WAKACHIKU CONSTRUCTION CO.,LTD

FY2026 1Q Results

August 6,2026

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In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

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1.FY2026 1Q Summary

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Financial Summary - Status of Profit and Loss -

Point 1 Net Sales increased across all construction categories, reaching ¥26.2 billion, up 33.7% YoY - a record high(1Q).

Point 2 Operating profit rose to ¥1.5 billion, up 1,745.8% YoY, driven by higher net sales and improved profitability - a record high(1Q).

Point 3 Orders received totaled ¥26.9 billion, down 11.2% YoY, reflecting a rebound effect from the previous fiscal year.

	2026/3 1Q		2027/3 1Q		Change YOY	
	JPY Million	Sales ratio	JPY Million	Sales ratio		
Consolidated						
Net Sales	20,239	–	27,170	–	34.2	
Gross Profit	2,114	10.4	3,924	14.4	85.7	
Selling, General and Administrative Expenses	1,940	9.6	2,157	7.9	11.2	
Operating Profit	173	0.9	1,767	6.5	917.0	
Ordinary Profit	205	1.0	1,817	6.7	782.5	
Profit Attributable to owners of parent	104	0.5	1,196	4.4	1,046.9	
Non-Consolidated						
Orders Received	30,369	–	26,981	–	△11.2	Point 3
Net Sales	19,626	–	26,237	–	33.7	Point 1
Gross Profit	1,939	9.9	3,643	13.9	87.8	
Selling, General and Administrative Expenses	1,853	9.4	2,058	7.8	11.0	
Operating Profit	85	0.4	1,584	6.0	1,745.8	Point 2
Ordinary Profit	127	0.7	1,643	6.3	1,186.8	
Quarterly Net Profit	68	0.3	1,109	4.2	1,523.0	

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Highlights by Business Segment

Non-Consolidated

Net Sales

(JPY Million)

	2026/3 1Q	2027/3 1Q	Rate of change
Completed Construction Contracts	19,506	**26,151**	34.1
Civil Engineering	12,064	**15,289**	26.7
Building Construction	7,442	**10,862**	45.9
Real Estate Business and other	119	**85**	△28.5
Total	19,626	**26,237**	33.7

Gross Profit

(JPY Million)

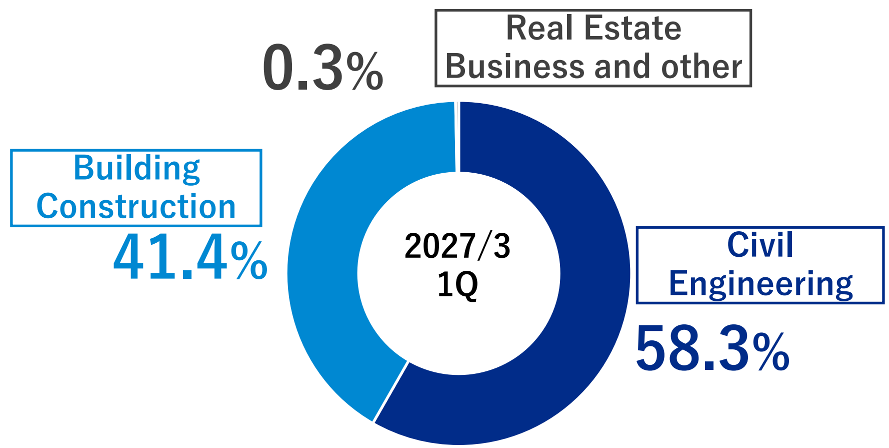
	2026/3 1Q	2027/3 1Q	Rate of change
Completed Construction Contracts	1,878	**3,598**	91.5
Civil Engineering	1,234	**2,171**	75.9
Building Construction	644	**1,426**	121.4
Real Estate Business and other	61	**44**	△26.5
Total	1,939	**3,643**	87.8

Backlog

(JPY Million)

	2026/3 1Q	2027/3 1Q	Rate of change
Completed Construction Contracts	132,459	**150,098**	13.3
Civil Engineering	77,791	**74,608**	△4.1
Building Construction	54,667	**75,489**	38.1
Real Estate Business and other	1,467	**344**	△76.6
Total	133,926	**150,442**	12.3

