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Consolidated Financial Results for the Year Ended February 28, 2025 [Japanese GAAP]

April 8, 2025

Company name: Daiseki Eco. Solution Co., Ltd.
Listing: Tokyo Stock Exchange, Nagoya Stock Exchange
Securities code: 1712
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Scheduled date of annual general meeting of shareholders: May 21, 2025
Scheduled date to commence dividend payments: May 22, 2025
Scheduled date to file annual securities report: May 20, 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 February 28, 2025 (March 1, 2024 to February 28, 2025)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended February 28, 2025	19,944	(17.4)	2,253	(19.3)	2,256	(19.9)	1,234	(30.7)
February 29, 2024	24,150	47.1	2,792	103.2	2,818	99.4	1,781	145.8

(Note) Comprehensive income: Fiscal year ended February 28, 2025: ¥ 1,554 million [(20.2)%]
Fiscal year ended February 29, 2024: ¥ 1,949 million [121.4%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended February 28, 2025	73.51	-	7.2	8.0	11.2
February 29, 2024	106.05	-	11.3	11.4	11.5

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended February 28, 2025: ¥ million
Fiscal year ended February 29, 2024: ¥ million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of February 28, 2025	29,031	18,966	60.2	1,042.65
February 29, 2024	27,351	17,674	59.9	976.85

(Reference) Equity: As of February 28, 2025: ¥ 17,502 million
As of February 29, 2024: ¥ 16,402 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended February 28, 2025	1,851	(3,393)	504	1,410
February 29, 2024	3,225	(3,184)	1,521	2,448

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
February 29, 2024	-	5.00	-	7.00	12.00	201	11.3	1.2
February 28, 2025	-	7.00	-	7.00	14.00	235	19.0	1.3
Fiscal year ending February 28, 2026 (Forecast)	-	8.00	-	8.00	16.00		19.8	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 28, 2026 (March 1, 2025 to February 28, 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	%	
Six months ending August 31, 2025	10,700	20.1	1,180	10.5	1,190	10.6	660	10.6	Yen 39.31
Full year	21,000	5.2	2,380	5.6	2,400	6.3	1,350	9.3	80.42

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name:)

Excluded: - (Company name:)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

February 28, 2025: 16,827,120 shares

February 29, 2024: 16,827,120 shares

2) Number of treasury shares at the end of the period:

February 28, 2025: 40,561 shares

February 29, 2024: 35,781 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended February 28, 2025: 16,786,564 shares

Fiscal Year ended February 29, 2024: 16,799,406 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended February 28, 2025 (March 1, 2024 to February 28, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended February 28, 2025	15,385	(23.9)	1,329	(33.5)	1,806	(12.2)	1,328	(16.1)
February 29, 2024	20,243	43.3	2,001	194.4	2,058	176.2	1,583	219.3

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended February 28, 2025	79.14	-
February 29, 2024	94.27	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of February 28, 2025	25,739	16,171	62.8	963.34
February 29, 2024	24,891	14,994	60.2	892.98

(Reference) Equity: As of February 28, 2025: ¥ 16,171 million
As of February 29, 2024: ¥ 14,994 million

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

* Proper use of earnings forecasts, and other special matters

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable. These statements are not guarantees of future performance. In addition, actual results, etc. may differ materially from these forecasts due to a variety of reasons. For assumptions underlying the forecasts and cautionary notes for using the forecasts, please see “1. Overview of operating results, etc. (4) Future outlook” on page 4 of the Attached Material.

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1. Overview of operating results, etc.

(1) Overview of operating results for the fiscal year under review

During the fiscal year ended February 28, 2025, the Japanese economy continued to recover at a moderate pace due to improvements in corporate performance and the employment and income situation in Japan, despite the continued chaotic state of the world, including policy changes in the United States caused by the change in administration and conflicts around the world. Domestic real estate transactions, which significantly affect the business performance of the Company group (the “Group”), were robust even after the Bank of Japan raised interest rates, as evidenced by facts such as a 3% year-on-year increase in the number of land transactions in 2024 and an upward trend in official land prices in early 2025. On the other hand, in the domestic construction market, there are concerns about the worsening labor shortages and the soaring cost of construction materials, although public investment and private capital investment are on the road to recovery.

