liabilities for land revaluation	791	791
Provision for share awards	176	177
Retirement benefit liability	2,679	2,454
Other	86	89
Total non-current liabilities	4,202	8,944
Total liabilities	42,032	67,664
Net assets		
Shareholders' equity		
Share capital	11,374	11,374
Capital surplus	2,948	3,780
Retained earnings	30,194	32,944
Treasury shares	(518)	(467)
Total shareholders' equity	43,998	47,632
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,120	2,227
Revaluation reserve for land	1,684	1,684
Remeasurements of defined benefit plans	1,518	2,451
Total accumulated other comprehensive income	4,323	6,363
Non-controlling interests	1,535	763
Total net assets	49,858	54,759
Total liabilities and net assets	91,890	122,423

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales		
Net sales of completed construction contracts	82,977	101,135
Net sales in real estate business and other	3,485	3,613
Total net sales	86,462	104,748
Cost of sales		
Cost of sales of completed construction contracts	71,239	87,486
Cost of sales in real estate business and other	2,489	2,659
Loss on valuation of realestate for sale	4	-
Total cost of sales	73,734	90,146
Gross profit		
Gross profit on completed construction contracts	11,737	13,648
Gross profit on real estate business and other	990	954
Total gross profit	12,728	14,602
Selling, general and administrative expenses	7,508	7,952
Operating profit	5,220	6,649
Non-operating income		
Interest income	67	51
Dividend income	95	166
Other	74	57
Total non-operating income	237	275
Non-operating expenses		
Interest expenses	148	267
Commission for syndicated loans	50	166
Other	29	64
Total non-operating expenses	228	498
Ordinary profit	5,228	6,426
Extraordinary income		
Gain on sale of non-current assets	5	68
Other	-	0
Total extraordinary income	5	68
Extraordinary losses		
Loss on retirement of non-current assets	0	21
Impairment losses	1	0
Loss on valuation of golf club membership	1	-
Total extraordinary losses	2	22
Profit before income taxes	5,230	6,473
Income taxes - current	1,114	2,100
Income taxes - deferred	341	(83)
Total income taxes	1,456	2,017
Profit	3,774	4,456
Profit attributable to non-controlling interests	84	88
Profit attributable to owners of parent	3,690	4,367

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	3,774	4,456
Other comprehensive income		
Valuation difference on available-for-sale securities	402	1,107
Revaluation reserve for land	(22)	-
Remeasurements of defined benefit plans, net of tax	50	932
Total other comprehensive income	429	2,040
Comprehensive income	4,204	6,496
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,120	6,408
Comprehensive income attributable to non-controlling interests	84	88

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
Changes during period					
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
Purchase of share of consolidated subsidiaries treasury stock changes of items during period					
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
Changes during period						
Dividends of surplus						(1,540)
Profit attributable to owners of parent						3,690
Purchase of treasury shares						(193)
Disposal of treasury shares						4
Purchase of share of consolidated subsidiaries treasury stock changes of items during period						
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 changes in equity

Fiscal year ended March 31, 2026

(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	30,194	(518)	43,998
Changes during period					
Dividends of surplus			(1,617)		(1,617)
Profit attributable to owners of parent			4,367		4,367
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				52	52
Purchase of share of consolidated subsidiaries treasury stock changes of items during period		831			831
Net changes in items other than shareholders' equity					
Total changes during period	-	831	2,750	51	3,633
Balance at end of period	11,374	3,780	32,944	(467)	47,632

	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	1,120	1,684	1,518	4,323	1,535	49,858
Changes during period						
Dividends of surplus						(1,617)
Profit attributable to owners of parent						4,367
Purchase of treasury shares						(0)
Disposal of treasury shares						52
Purchase of share of consolidated subsidiaries treasury stock changes of items during period						831
Net changes in items other than shareholders' equity	1,107		932	2,040	(772)	1,267
Total changes during period	1,107	-	932	2,040	(772)	4,901
Balance at end of period	2,227	1,684	2,451	6,363	763	54,759