Sales by Segment



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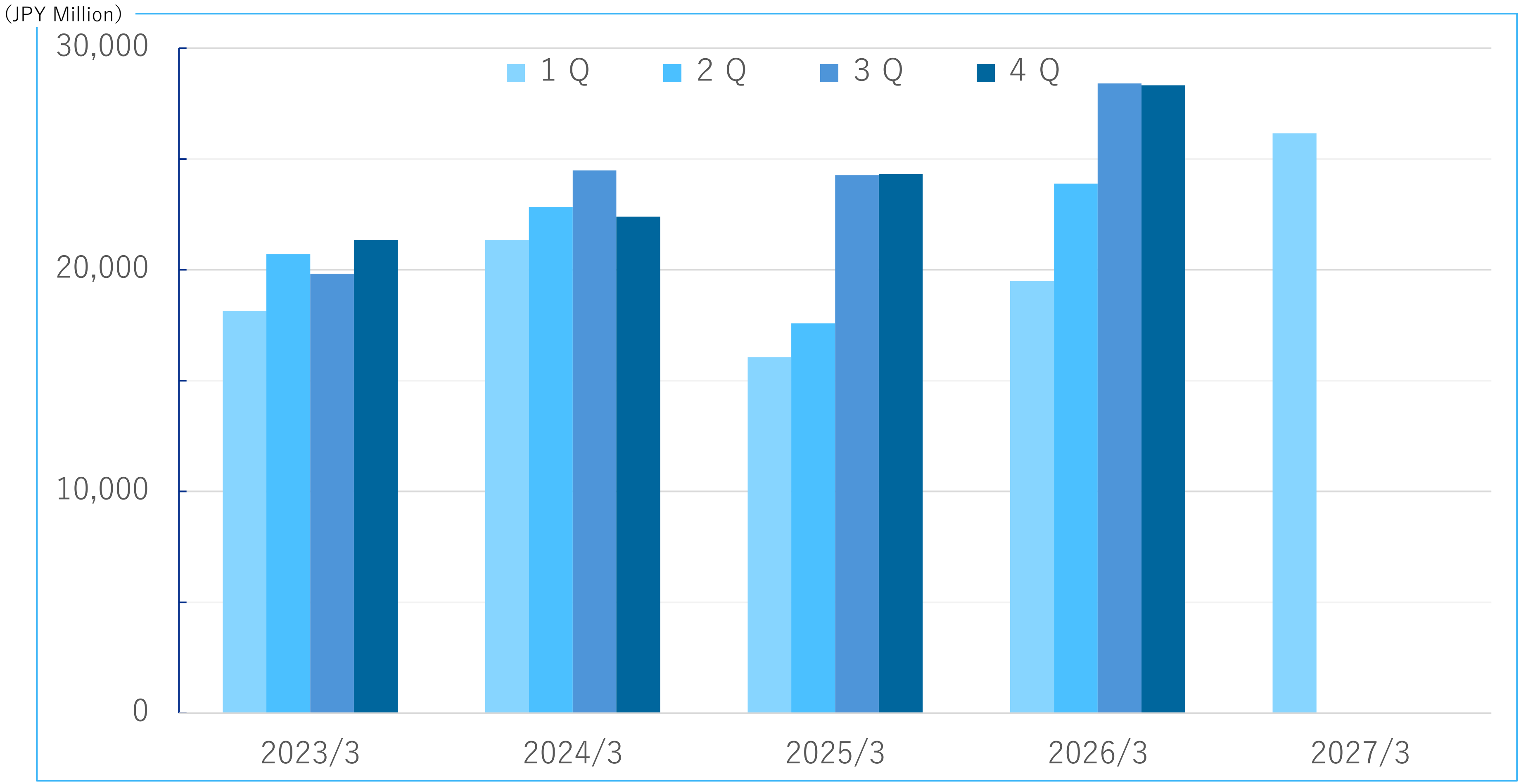
Quarterly Trend in Completed Construction Sales

Non-Consolidated



Annual Changes in Completed Construction Sales

Progress advanced on large-scale projects carried over from the previous fiscal year, resulting in a record-high construction completion of ¥26.1 billion in Q1.

