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August 6, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)



Company name: Takamatsu Construction Group Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 1762
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Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative) (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	%
Three months ended June 30, 2025	79,081	1.2	1,997	103.5	1,866	87.2	804	382.3
June 30, 2024	78,130	19.1	981	21.6	997	3.8	166	—

Note: Comprehensive income For the three months ended June 30, 2025: ¥369 million [(9.7%)]
For the three months ended June 30, 2024: ¥409 million [434.0%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	23.10	—
June 30, 2024	4.79	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	257,966	136,692	53.0
March 31, 2025	269,725	137,756	51.1

Reference: Equity As of June 30, 2025: ¥136,643 million
As of March 31, 2025: ¥137,705 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	41.00	—	41.00	82.00
Fiscal year ended March 31, 2026	—				
Fiscal year ended March 31, 2026 (Forecast)		45.00	—	45.00	90.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Orders received		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	%	Millions of yen	%	Yen
Full year	420,000	7.3	370,000	6.7	15,000	30.9	14,000	31.8	7,800	20.9	224.02

Note: Revisions to earnings forecasts most recently announced: None

*** Notes**

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

Newly included – companies (—)

Excluded – companies (—)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) 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

(4) Number of issued shares (common shares)

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

As of June 30, 2025	34,818,578 shares
As of March 31, 2025	34,818,578 shares

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

As of June 30, 2025	75 shares
As of March 31, 2025	36 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	34,818,516 shares
Three months ended June 30, 2024	34,818,542 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

(Note on forward-looking statements)

Forward-looking statements in this material are based on the information available to management at the time this report was prepared. Actual results may differ significantly from these statements for number of reasons.

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1. Analysis of Operating Results and Financial Position

(1) Overview of operating results

During the first quarter of the consolidated cumulative period, the Japanese economy continued to show signs of gradual recovery with improved employment and an increase in nominal wages, but the outlook remains uncertain due to the continued rise in prices and heightened downside risks to the economy from the U.S. trade policy and other factors.

The construction market has maintained a solid order environment overall. Public construction investment remains solid due to measures such as national resilience initiatives, while private construction investment shows steady corporate capital investment intentions. However, the business environment remains challenging in terms of profitability due to soaring raw material and equipment prices, as well as labor shortages.

In the detached housing market, while government support measures for home acquisition are continued and variable mortgage rates remain at low levels, we cannot be optimistic about the situation due to potential future interest rate increases, soaring housing prices caused by persistently high construction costs, and stagnant real wage growth.

During the first quarter of the consolidated cumulative period, orders received amounted to 113,963 million yen (up 35.4% to the same period of the previous year), and net sales were 79,081 million yen (up 1.2% to the same period of the previous year). Regarding profits, operating profit was 1,977 million yen (up 103.5% to the same period of the previous year), ordinary profit was 1,866 million yen (up 87.2% to the same period of the previous year) and profit attributable to owners of parent was 804 million yen (up 382.3% to the same period of the previous year).

Results by business segment are as follows.

Segment profit is adjusted with operating profit in the quarterly consolidated statement of income. Adjustments to segment profit include -1,458 million yen in general and administrative expenses that do not belong to any reportable segment and 21 million yen in other adjustments.

(Architecture)

Orders received amounted to 69,308 million yen (up 43.6% to the same period of the previous year), net sales of completed construction contracts amounted to 38,922 million yen (up 3.7% to the same period of the previous year), and segment profit was 1,822 million yen (up 6,222.2% to the same period of the previous year).

(Civil Engineering)

Orders received amounted to 23,301 million yen (up 35.0% to the same period of the previous year), net sales of completed construction contracts amounted to 22,037 million yen (down 8.0% to the same period of the previous year), and segment profit was 603 million yen (down 33.3% to the same period of the previous year).

(Real Estate)

Net sales from real estate sales and leasing amounted to 18,120 million yen (up 9.0% to the same period of the previous year), and segment profit was 1,009 million yen (down 22.8% to the same period of the previous year).

(2) Overview of financial position

(Assets)

Total assets decreased by 11,758 million yen compared to the end of the previous consolidated fiscal year, amounting to 257,966 million yen. This was mainly due to an increase of 5,828 million yen in real estate for sale and an increase of 3,272 million yen in costs on real estate business, while there was a decrease of 2,733 million yen in cash and deposits and a decrease of 17,509 million yen in notes receivable, accounts receivable from completed construction contracts and other.