Under these conditions, the Group has been actively expanding into the fields of recycling and the environment, with the Soil Investigation and Measures Business at the core of the initiatives. As a result, net sales for the fiscal year ended February 28, 2025 totaled ¥19,944 million (down 17.4% year on year), operating profit amounted to ¥2,253 million (down 19.3% year on year), and ordinary profit amounted to ¥2,256 million (down 19.9% year on year). Profit attributable to owners of parent was ¥1,234 million (down 30.7% year on year).

Operating results by segment are as follows.

Soil Investigation and Measures Business

Sales and profits decreased for the fiscal year under review due to the completion of the large-scale factory underground waste and contaminated soil removal projects, which drove the performance in the previous fiscal year. However, the Group has received orders for high value-added projects that are expected to continue into the next fiscal year, such as large-scale contaminated soil disposal and construction projects in the Kanto area, which contributed to our performance in the fiscal year under review. Thanks to the above, both net sales and operating profit have consistently exceeded our forecasts. As a result, net sales decreased 26.1% year on year to ¥14,348 million, and operating profit decreased 27.1% to ¥1,990 million.

Resource Recycling Business

Sales and profits of the PCB Consulting Business were favorable as there was a rush of demand for disposal by the end of March 2027. Sales and profits of Green Arrows Central Co., Ltd. and Green Arrows Kyushu Co., Ltd., which are consolidated subsidiaries, were stable, due to the solid shipping volume of waste gypsum board received. Sugimoto Trading Company Co., Ltd., which became a consolidated subsidiary in the six months ended August 31, 2023, contributed to the consolidated business results due in part to an increase in the volume of waste plastic bottles processed in summer. As a result, net sales increased 17.9% year on year to ¥5,851 million, and operating profit increased 7.4% year on year to ¥1,081 million. The Bio Diesel Fuel (BDF) Business recorded impairment losses of ¥83 million in the fiscal year under review, based on the recoverability of future cash flows.

(2) Overview of financial position for the fiscal year under reviewAssets

The balance of current assets at the end of the fiscal year under review was ¥7,476 million (¥7,930 million at the end of the previous fiscal year), a decrease of ¥453 million. This was primarily due to a decrease in cash and deposits, despite an increase in notes and accounts receivable - trade, and contract assets.

The balance of non-current assets was ¥21,554 million (¥19,421 million at the end of the previous fiscal year), an increase of ¥2,133 million. This was primarily due to an increase in land.

As a result, total assets were ¥29,031 million, an increase of ¥1,679 million compared with the end of the previous fiscal year.

Liabilities

The balance of current liabilities at the end of the fiscal year under review was ¥5,318 million (¥5,737 million at the end of the previous fiscal year), a decrease of ¥419 million. This was primarily due to a decrease in income taxes payable.

The balance of non-current liabilities at the end of the fiscal year under review was ¥4,746 million (¥3,939 million at the end of the previous fiscal year), an increase of ¥806 million. This was primarily due to an increase in long-term borrowings.

As a result, total liabilities were ¥10,064 million, an increase of ¥387 million compared with the end of the previous fiscal year.

Net assets

Net assets at the end of the fiscal year under review were ¥18,966 million, an increase of ¥1,292 million compared with the end of the previous fiscal year. This was primarily due to an increase in retained earnings on account of recording of profit attributable to owners of parent.

(3) Overview of cash flows for the fiscal year under review

Regarding cash flows, cash and cash equivalents at the end of the fiscal year under review amounted to ¥1,410 million (a decrease of ¥1,038 million compared with the end of the previous fiscal year).

Respective cash flow status at the end of the fiscal year review and the factors are as follows.

Cash flows from operating activities

Net cash provided by operating activities amounted to ¥1,851 million (an inflow of ¥3,225 million in the previous fiscal year) primarily due to profit before income taxes, depreciation, an increase in trade receivables, and income taxes paid.

Cash flows from investing activities

Net cash used in investing activities amounted to ¥3,393 million (an outflow of ¥3,184 million in the previous fiscal year) primarily due to acquisition of land in Shizuoka and renewal of machinery and equipment.