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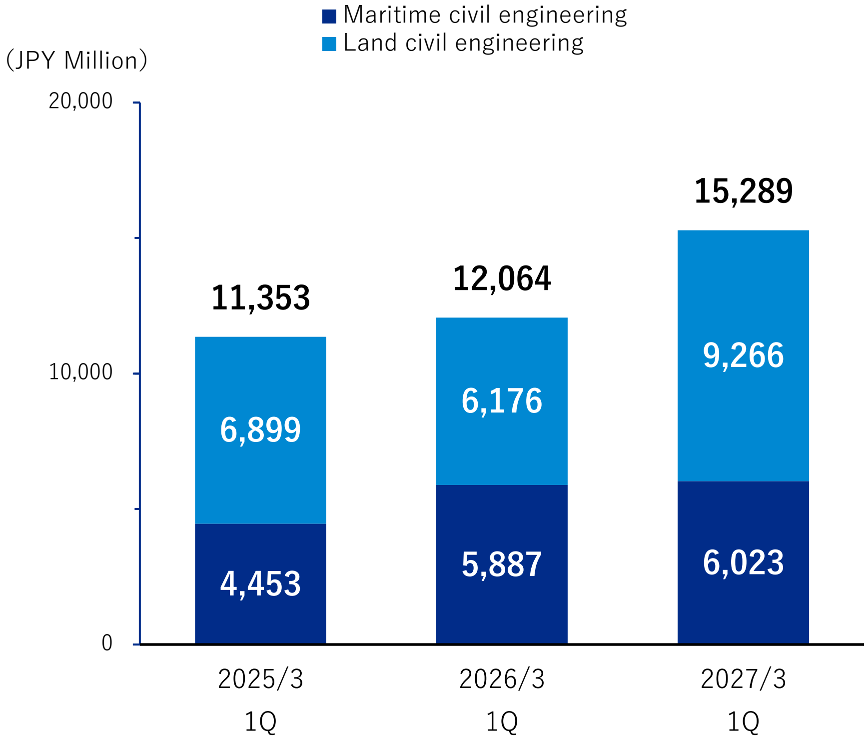
Highlights by Business Segment ①Civil Engineering

Non-Consolidated

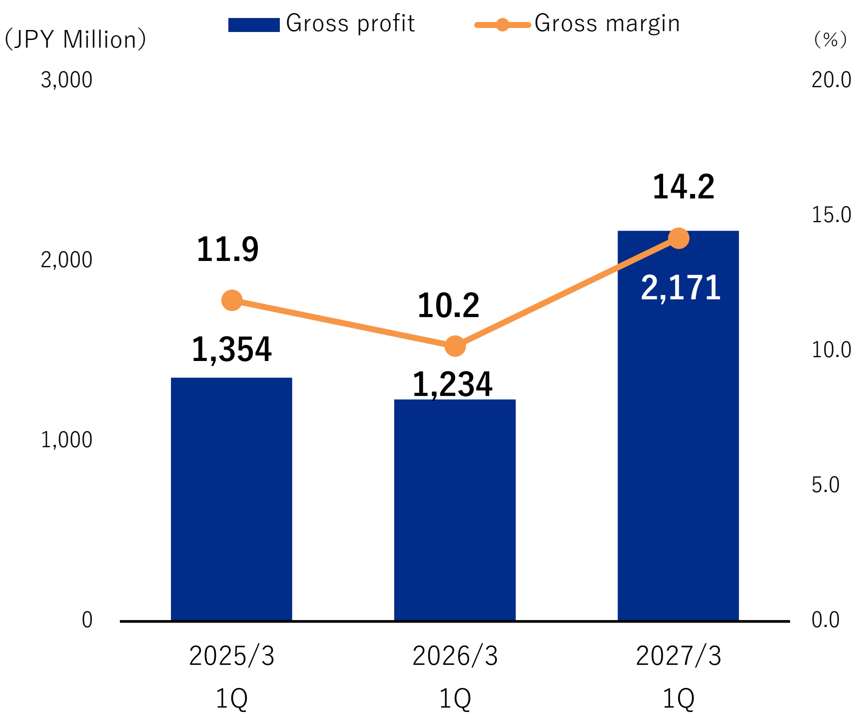
Net Sales

- Land civil engineering works progressed steadily, reaching ¥15.2 billion, up 26.7% YoY.



Gross Profit

- Improved productivity in land civil engineering works drove the profit margin up to 14.2%.
- Driven by higher net sales and improved productivity, the figure reached ¥2.1 billion, up 75.9% YoY.



