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May 13, 2026

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



Company name: Takamatsu Construction Group Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 1762
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 Scheduled date of annual general meeting of shareholders: June 25, 2026
 Scheduled date to commence dividend payments: June 26, 2026
 Scheduled date to file annual securities report: June 18, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for analysts)

(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.)

	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								
March 31, 2026	357,675	3.2	17,897	56.2	17,512	64.9	11,426	77.1
March 31, 2025	346,685	10.9	11,460	(1.6)	10,619	(6.1)	6,452	(29.6)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥12,170 million [73.0%]
 For the fiscal year ended March 31, 2025: ¥7,033 million [(20.9)%]

	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
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	328.18	—	8.0	6.0	5.0
March 31, 2025	185.32	—	4.7	4.1	3.3

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2026: ¥(384) million
 For the fiscal year ended March 31, 2025: ¥(633) million

(2) 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	314,734	146,926	46.7	4,218.07
March 31, 2025	269,725	137,756	51.1	3,954.94

Reference: Equity As of March 31, 2026: ¥146,866 million
 As of March 31, 2025: ¥137,705 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 end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	(16,889)	(3,588)	18,761	33,920
March 31, 2025	5,132	(1,699)	5,458	35,723

2. Cash dividends

	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	%	%
Fiscal year ended March 31, 2025	—	41.00	—	41.00	82.00	2,855	44.2	2.1
Fiscal year ended March 31, 2026	—	45.00	—	85.00	130.00	4,526	39.6	3.2
Fiscal year ending March 31, 2027 (Forecast)	—	72.00	—	72.00	144.00		40.1	

3. Consolidated forecast for the fiscal year ending March 31, 2027 (April 1, 2026 – March 31, 2027)

(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	450,000	3.2	400,000	11.8	20,000	11.8	19,500	11.4	12,500	9.4	359.00

*** Notes**

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

Newly included – companies (—)

Excluded – companies (—)

(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	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 March 31, 2026	111 shares
As of March 31, 2025	36 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	34,818,480 shares
Fiscal year ended March 31, 2025	34,818,542 shares

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

* 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 consolidated fiscal year ended March 2026, the Japanese economy continued on a moderate recovery trend, supported by improvements in the employment and income environment as well as an increase in nominal wages.

On the other hand, the outlook remains uncertain due to persistent inflation, fluctuations in resource and energy prices amid heightened tensions in the Middle East, trends surrounding U.S. trade policy, and volatility in financial and capital markets.

In the construction market, public investment remained resilient owing to national resilience measures and other factors. Private-sector construction investment also stayed firm, supported by robust corporate appetite for capital expenditure, resulting in a steady environment for orders. However, the earnings environment requires continued monitoring due to sustained high prices for construction materials and energy costs, as well as the tightening labor market.

In the detached housing market, while government housing support measures continued and mortgage interest rates remained low despite an upward trend, a cautious outlook for demand persisted. This was driven by the potential for future interest rate hikes, high construction costs, and sluggish growth in real wages.

Under these circumstances, orders received amounted to 436,098 million yen (up 11.4% to the previous fiscal year) and net sales were 357,675 million yen (up 3.2% to the previous fiscal year) in the current consolidated fiscal year, both of which were the highest ever. As for profits, operating profit was 17,897 million yen (up 56.2% to the previous fiscal year), ordinary profit was 17,512 million yen (up 64.9% to the previous fiscal year), and profit attributable to owners of parent was 11,426 million yen (up 77.1% to the previous fiscal year).

Results by business segment are as follows.

Segment profit is adjusted with operating profit on the consolidated statement of income. Adjustments to segment profit include -6,423 million yen in general and administrative expenses that do not belong to any reportable segment and -742 million yen in other adjustments.

(Architecture)

Orders received amounted to 223,648 million yen (up 6.9% to the previous fiscal year), and net sales of completed construction contracts amounted to 172,838 million yen (up 6.0% to the previous fiscal year), resulting in the segment profit of 12,465 million yen (up 229.9% to the previous fiscal year).

(Civil Engineering)

Orders received amounted to 119,665 million yen (up 20.9% to the previous fiscal year), and net sales of completed construction contracts amounted to 100,736 million yen (down 0.7% to the previous fiscal year), resulting in the segment profit of 6,514 million yen (up 10.8% to the previous fiscal year).