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	5,230	6,473
Depreciation	844	842
Impairment losses	1	0
Increase (decrease) in allowance for doubtful accounts	8	(357)
Increase (decrease) in retirement benefit liability	(202)	(326)
Increase (decrease) in other provisions	(620)	40
Interest and dividend income	(162)	(218)
Interest expenses	148	267
Syndicate loan charges	50	166
Loss (gain) on sale of investment securities	-	(0)
Loss (gain) on sale and retirement of non-current assets	(4)	(47)
Decrease (increase) in trade receivables	(7,310)	(13,955)
Decrease (increase) in costs on construction contracts in progress	220	(336)
Decrease (increase) in real estate for sale	17	(3)
Increase (decrease) in trade payables	(848)	5,120
Increase (decrease) in advances received on uncompleted construction contracts and other	(2,912)	4,787
Decrease (increase) in other assets	1,734	(7,113)
Increase (decrease) in other liabilities	(3,492)	5,532
Other, net	(79)	93
Subtotal	(7,377)	966
Interest and dividends received	162	218
Interest paid	(150)	(275)
Income taxes paid	(2,846)	(432)
Net cash provided by (used in) operating activities	(10,211)	477
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,089)	(571)
Proceeds from sale of property, plant and equipment	50	237
Purchase of intangible assets	(234)	(651)
Purchase of investment securities	(545)	(109)
Proceeds from sale of investment securities	-	0
Other, net	(34)	(67)
Net cash provided by (used in) investing activities	(1,854)	(1,162)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	9,962	3,287
Proceeds from long-term borrowings	100	7,500
Repayments of long-term borrowings	(1,841)	(1,878)
Purchase of treasury shares	(193)	(0)
Dividends paid	(1,534)	(1,612)
Dividends paid to non-controlling interests	(2)	(2)
Repayments of finance lease liabilities	(40)	(41)
Syndicate loan charges paid	(50)	(166)
Net cash provided by (used in) financing activities	6,399	7,086
Effect of exchange rate change on cash and cash equivalents	(8)	19
Net increase (decrease) in cash and cash equivalents	(5,674)	6,421
Cash and cash equivalents at beginning of period	18,891	13,217
Cash and cash equivalents at end of period	13,217	19,638

(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, 2024 to March 31, 2025)

(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	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.

The current fiscal year (April 1, 2025 to March 31, 2026)

(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	102,853	479	103,333	1,415	-	104,748
Transactions with other segments	-	-	-	96	-96	-
Total	102,853	479	103,333	1,511	-96	104,748
Segment Profit	8,403	253	8,656	87	-2,094	6,649
Segment Assets	81,442	7,710	89,153	1,495	31,775	122,423
Other items						
Depreciation	755	42	797	-	44	842
Impairment losses	-	-	-	-	0	0
Increase in property, plant and equipment and intangible assets	752	0	752	-	540	1,293

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 (2,094) 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 ¥31,775 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 ¥44 million, adjustments to impairment losses of ¥0 million, and adjustments to increases in property, plant and equipment and intangible assets of ¥540 million pertaining 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, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	10,977	16,772
Notes receivable - trade	95	171
Accounts receivable from completed construction contracts	44,181	57,929
Accounts receivable-real estate business	1,061	1,348
Real estate for sale	2,683	2,687
Costs on construction contracts in progress	188	543
Costs on real estate business	177	156
Accounts receivable - other	5,096	11,288
Advances paid	1,241	2,118
Other	658	891
Allowance for doubtful accounts	(48)	(71)
Total current assets	66,314	93,837

	As of March 31, 2025	As of March 31, 2026
Non-current assets		
Property, plant and equipment		
Buildings	3,620	3,470
Accumulated depreciation	(1,574)	(1,592)
Buildings, net	2,046	1,877
Structures	342	341
Accumulated depreciation	(292)	(297)
Structures, net	50	44
Machinery and equipment	1,444	1,587
Accumulated depreciation	(1,219)	(1,330)
Machinery and equipment, net	225	257
Vessels	3,330	3,348
Accumulated depreciation	(2,892)	(3,041)
Vessels, net	437	306
Vehicles	38	33
Accumulated depreciation	(37)	(28)
Vehicles, net	0	5
Tools, furniture and fixtures	823	808
Accumulated depreciation	(679)	(662)
Tools, furniture and fixtures, net	143	146
Land	6,277	6,237
Leased assets	217	180
Accumulated depreciation	(97)	(81)
Leased assets, net	120	98
Construction in progress	468	668
Total property, plant and equipment	9,771	9,641
Intangible assets		
Leasehold interests in land	1	1
Other	503	1,094
Total intangible assets	504	1,095
Investments and other assets		
Investment securities	6,584	8,311
Shares of subsidiaries and associates	77	77
Long-term loans receivable	5	9
Long-term loans receivable from subsidiaries and associates	1,960	1,910
Distressed receivables	334	11
Long-term prepaid expenses	50	32
Deferred tax assets	1,047	614
Leasehold and guarantee deposits	388	405
Other	228	156
Allowance for doubtful accounts	(802)	(369)
Total investments and other assets	9,873	11,158
Total non-current assets	20,149	21,896
Total assets	86,464	115,734