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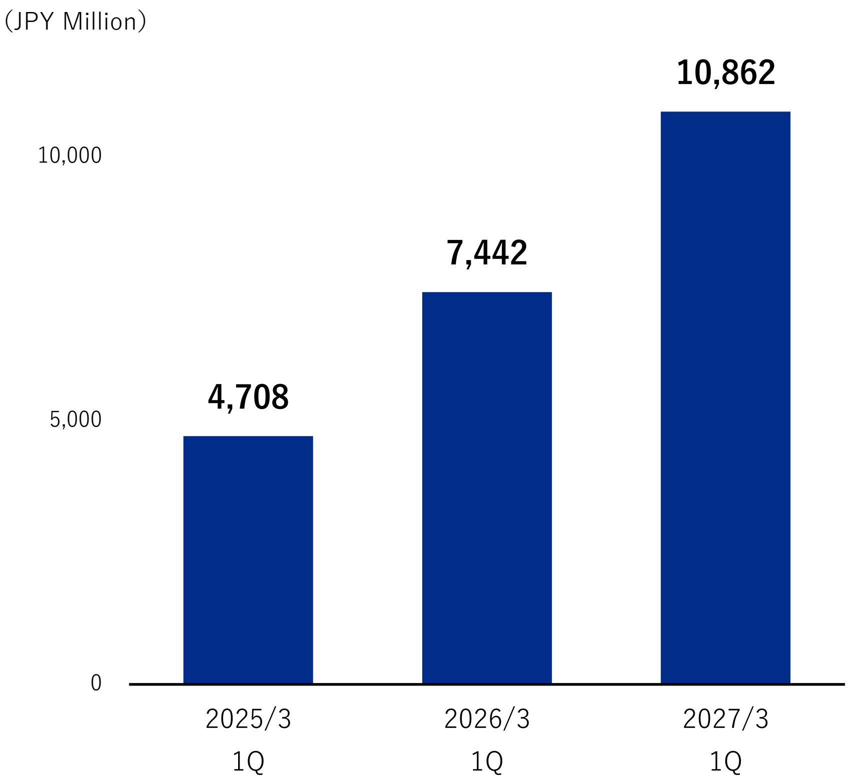
Highlights by Business Segment ②Building Construction

Non-Consolidated

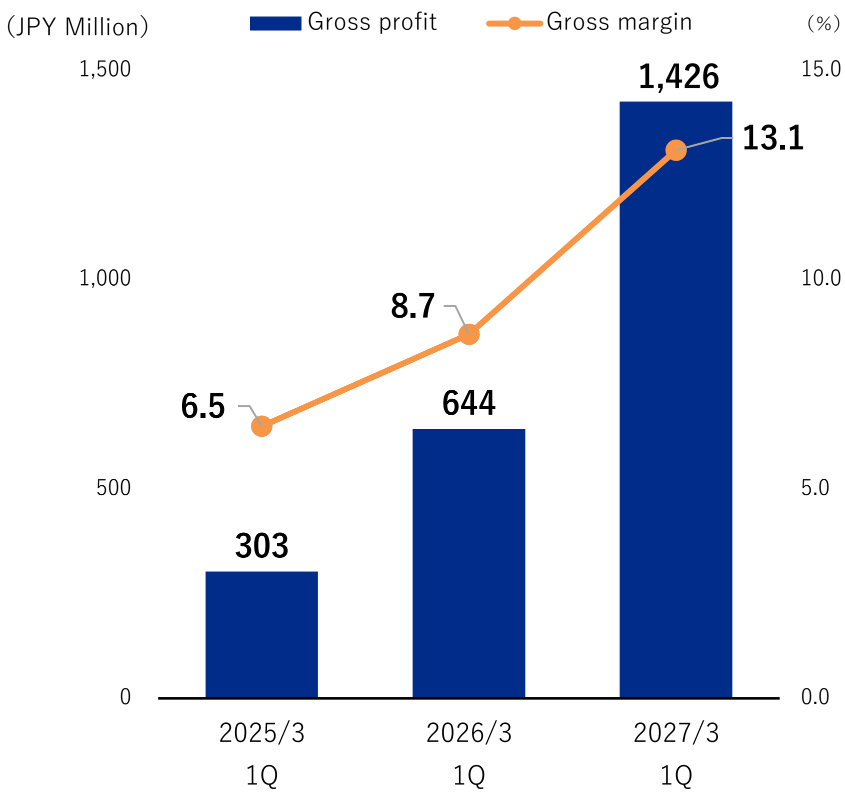
Net Sales

- Large-scale projects progressed steadily, reaching ¥10.8 billion, up 45.9% YoY.



Gross Profit

- Progress advanced on large-scale projects secured with a focus on profitability and productivity, driving the profit margin up to 13.1%.
- Gross profit reached ¥1.4 billion, up 121.4% YoY.