(Real Estate)

Net sales from real estate sales and leasing were 84,100 million yen (up 2.3% to the previous fiscal year), resulting in the segment profit of 6,084 million yen (down 15.4% to the previous fiscal year).

(2) Overview of financial position

(Assets)

Total assets increased by 45,009 million yen compared to the end of the previous consolidated fiscal year, amounting to 314,734 million yen. This was mainly due to an increase of 18,155 million yen in notes receivable, accounts receivable from completed construction contracts and other, an increase of 15,481 million yen in real estate for sale, an increase of 11,309 million yen in costs on real estate business and an increase of 2,110 million yen in investment securities, while there was a decrease of 1,802 million yen in cash and deposits.

(Liabilities)

Liabilities increased by 35,839 million yen compared to the end of the previous consolidated fiscal year, amounting to 167,808 million yen. This was mainly due to an increase of 1,631 million yen in accounts payable for construction contracts, an increase of 32,000 million yen in short-term borrowings, an increase of 1,747 million yen in income taxes payable, an increase of 4,604 million yen in advances received on construction contracts in progress and an increase of 2,818 million yen in provision for bonuses, while there was a decrease of 10,000 million yen in current portion of bonds payable.

(Net Assets)

Net assets increased by 9,170 million yen compared to the end of the previous consolidated fiscal year, amounting to 146,926 million yen. The main factor was an increase of 8,432 million yen in retained earnings due to profit attributable to owners of parent of 11,426 million yen and dividend payments of 2,994 million yen.

As a result of the above, the amount of shareholders' equity, excluding non-controlling interests, amounted to 146,866 million yen, and the shareholders' equity ratio decreased by 4.4 percentage points from the end of the previous fiscal year, reaching 46.7%.

(3) Overview of cash flows

Consolidated cash and cash equivalents (hereinafter 'cash') totaled 33,920 million yen, down 1,802 million yen from the end of the previous fiscal year. Details are as follows.

(Cash flows from operating activities)

Operating activities resulted in a decrease of 16,889 million yen in cash (an increase of 5,132 million yen in the previous fiscal year). This was mainly due to inflows of profit before income taxes of 17,735 million yen, an increase of 2,818 million yen in provision for bonuses, an increase of 4,604 million yen in advances received on construction contracts in progress and an increase of 2,861 million yen in consumption taxes payable/consumption taxes refund receivable, while there were outflows of an increase of 18,155 million yen in trade receivables, an increase of 27,024 million yen in inventories and income taxes paid of 5,509 million yen.

(Cash flows from investing activities)

Investing activities resulted in a decrease of 3,588 million yen in cash (a decrease of 1,699 million yen in the previous fiscal year). This was mainly due to inflows of proceeds from sale of investment securities of 798 million yen, while there were outflows of purchase of property, plant and equipment of 998 million yen and purchase of investment securities of 3,177 million yen.

(Cash flows from financing activities)

Financing activities resulted in an increase of 18,761 million yen in cash (an increase of 5,458 million yen in the previous fiscal year). This was mainly due to inflows of an increase in short-term borrowings of 32,000 million yen, while there were outflows of redemption of bonds of 10,000 million yen and dividends paid of 2,995 million yen.

(Reference) Cash flow index trends

	FY3/22	FY3/23	FY3/24	FY3/25	FY3/26
Equity-to-asset ratio (%)	51.3	54.6	54.7	51.1	46.7
Equity-to-asset ratio based on market cap (%)	30.3	30.2	40.3	35.7	39.6
Interest-bearing debt /Annual Cash flow	13.0	—	—	6.0	—
Interest coverage ratio	10.8	—	—	20.6	—

Notes:1. Equity-to-asset ratio: Shareholders' equity / Total assets

2. Equity-to-asset ratio based on market cap: Market capitalization /Total assets

3. Interest-bearing debt/ Annual Cash flow: Interest-bearing debt/Annual operating cash flows

4. Interest coverage ratio: Operating cash flows / Interest expenses

(1) All indicators are based on figures in the consolidated financial statements.

(2) Market capitalization is calculated by share price times the number of shares outstanding (excluding treasury shares) as of the end of the fiscal year.

(3) Interest-bearing debt is the sum of all liabilities on the consolidated balance sheet on which the Company is obligated to pay interest.