Cash flows from financing activities

Net cash provided by financing activities amounted to ¥504 million (an inflow of ¥1,521 million in the previous fiscal year) primarily due to proceeds from long-term borrowings and repayments of long-term borrowings.

(4) Future outlook

We believe that the domestic economy will continue to be strong due in part to government measures and an increase in personal consumption supported by rising wages, etc., despite the unclear future outlook, including but not limited to uncertainty about overseas economies and situations, rising domestic commodity prices, and the worsening labor shortage.

In the real estate business environment, although interest rates are on the rise, we expect demand for real estate to remain steady, especially in major urban areas where large office buildings and new hotels are expected to be developed.

In this situation, the Company, as one of the few companies listed on the Tokyo Stock Exchange that is primarily engaged in the business of soil investigation and measures, conducts consultation, investigation, analysis, construction, and treatment in-house, thereby continuing to provide solutions that satisfy all stakeholders in soil investigation and measures.

Going forward, we will strive to increase orders for high value-added, large-scale projects. Based on the foregoing, projections for business results for the next fiscal year are as follows: net sales of ¥21,000 million (up 5.2% year on year), ordinary profit of ¥2,400 million (up 6.3% year on year), and profit attributable to owners of parent of ¥1,350 million (up 9.3% year on year).

The earnings forecasts are based on information currently available to the Company, and certain assumptions deemed reasonable. These statements are not guarantees of future performance. In addition, actual results, etc., may differ from these forecasts due to a variety of reasons.

2. Basic policy regarding selection of accounting standards

The Group business activity is conducted mainly in Japan, and the Company adopts the Japanese Generally Accepted Accounting Principles (GAAP).

The Company plans to examine the adoption of International Financial Reporting Standards (IFRS) based on operation trends in Japan and other factors.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of February 29, 2024	As of February 28, 2025
Assets		
Current assets		
Cash and deposits	2,448	1,413
Notes and accounts receivable - trade, and contract assets	4,509	5,394
Inventories	488	480
Other	490	195
Allowance for doubtful accounts	(6)	(7)
Total current assets	7,930	7,476
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,653	10,767
Accumulated depreciation	(4,489)	(4,990)
Buildings and structures, net	6,164	5,776
Machinery, equipment and vehicles	5,957	6,104
Accumulated depreciation	(4,520)	(4,853)
Machinery, equipment and vehicles, net	1,436	1,250
Land	8,175	10,681
Leased assets	442	460
Accumulated depreciation	(127)	(145)
Leased assets, net	314	315
Construction in progress	227	509
Other	414	422
Accumulated depreciation	(353)	(366)
Other, net	61	55
Total property, plant and equipment	16,380	18,588
Intangible assets		
Goodwill	795	735
Customer-related intangible assets	886	819
Other	121	94
Total intangible assets	1,803	1,648
Investments and other assets		
Investment securities	611	728
Deferred tax assets	506	414
Other	120	174
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	1,237	1,317
Total non-current assets	19,421	21,554
Total assets	27,351	29,031

(Millions of yen)

	As of February 29, 2024	As of February 28, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,507	1,791
Short-term borrowings	1,500	1,330
Current portion of long-term borrowings	832	1,043
Current portion of bonds payable	8	8
Lease liabilities	93	92
Accounts payable - other	367	291
Income taxes payable	900	208
Provision for bonuses	160	167
Other	367	386
Total current liabilities	5,737	5,318
Non-current liabilities		
Bonds payable	12	4
Long-term borrowings	3,143	4,002
Lease liabilities	255	257
Retirement benefit liability	190	169
Provision for retirement benefits for directors (and other officers)	15	15
Deferred tax liabilities	294	268
Other	28	28
Total non-current liabilities	3,939	4,746
Total liabilities	9,677	10,064
Net assets		
Shareholders' equity		
Share capital	2,287	2,287
Capital surplus	2,088	2,089
Retained earnings	11,873	12,872
Treasury shares	(35)	(40)
Total shareholders' equity	16,215	17,209
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	192	281
Remeasurements of defined benefit plans	(4)	11
Total accumulated other comprehensive income	187	293
Non-controlling interests	1,271	1,464
Total net assets	17,674	18,966
Total liabilities and net assets	27,351	29,031