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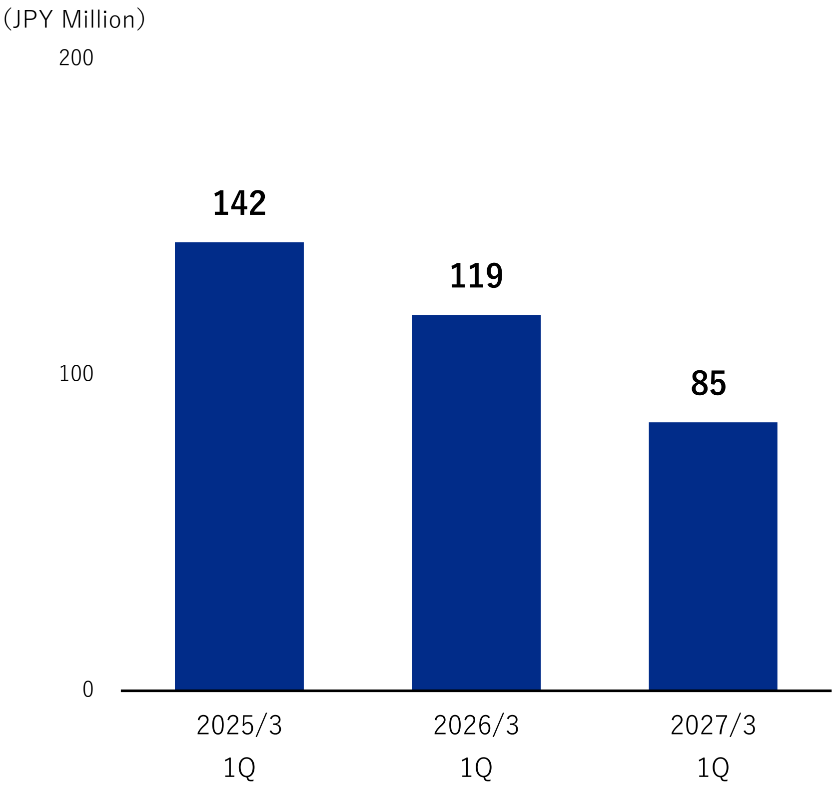
Highlights by Business Segment ③Real Estate Business and other

Non-Consolidated

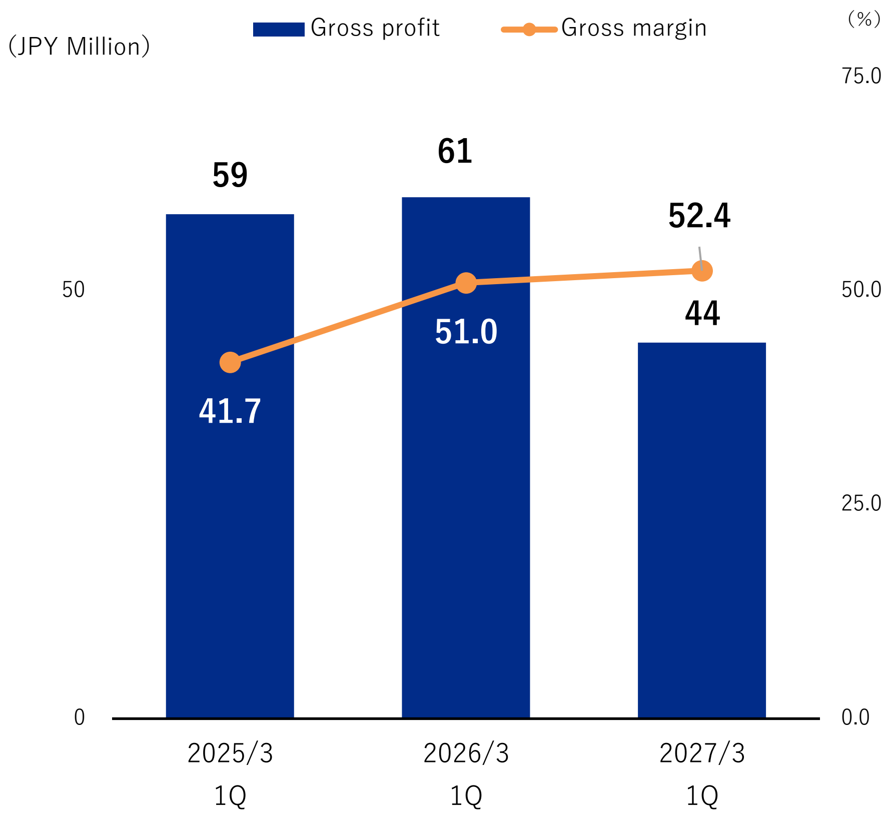
Net Sales

- Primarily driven by real estate rental income, net sales reached ¥85 million, down 28.5% YoY.