(4) The ratio of interest-bearing debt to cash flow and the interest coverage ratio for the fiscal year ended March 2023, 2024 and 2026 are not shown because cash flows from operating activities was negative.

(4) Outlook for the future

Our group has been making progress by implementing our new mid-term management plan since the fiscal year ended March 2026, aiming to realize our long-term vision "Takamatsu Group 2030 Vision" of providing solutions that contribute to the construction of a "circular-oriented and sustainable social infrastructure".

In the last fiscal year, the first year of our mid-term management plan, we recorded sales of 357.6 billion yen, marking our fourth consecutive year of revenue growth, and operating profit of 17.8 billion yen, a record high, resulting in a strong start that exceeded our mid-term business plan.

Furthermore, with the aim of expanding and strengthening our presence in both upstream and downstream segments of our business value chain, we have begun establishing a framework for the future, including the founding of TAKAMATSU Development Co., Ltd. for our real estate development business.

The business environment surrounding the construction industry remains uncertain, with rising prices of materials and equipment triggered by geopolitical risks, including the situation in the current Middle East, as well as persistently high construction costs resulting from a chronic shortage of construction workers.

In response to these challenges, our group will accelerate the following key initiatives to achieve sustainable growth.

1. Exploration of New Business Domains

We will explore new business domains that transcend the traditional framework of construction contracting, focusing on three pillars of "Creation and Revitalization of Urban Communities", "Pursuit of a Circular Economy", and "Contribution to improving Digital Infrastructure".

2. Optimization of the Business Portfolio

From the perspective of optimizing our entire group, we will reorganize our human resources and organizational structures and strategically allocate funds to transform into a business portfolio with high capital efficiency.

3. Strengthening and Restructuring the Business Foundation through Group Collaboration

We will thoroughly share management resources within the group and promote organizational restructuring aimed at the effective utilization and the advancement of management resources across the Group. At the same time, we will accelerate investment in human resources, R&D, and information systems to achieve a fundamental improvement in technological capabilities and productivity.

We have redefined our raison d'être and formulated "Connecting hearts, creating value like no other." as our group purpose. Under this Purpose, we will maximize the synergistic effects on co-creation—one of our core Competences—and evolve into a business entity that independently envisions, invests in, and designs solutions for social issues.

Through all these initiatives, our group aims for further business growth and contributes to the construction of a "circular-oriented and sustainable social infrastructure" that will bring the happiness to all people in the community.

Regarding the outlook for the next fiscal year (ending March 31, 2027), we expect our financial results to be as follows. Please note that the impact of rising crude oil prices and other factors stemming from the recent escalation of tensions in the Middle East has not been factored into these forecasts, as the future remains uncertain at this time.

(Millions of yen)

	Consolidated Earnings Forecast	Rate of increase / decrease compared to the previous fiscal year
Orders received	450,000	3.2%
Net sales	400,000	11.8%
Operating profit	20,000	11.8%
Ordinary profit	19,500	11.4%
Profit attributable to owners of parent	12,500	9.4%

- (5) **Basic Principles on profit distribution and dividends for the current and next fiscal years**
Distributing earnings to shareholders is one of our highest priorities. We will pursue disciplined capital policy by seeking the optimal balance between strengthening business management basis towards persistent growth of the Group and the steady distribution of profits to our shareholders. Regarding dividends for the fiscal year ended March 2026, based on the profit attributable to owners of parent for the fiscal year ended March 2026 amounting to 11,426 million yen, which exceeded our initial forecast, we have revised the annual dividend per share upward from our initial forecast of 90 yen to 130 yen, an increase of 40 yen. As a result, the dividend payout ratio reached 39.6%.

In addition, during the target years of our mid-term management plan (fiscal year ending March 2026 to fiscal year ending March 2028), we will set a minimum annual dividend amount per share at 90 yen and distribute profits in line with our business performance, basically adopting progressive dividends on a dividend payout ratio of approximately 40%.

For the fiscal year ending March 2027, due to the upward revision of the forecasted profit attributable to owners of parent to 12.5 billion yen (an increase of 2.5 billion yen compared to our mid-term management plan), we plan to pay a dividend of 144 yen per share, with a dividend payout ratio of 40.1%. Retained earnings will be effectively used from a medium to long term perspective, with the primary objective of strengthening and enhancing our business management structure and building a sound base for future operations.