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended February 29, 2024	For the fiscal year ended February 28, 2025
Net sales	24,150	19,944
Cost of sales	18,961	15,447
Gross profit	5,188	4,496
Selling, general and administrative expenses		
Sales commission	276	143
Commission expenses	309	168
Provision of allowance for doubtful accounts	1	1
Remuneration for directors (and other officers)	132	134
Salaries, allowances and bonuses	748	752
Provision for bonuses	78	95
Retirement benefit expenses	42	53
Other	805	893
Total selling, general and administrative expenses	2,395	2,243
Operating profit	2,792	2,253
Non-operating income		
Interest income	0	6
Dividend income	17	16
Rental income from real estate	16	22
Insurance claim income	12	0
Other	15	11
Total non-operating income	61	55
Non-operating expenses		
Interest expenses	20	33
Loss on investments in silent partnerships	6	1
Loss on investments in investment partnerships	4	10
Compensation for damage	-	5
Commission expenses	4	-
Other	0	0
Total non-operating expenses	36	52
Ordinary profit	2,818	2,256
Extraordinary income		
Gain on sale of non-current assets	18	13
Subsidy income	-	19
Compensation income for damage	67	-
Compensation income	373	-
Other	1	-
Total extraordinary income	460	32

(Millions of yen)

	For the fiscal year ended February 29, 2024	For the fiscal year ended February 28, 2025
Extraordinary losses		
Loss on sale of non-current assets	-	1
Loss on retirement of non-current assets	253	12
Loss on tax purpose reduction entry of non-current assets	-	19
Impairment losses	4	83
Other	-	1
Total extraordinary losses	257	118
Profit before income taxes	3,021	2,171
Income taxes - current	1,137	703
Income taxes - deferred	(129)	19
Total income taxes	1,007	722
Profit	2,013	1,448
Profit attributable to non-controlling interests	231	214
Profit attributable to owners of parent	1,781	1,234

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended February 29, 2024	For the fiscal year ended February 28, 2025
Profit	2,013	1,448
Other comprehensive income		
Valuation difference on available-for-sale securities	(59)	89
Remeasurements of defined benefit plans, net of tax	(4)	16
Total other comprehensive income	(64)	106
Comprehensive income	1,949	1,554
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,717	1,340
Comprehensive income attributable to non-controlling interests	231	214

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended February 29, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,287	2,089	10,260	(2)	14,634
Changes during period					
Dividends of surplus			(168)		(168)
Profit attributable to owners of parent			1,781		1,781
Purchase of treasury shares				(49)	(49)
Disposal of treasury shares		(0)		17	16
Net changes in items other than shareholders' equity					
Total changes during period	-	(0)	1,613	(32)	1,580
Balance at end of period	2,287	2,088	11,873	(35)	16,215

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	252	(0)	251	1,059	15,945
Changes during period					
Dividends of surplus					(168)
Profit attributable to owners of parent					1,781
Purchase of treasury shares					(49)
Disposal of treasury shares					16
Net changes in items other than shareholders' equity	(59)	(4)	(64)	212	148
Total changes during period	(59)	(4)	(64)	212	1,728
Balance at end of period	192	(4)	187	1,271	17,674

For the fiscal year ended February 28, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,287	2,088	11,873	(35)	16,215
Changes during period					
Dividends of surplus			(235)		(235)
Profit attributable to owners of parent			1,234		1,234
Purchase of treasury shares				(39)	(39)
Disposal of treasury shares		0		34	34
Net changes in items other than shareholders' equity					
Total changes during period	-	0	998	(5)	993
Balance at end of period	2,287	2,089	12,872	(40)	17,209

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	192	(4)	187	1,271	17,674
Changes during period					
Dividends of surplus					(235)
Profit attributable to owners of parent					1,234
Purchase of treasury shares					(39)
Disposal of treasury shares					34
Net changes in items other than shareholders' equity	89	16	106	192	298
Total changes during period	89	16	106	192	1,292
Balance at end of period	281	11	293	1,464	18,966