(Liabilities)

Liabilities decreased by 10,694 million yen compared to the end of the previous consolidated fiscal year, amounting to 121,274 million yen. This was mainly due to an increase of 4,519 million yen in advances received on construction contracts in progress and an increase of 2,765 million yen in provision for bonuses, while there was a decrease of 3,903 million yen in accounts payable for construction contracts, a decrease of 11,220 million yen in short-term borrowings, and a decrease of 1,931 million yen in income taxes payable.

(Net Assets)

Net assets decreased by 1,063 million yen compared to the end of the previous consolidated fiscal year, amounting to 136,692 million yen. This was mainly due to a decrease of 623 million yen in retained earnings due to the recording of profit attributable to owners of parent of 804 million yen and the payment of dividends of 1,427 million yen.

As a result of the above, the amount of shareholders' equity, excluding non-controlling interests, amounted to 136,643 million yen, and the shareholders' equity ratio increased by 1.9 percentage points compared to the end of the previous consolidated fiscal year, reaching 53.0%.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

There are no changes to the consolidated forecast for the fiscal year ending March 2026, from those announced on May 14, 2025.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
ASSETS		
Current assets		
Cash and deposits	35,723	32,989
Notes receivable, accounts receivable from completed construction contracts and other	109,044	91,534
Real estate for sale	22,662	28,490
Costs on construction contracts in progress	1,475	1,588
Costs on real estate business	28,958	32,230
Accounts receivable - other	2,915	2,552
Other	2,662	2,563
Allowance for doubtful accounts	(115)	(87)
Total current assets	203,327	191,864
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,413	15,149
Machinery, vehicles, tools, furniture and fixtures, net	2,156	2,229
Vessels, net	1,181	1,152
Land	27,757	27,744
Leased assets, net	195	290
Construction in progress	113	4
Total property, plant and equipment	46,816	46,571
Intangible assets		
Goodwill	507	464
Other	927	951
Total intangible assets	1,434	1,416
Investments and other assets		
Investment securities	7,518	6,972
Deferred tax assets	8,061	8,492
Other	2,762	2,844
Allowance for doubtful accounts	(195)	(194)
Total investments and other assets	18,146	18,115
Total non-current assets	66,398	66,102
Total assets	269,725	257,966

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
LIABILITIES		
Current liabilities		
Accounts payable for construction contracts	34,801	30,897
Short-term borrowings	15,000	3,780
Current portion of bonds payable	10,000	10,000
Income taxes payable	3,635	1,703
Advances received on construction contracts in progress	33,297	37,816
Provision for warranties for completed construction	601	568
Provision for bonuses	4,706	7,471
Other	9,654	8,349
Total current liabilities	111,695	100,587
Non-current liabilities		
Bonds payable	5,000	5,000
Deferred tax liabilities	494	496
Deferred tax liabilities for land revaluation	238	238
Provision for special repairs of vessels	64	68
Retirement benefit liability	12,312	12,649
Other	2,163	2,235
Total non-current liabilities	20,273	20,687
Total liabilities	131,968	121,274
NET ASSETS		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	797	797
Retained earnings	130,932	130,309
Treasury shares	(0)	(0)
Total shareholders' equity	136,729	136,106
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	115	145
Revaluation reserve for land	(1,248)	(1,248)
Foreign currency translation adjustment	1,864	1,466
Remeasurements of defined benefit plans	244	175
Total accumulated other comprehensive income	975	537
Non-controlling interests	51	48
Total net assets	137,756	136,692
Total liabilities and net assets	269,725	257,966

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income
Quarterly consolidated statement of income
Three months ended June 30

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales		
Net sales of completed construction contracts	61,506	60,960
Sales in real estate business	16,624	18,120
Total net sales	78,130	79,081
Cost of sales		
Cost of sales of completed construction contracts	54,736	52,135
Cost of sales in real estate business	14,235	15,914
Total cost of sales	68,971	68,049
Gross profit		
Gross profit on completed construction contracts	6,769	8,825
Gross profit - real estate business	2,388	2,206
Total gross profit	9,158	11,032
Selling, general and administrative expenses	8,176	9,034
Operating profit	981	1,997
Non-operating income		
Interest income	0	2
Dividend income	46	150
Foreign exchange gains	136	—
Rental income	24	23
Other	26	21
Total non-operating income	234	197
Non-operating expenses		
Interest expenses	50	74
Share of loss of entities accounted for using equity method	147	148
Foreign exchange losses	—	64
Other	21	42
Total non-operating expenses	219	329
Ordinary profit	997	1,866
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	46	24
Total extraordinary income	46	25
Extraordinary losses		
Loss on retirement of non-current assets	26	7
Total extraordinary losses	26	7
Profit before income taxes	1,017	1,884
Income taxes - current	1,431	1,545
Income taxes - deferred	(580)	(468)
Total income taxes	850	1,077
Profit	166	807
Profit attributable to non-controlling interests	0	3
Profit attributable to owners of parent	166	804