Gross Profit

- In line with the decline in net sales, gross profit came in at ¥44 million, down 26.5% YoY.
- The profit margin stood at 52.4%, primarily attributable to real estate rental operations.



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Changes in Orders Received

Non-Consolidated

Point 1 Domestic building construction performed strongly in both public and private sectors, reaching ¥11.3 billion, up 99.8% YoY.

Point 2 Domestic Public/Private Ratio = 53:47

Orders Received

(JPY Million)

		2025/3 1Q	2026/3 1Q	2027/3 1Q	Change YOY
Domestic Total	Public	13,081	10,570	**14,154**	33.9
	Private	12,933	14,141	**12,807**	△ 9.4 (Point 2)
	Total	26,015	24,712	**26,961**	9.1
Domestic Civil Engineering	Public	10,246	10,167	**10,449**	2.8
	Private	5,815	8,880	**5,194**	△ 41.5
	Total	16,062	19,048	**15,643**	△ 17.9
Domestic Building Engineering	Public	2,834	403	**3,704**	819.1
	Private	7,118	5,260	**7,612**	44.7
	Total	9,952	5,663	**11,317**	99.8 (Point 1)
Overseas		855	5,655	**0**	—
Real Estate Business and other		60	1	**20**	1,413.5
Total		26,931	30,369	**26,981**	△ 11.2
Progress rate		25.9	23.7	**23.5**	—
Full-year forecast (actual)		104,009	127,986	**115,000**	—

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Trend in Construction Backlog

Non-Consolidated

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Point 1 **While construction projects progressed steadily, strong order intake drove the backlog to ¥150.0 billion.**

(JPY Million)

		2025/3 1Q	2026/3 1Q	2027/3 1Q	Change YOY
Orders Received	Marine Civil Engineering	11,375	15,026	**12,689**	△ 15.6
	Land Civil Engineering	5,542	7,279	**2,954**	△ 59.4
	Building Construction	9,952	8,061	**11,317**	40.4
	Total	26,870	30,367	**26,961**	△ 11.2
Completed Construction Sales	Marine Civil Engineering	4,453	5,887	**6,023**	2.3
	Land Civil Engineering	6,899	6,176	**9,266**	50.0
	Building Construction	4,708	7,442	**10,862**	46.0
	Total	16,061	19,506	**26,151**	34.1
Construction Backlog	Marine Civil Engineering	21,731	25,034	**34,769**	38.9
	Land Civil Engineering	39,594	52,757	**39,839**	△ 24.5
	Building Construction	50,823	54,667	**75,489**	38.1
	Total	112,150	132,459	**150,098**	13.3

Point 1

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Financial Results

Consolidated

Condensed Consolidated Balance Sheet

- Equity ratio stood at 46.8%.
- Total liabilities decreased by ¥8.0 billion to ¥59.6 billion, due to a reduction in borrowings.

(JPY Million)

		2026/3	2026/6
Assets	Current Assets	98,185	**89,703**
	Non-current Assets	24,238	**23,778**
	Total Assets	122,423	**113,482**
Liabilities	Current Liabilities	58,719	**50,559**
	Non-current Liabilities	8,944	**9,045**
	Total Liabilities	67,664	**59,604**
Nets Assets	Shareholder’s Equity	47,632	**47,143**
	Accumulated Other Comprehensive Income	6,363	**5,947**
	Non-Controlling Interests	763	**786**
	Total Net Assets	54,759	**53,877**
Total Liabilities and Net Assets		122,423	**113,482**

Condensed Consolidated Statements of Income

- Operating profit reached ¥1.7 billion, up 917% YoY.
- Wakachiku Construction's consolidated-to-non-consolidated net sales ratio stood at 1.03x.