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended February 29, 2024	For the fiscal year ended February 28, 2025
Cash flows from operating activities		
Profit before income taxes	3,021	2,171
Depreciation	1,085	1,141
Amortization of goodwill	45	60
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in provision for bonuses	(0)	6
Increase (decrease) in retirement benefit liability	13	3
Increase (decrease) in provision for director retirement reserve	(15)	-
Interest and dividend income	(17)	(22)
Interest expenses	20	33
Loss on tax purpose reduction entry of non-current assets	-	19
Loss (gain) on sale of non-current assets	(18)	(11)
Impairment losses	4	83
Loss on retirement of non-current assets	253	12
Subsidy income	-	(19)
CompensationForDamageIncomeOpeCF	(67)	-
Decrease (increase) in trade receivables	(638)	(885)
Decrease (increase) in inventories	(162)	7
Increase (decrease) in trade payables	59	283
Other, net	16	384
Subtotal	3,599	3,267
Interest and dividends received	17	16
Interest paid	(22)	(35)
Income taxes paid	(436)	(1,428)
Income taxes refund	-	31
CompensationForDamageReceivedOpeCF	67	-
Net cash provided by (used in) operating activities	3,225	1,851
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	132	-
Purchase of property, plant and equipment	(1,008)	(3,390)
Purchase of intangible assets	(108)	(1)
Proceeds from sale of property, plant and equipment	26	21
Purchase of investment securities	(25)	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,201)	-
Subsidies received	-	19
Other, net	0	(42)
Net cash provided by (used in) investing activities	(3,184)	(3,393)

(Millions of yen)

	For the fiscal year ended February 29, 2024	For the fiscal year ended February 28, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	300	(170)
Proceeds from long-term borrowings	2,900	2,100
Repayments of long-term borrowings	(1,334)	(1,029)
Purchase of treasury shares	(49)	(39)
Dividends paid	(168)	(234)
Dividends paid to non-controlling interests	(19)	(22)
Other, net	(107)	(99)
Net cash provided by (used in) financing activities	1,521	504
Net increase (decrease) in cash and cash equivalents	1,562	(1,038)
Cash and cash equivalents at beginning of period	886	2,448
Cash and cash equivalents at end of period	2,448	1,410

(5) Notes on the consolidated financial statements

Notes on premise of going concern

Not applicable.

Segment information, etc.Segment information

1. Overview of reportable segments

The reportable segments are constituent units of the Group for which separate financial information is available, and the Board of Directors periodically examines the segments to decide the allocation of management resources and evaluate business performance.

The Group designates Soil Investigation and Measures Business and Resource Recycling Business as two reportable segments.

In the Soil Investigation and Measures Business, the Company provides a comprehensive solution covering everything from investigation of soil contamination to purification treatment and carries out its business activities including sales activities in a united way. In the Resource Recycling Business, the Company engages in the recycling business of waste gypsum boards, the BDF business, the PCB business, and the wastepaper and general waste processing business, among others.

2. Methods for calculating net sales, profit or loss, assets, liabilities, and other items for each reportable segment

The accounting methods applied to the business segments reported are in accordance with the accounting policies used in preparation of consolidated financial statements.

Profits of reportable segments are based on operating profit.

Intersegment sales or transfers are based on prevailing market prices.

3. Information on the amounts of net sales, profit or loss, assets, liabilities, and other items for each reportable segment and revenue breakdown information

For the fiscal year ended February 29, 2024

(Millions of yen)

	Reportable segments			Adjustments (Note 1)	Amount in the consolidated financial statement (Note 2)
	Soil Investigation and Measures Business	Resource Recycling Business	Total		
Net sales					
Chukyo	8,831	2,373	11,204	—	11,204
Kanto	7,476	84	7,561	—	7,561
Kansai	3,105	1,510	4,616	—	4,616
Kyushu	—	768	768	—	768
Revenue from contracts with customers	19,413	4,736	24,150	—	24,150
Sales to external customers	19,413	4,736	24,150	—	24,150
Intersegment sales or transfers	4	224	229	(229)	—
Total	19,418	4,961	24,379	(229)	24,150
Segment profit	2,732	1,006	3,739	(946)	2,792
Segment assets	16,833	8,367	25,200	2,151	27,351
Other items					
Depreciation	807	248	1,056	28	1,085
Amortization of goodwill	—	45	45	—	45
Increase in property, plant and equipment and intangible assets	909	2,124	3,033	103	3,137

Notes: 1. The breakdown of adjustments is as follows.