Quarterly consolidated statement of comprehensive income
Three months ended June 30

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	166	807
Other comprehensive income		
Valuation difference on available-for-sale securities	(55)	29
Foreign currency translation adjustment	25	(211)
Remeasurements of defined benefit plans, net of tax	(5)	(69)
Share of other comprehensive income of entities accounted for using equity method	277	(186)
Total other comprehensive income	242	(438)
Comprehensive income	409	369
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	408	366
Comprehensive income attributable to non-controlling interests	0	3

(3) Notes on quarterly consolidated financial statements

(Notes on going concern assumption)

None

(Notes on segment information)

Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

1. Information of net sales, profit (loss) by reportable segment

(Millions of yen)

	Reportable segments				Adjustment (Note1)	Amount on statement of income (Note 2)
	Architecture	Civil engineering	Real estate	Total		
Net sales (of which to outside customers)	37,550	23,955	16,624	78,130	—	78,130
(of which inter- segment or transfers)	206	—	289	496	(496)	—
Total	37,756	23,955	16,914	78,626	(496)	78,130
Segment profit	28	904	1,308	2,241	(1,259)	981

Notes:

- Adjustments to segment profit include general and administrative expenses of -1,280 million yen that cannot be allocated to reportable segments and 20 million yen of other adjustments.
- Segment profit is adjusted to match with operating profit on the consolidated statement of income.

2. Information about impairment losses of non-current assets or goodwill, etc. by reportable segment

None

Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

1. Information of net sales, profit (loss) by reportable segment

(Millions of yen)

	Reportable segments				Adjustment (Note1)	Amount on statement of income (Note 2)
	Architecture	Civil engineering	Real estate	Total		
Net sales (of which to outside customers)	38,922	22,037	18,120	79,081	—	79,081
(of which inter- segment or transfers)	218	25	318	561	(561)	—
Total	39,141	22,063	18,439	79,643	(561)	79,081
Segment profit	1,822	603	1,009	3,434	(1,436)	1,997

Notes:

- Adjustments to segment profit include general and administrative expenses of -1,458 million yen that cannot be allocated to reportable segments and 21 million yen of other adjustments.
- Segment profit is adjusted to match with operating profit on the consolidated statement of income.

2. Information about impairment losses of non-current assets or goodwill, etc. by reportable segment

None

(Notes on significant change in shareholders' equity)

None

(Notes on going concern assumption)

None

(Notes on consolidated statement of cash flows)

The quarterly consolidated statement of cash flows for the three months ended June 30 has not been prepared. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the first quarter are as follows.

(Millions of yen)		
	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation	481	501
Amortization of goodwill	42	42

3. Consolidated Orders Received and Net Sales

(Millions of yen, %)

		For three months ended June 30, 2024 (April 1, 2024 – June 30, 2024)		For three months ended June 30, 2025 (April 1, 2025 – June 30, 2025)		Changes	
		Amount	Share	Amount	Share	Amount	%
Orders received	Architecture	48,255	57.4	69,308	60.8	21,052	43.6
	Civil engineering	17,255	20.5	23,301	20.5	6,046	35.0
	Total construction	65,510	77.9	92,610	81.3	27,099	41.4
	Real estate	18,628	22.1	21,353	18.7	2,725	14.6
	Total	84,139	100.0	113,963	100.0	29,824	35.4
Net sales	Architecture	37,550	48.1	38,922	49.2	1,372	3.7
	Civil engineering	23,955	30.6	22,037	27.9	(1,918)	(8.0)
	Total construction	61,506	78.7	60,960	77.1	(545)	(0.9)
	Real estate	16,624	21.3	18,120	22.9	1,496	9.0
	Total	78,130	100.0	79,081	100.0	951	1.2