(JPY Million)

	2025/6	2026/6
Net Sales	20,239	**27,170**
Gross Profit	2,114	**3,924**
Selling, General and Administrative Expenses	1,940	**2,157**
Operating Profit	173	**1,767**
Non-operating Income and Expenses	33	**50**
Ordinary Profit	205	**1,817**
Extraordinary Income and Expenses	0	**△1**
Profit before Income Taxes	206	**1,816**
Income Taxes	96	**594**
Profit Attributable to Owners of Parent	104	**1,196**

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2. FY 2026 Full Year Outlook

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FY2026 Full Year Forecast

Consolidated

	2026/3 Results		2027/3 Forecast		Change YOY
	¥ Million	Sales ratio	¥ Million	Sales ratio	
Net Sales	104,748	―	**116,000**	―	10.7
Operating Profit	6,649	6.3	**7,100**	**6.1**	6.8
Ordinary Profit	6,426	6.1	**6,500**	**5.6**	1.1
Profit Attributable to owners of Parent	4,367	4.2	**4,400**	**3.8**	0.7

Non-Consolidated

	2026/3 Results ¥ Million	2026/3 Results Sales ratio	2027/3 Forecast ¥ Million	2027/3 Forecast Sales ratio	Change YOY
Orders Received	127,986	―	**115,000**	―	△10.1
Net Sales	101,776	―	**113,000**	―	11.0
Operating Profit	6,244	6.1	**6,700**	**5.9**	7.3
Ordinary Profit	6,104	6.0	**6,200**	**5.5**	1.6
Profit	4,253	4.2	**4,300**	**3.8**	1.1

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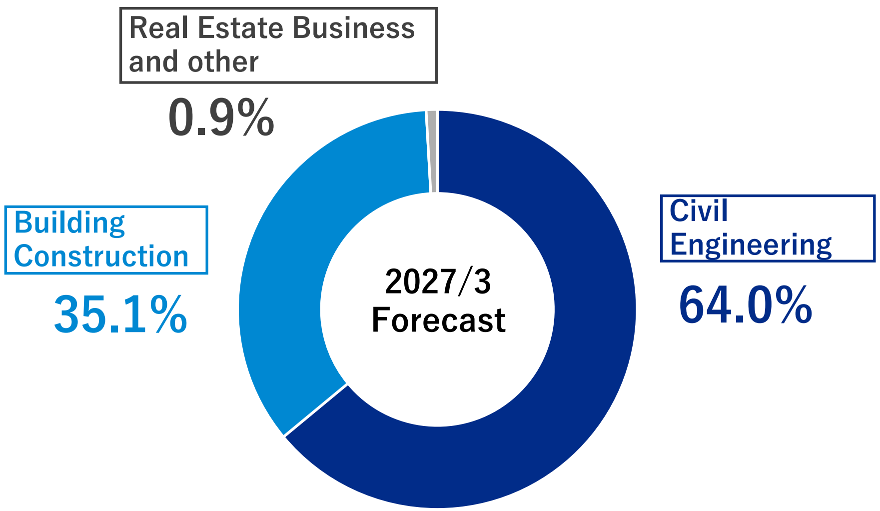
FY2025 Full Year Forecast by Segment Non-Consolidated

Sales

(¥ Million)

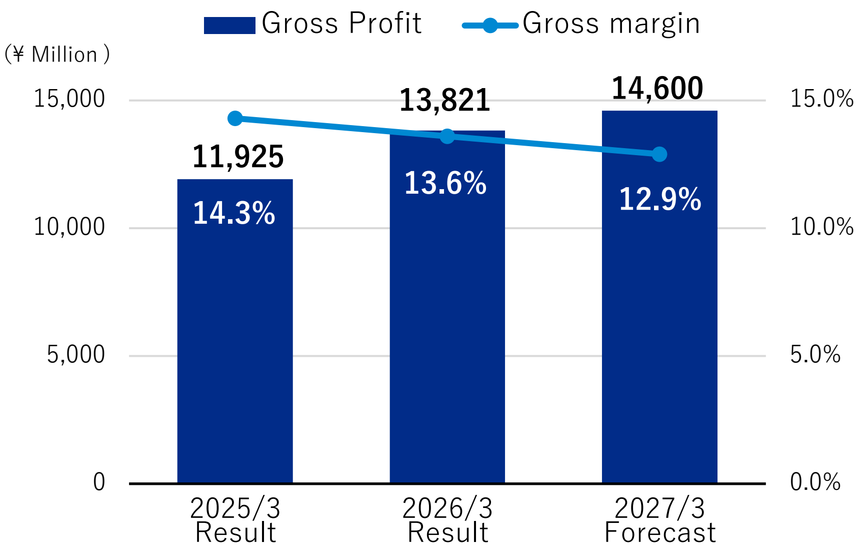
	2026/3 Results	2027/3 Forecast	Change YoY
Completed Construction Contracts	100,120	**112,000**	11.9
Civil Engineering	64,143	**72,300**	12.7
Building Construction	35,976	**39,700**	10.3
Real Estate Business and other	1,656	**1,000**	△39.6
Total	101,776	**113,000**	11.0