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable for construction contracts	13,410	18,597
Accounts payable-real estate	187	269
Short-term borrowings	12,080	16,040
Lease liabilities	42	35
Accounts payable - other	388	645
Income taxes payable	152	1,645
Accrued consumption taxes	80	-
Advances received on uncompleted construction contracts	3,255	7,843
Deposits received	5,606	10,891
Provision for bonuses	925	1,118
Provision for warranties for completed construction	72	104
Provision for loss on construction contracts	287	95
Other	59	80
Total current liabilities	36,549	57,367
Non-current liabilities		
Long-term borrowings	240	5,250
Lease liabilities	89	72
Deferred tax liabilities for land revaluation	791	791
Provision for retirement benefits	3,225	2,886
Provision for share awards	176	177
Other	35	35
Total non-current liabilities	4,558	9,213
Total liabilities	41,107	66,581
Net assets		
Shareholders' equity		
Share capital	11,374	11,374
Capital surplus		
Legal capital surplus	2,843	2,843
Other capital surplus	88	88
Total capital surplus	2,931	2,931
Retained earnings		
Other retained earnings		
Retained earnings brought forward	28,764	31,401
Total retained earnings	28,764	31,401
Treasury shares	(518)	(467)
Total shareholders' equity	42,552	45,240
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,120	2,227
Revaluation reserve for land	1,684	1,684
Total valuation and translation adjustments	2,804	3,912
Total net assets	45,357	49,152
Total liabilities and net assets	86,464	115,734

Statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales		
Net sales of completed construction contracts	82,233	100,120
Net sales in real estate business and other	1,402	1,656
Total net sales	83,636	101,776
Cost of sales		
Cost of sales of completed construction contracts	70,589	86,578
Cost of sales in real estate business and other	1,117	1,376
Lose on valuation of realestate for sale	4	-
Total cost of sales	71,711	87,955
Gross profit		
Gross profit on completed construction contracts	11,644	13,541
Gross profit on real estate business and other	280	279
Total gross profit	11,925	13,821
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	283	271
Employees' salaries and allowances	2,790	2,899
Provision for bonuses	299	353
Retirement benefit expenses	58	65
Legal welfare expenses	475	505
Welfare expenses	272	281
Repair and maintenance expenses	26	27
Stationery expenses	85	66
Communication and transportation expenses	473	513
Power utilities expenses	44	44
Research study expenses	344	408
Advertising expenses	169	203
Provision of allowance for doubtful accounts	6	(34)
Entertainment expenses	212	226
Donations	37	32
Rent expenses on land and buildings	325	331
Depreciation	64	69
Taxes and dues	351	389
Insurance expenses	21	22
Miscellaneous expenses	796	898
Total selling, general and administrative expenses	7,141	7,576
Operating profit	4,783	6,244

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Non-operating income		
Interest income	87	70
Dividend income	99	170
Reversal of allowance for doubtful accounts	56	53
Other	75	58
Total non-operating income	318	353
Non-operating expenses		
Interest expenses	145	264
Commission for syndicated loans	50	166
Other	29	62
Total non-operating expenses	225	493
Ordinary profit	4,876	6,104
Extraordinary income		
Gain on sale of non-current assets	-	57
Other	-	0
Total extraordinary income	-	57
Extraordinary losses		
Loss on retirement of non-current assets	0	21
Impairment losses	1	0
Loss on valuation of golf club membership	1	-
Total extraordinary losses	2	22
Profit before income taxes	4,873	6,139
Income taxes - current	962	1,962
Income taxes - deferred	345	(76)
Total income taxes	1,307	1,885
Profit	3,566	4,253

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
		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

Statement of changes in equity Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings		Treasury shares	Total shareholders' equity
		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	28,764	28,764	(518)	42,552
Dividends of surplus					(1,617)	(1,617)		(1,617)
Profit					4,253	4,253		4,253
Purchase of treasury shares							(0)	(0)
Disposal of treasury shares							52	52
Net changes in items other than shareholders' equity								
Total changes during period	-	-	-	-	2,636	2,636	51	2,688
Balance at end of period	11,374	2,843	88	2,931	31,401	31,401	(467)	45,240

	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	1,120	1,684	2,804	45,357
Dividends of surplus				(1,617)
Profit				4,253
Purchase of treasury shares				(0)
Disposal of treasury shares				52
Net changes in items other than shareholders' equity	1,107		1,107	1,107
Total changes during period	1,107	-	1,107	3,795
Balance at end of period	2,227	1,684	3,912	49,152