- (1) The negative ¥946 million adjustment for segment profit consists of ¥44 million for elimination of intersegment transactions and negative ¥991 million for corporate expenses not allocated to any reportable segment. Corporate expenses mostly consist of general and administrative expenses not attributable to any reportable segment.
- (2) The ¥2,151 million adjustment for segment assets is corporate assets not allocated to any reportable segment and mostly consists of head office buildings, etc. not attributable to any reportable segment.
- (3) The ¥28 million adjustment for depreciation is depreciation related to corporate assets not allocated to any reportable segment.
- (4) The ¥103 million adjustment for the increase in property, plant and equipment and intangible assets is an increase in corporate assets not allocated to any reportable segment.

2. Segment profit is adjusted with operating profit in the consolidated financial statement.

For the fiscal year ended February 28, 2025

(Millions of yen)

	Reportable segments			Adjustments (Note 1)	Amount in the consolidated financial statement (Note 2)
	Soil Investigation and Measures Business	Resource Recycling Business	Total		
Net sales					
Chukyo	4,577	2,722	7,300	—	7,300
Kanto	6,195	2	6,198	—	6,198
Kansai	3,548	2,157	5,705	—	5,705
Kyushu	—	739	739	—	739
Revenue from contracts with customers	14,322	5,622	19,944	—	19,944
Sales to external customers	14,322	5,622	19,944	—	19,944
Intersegment sales or transfers	25	229	255	(255)	—
Total	14,348	5,851	20,199	(255)	19,944
Segment profit	1,990	1,081	3,072	(819)	2,253
Segment assets	16,865	10,058	26,923	2,108	29,031
Other items					
Depreciation	794	303	1,097	43	1,141
Amortization of goodwill	—	60	60	—	60
Increase in property, plant and equipment and intangible assets	307	3,123	3,431	11	3,443

Notes: 1. The breakdown of adjustments is as follows.

- (1) The negative ¥819 million adjustment for segment profit consists of ¥51 million for elimination of intersegment transactions and negative ¥870 million for corporate expenses not allocated to any reportable segment. Corporate expenses mostly consist of general and administrative expenses not attributable to any reportable segment.
- (2) The ¥2,108 million adjustment for segment assets is corporate assets not allocated to any reportable segment and mostly consists of head office buildings, etc. not attributable to any reportable segment.
- (3) The ¥43 million adjustment for depreciation is depreciation related to corporate assets not allocated to any reportable segment.
- (4) The ¥11 million adjustment for the increase in property, plant and equipment and intangible assets is an increase in corporate assets not allocated to any reportable segment.

2. Segment profit is adjusted with operating profit in the consolidated financial statement.

Per share information

	For the fiscal year ended February 29, 2024	For the fiscal year ended February 28, 2025
Net assets per share	976.85 yen	1,042.65 yen
Basic earnings per share	106.05 yen	73.51 yen

Notes: 1. Diluted earnings per share are not presented since there are no dilutive shares.

2. The basis of calculation of net assets per share is as follows.

(Millions of yen)

	As of February 29, 2024	As of February 28, 2025
Total net assets	17,674	18,966
Amount deducted from total net assets	1,271	1,464
(Of which, non-controlling interests)	(1,271)	(1,464)
Net assets pertaining to common shares at the fiscal year-end	16,402	17,502
Number of common shares at the fiscal year-end used for the calculation of net assets per share (shares)	16,791,339	16,786,559

3. The basis of calculation of basic earnings per share is as follows.

(Millions of yen)

	For the fiscal year ended February 29, 2024	For the fiscal year ended February 28, 2025
Profit attributable to owners of parent	1,781	1,234
Amount not attributable to common shareholders	-	-
Profit attributable to owners of parent for common shares	1,781	1,234
Average number of shares during the period (shares)	16,799,406	16,786,564

Significant subsequent events

Not applicable.