Gross Profit

(¥ Million)

2026/3 Results	Sales ratio	2027/3 Forecast	Sales ratio	Change YoY
13,541	13.5	**14,400**	**12.9**	6.3
9,122	14.2	**10,320**	**14.3**	13.1
4,419	12.3	**4,080**	**10.3**	△7.7
279	16.9	**200**	**20.0**	△28.4
13,821	13.6	**14,600**	**12.9**	5.6



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Capital Efficiency and Shareholder Returns

Capital Efficiency

The Company aims to maintain ROE at 9.0% as of March 2027 through "stable and proactive shareholder returns" and "strategic capital investments"

Shareholder Return Policy

Dividend payout ratio to 40% or more with a minimum DOE ratio of 3.6%

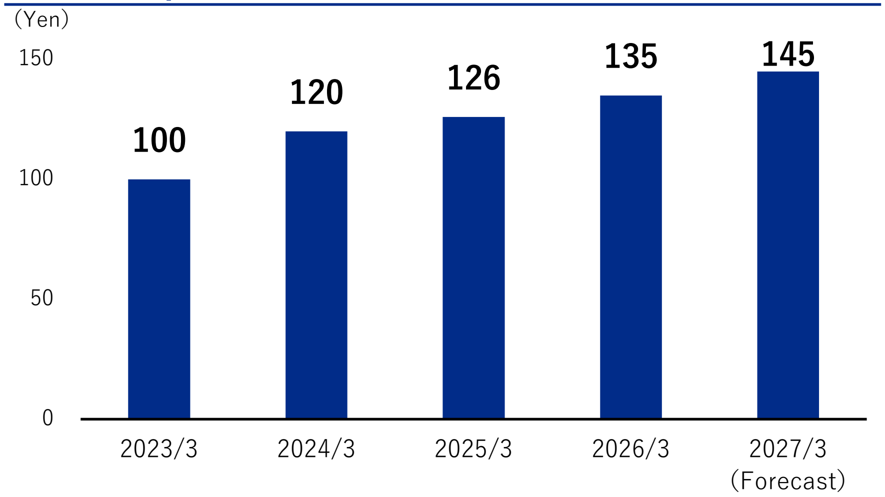
Share Holders Returns

2027/3 forecast

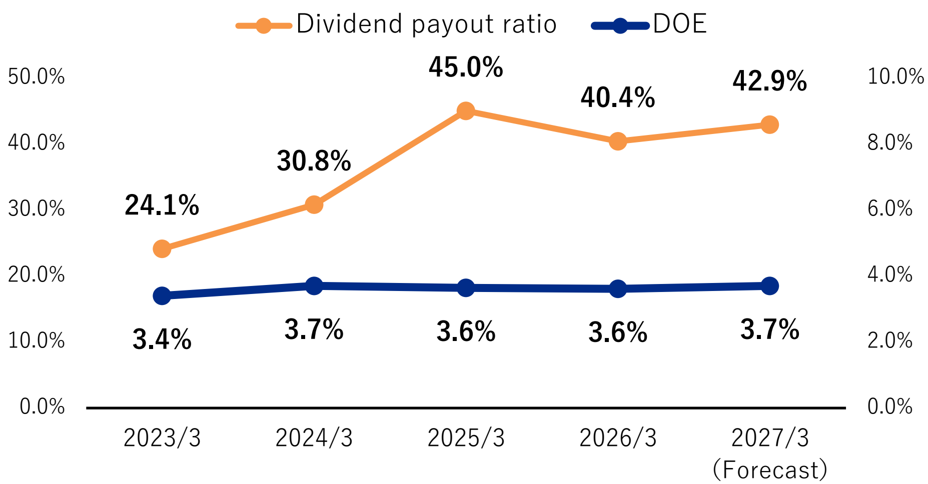
145Yen (per share)

Dividend payout ratio 42.9%
DOE 3.7%
(non-consolidated)

Dividend per share



Dividend Payout Ratio／DOE (non-consolidated)



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