Dividends per share			(Yen)
FY3/24	FY3/25	FY3/26	FY3/27 (Forecast)
82	82	130	144

2. Selection of Accounting Principles

Takamatsu Construction Group uses the Japanese Accounting Principle to prepare consolidated financial statements. Using this standard allows comparing our financial data with the other Japanese companies as well as with our previous results.

We will take appropriate actions to study the possibility of adopting International Financial Reporting Standards (IFRS) by considering trends and events in Japan and the other countries, with the current view that the possibility to switch the standard in the near future is very limited.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated balance sheet

(Millions of yen)

	Fiscal year ended March 31, 2025 (As of March 31, 2025)	Fiscal year ended March 31, 2026 (As of March 31, 2026)
ASSETS		
Current assets		
Cash and deposits	35,723	33,920
Notes receivable, accounts receivable from completed construction contracts and other	109,044	127,199
Real estate for sale	22,662	38,144
Costs on construction contracts in progress	1,475	1,709
Costs on real estate business	28,958	40,267
Accounts receivable - other	2,915	2,656
Other	2,662	2,827
Allowance for doubtful accounts	(115)	(122)
Total current assets	203,327	246,602
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,413	14,935
Machinery, vehicles, tools, furniture and fixtures, net	2,156	2,403
Vessels, net	1,181	1,064
Land	27,757	27,754
Leased assets, net	195	280
Construction in progress	113	16
Total property, plant and equipment	46,816	46,456
Intangible assets		
Goodwill	507	338
Other	927	1,076
Total intangible assets	1,434	1,414
Investments and other assets		
Investment securities	7,518	9,629
Deferred tax assets	8,061	8,499
Other	2,762	2,184
Allowance for doubtful accounts	(195)	(52)
Total investments and other assets	18,146	20,261
Total non-current assets	66,398	68,132
Total assets	269,725	314,734

(Millions of yen)

	Fiscal year ended March 31, 2025 (As of March 31, 2025)	Fiscal year ended March 31, 2026 (As of March 31, 2026)
LIABILITIES		
Current liabilities		
Accounts payable for construction contracts	34,801	36,433
Short-term borrowings	15,000	47,000
Current portion of bonds payable	10,000	—
Income taxes payable	3,635	5,383
Advances received on construction contracts in progress	33,297	37,901
Provision for warranties for completed construction	601	581
Provision for bonuses	4,706	7,525
Other	9,654	13,191
Total current liabilities	111,695	148,016
Non-current liabilities		
Bonds payable	5,000	5,000
Deferred tax liabilities	494	517
Deferred tax liabilities for land revaluation	238	238
Provision for special repairs of vessels	64	43
Provision for incentive compensation	—	58
Retirement benefit liability	12,312	11,528
Other	2,163	2,405
Total non-current liabilities	20,273	19,791
Total liabilities	131,968	167,808
NET ASSETS		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	797	797
Retained earnings	130,932	139,364
Treasury shares	(0)	(0)
Total shareholders' equity	136,729	145,161
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	115	227
Revaluation reserve for land	(1,248)	(1,248)
Foreign currency translation adjustment	1,864	1,616
Remeasurements of defined benefit plans	244	1,110
Total accumulated other comprehensive income	975	1,704
Non-controlling interests	51	59
Total net assets	137,756	146,926
Total liabilities and net assets	269,725	314,734

(2) Consolidated statement of income and comprehensive income
Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 2025 (April 1, 2024-March 31, 2025)	Fiscal year ended March 2026 (April 1, 2025-March 31, 2026)
Net sales		
Net sales of completed construction contracts	264,444	273,575
Sales in real estate business	82,241	84,100
Total net sales	346,685	357,675
Cost of sales		
Cost of sales of completed construction contracts	231,645	230,010
Cost of sales in real estate business	70,413	72,468
Total cost of sales	302,059	302,478
Gross profit		
Gross profit on completed construction contracts	32,798	43,564
Gross profit - real estate business	11,827	11,632
Total gross profit	44,626	55,196
Selling, general and administrative expenses	33,165	37,299
Operating profit	11,460	17,897
Non-operating income		
Interest income	0	27
Dividend income	56	162
Foreign exchange gains	—	143
Rental income	88	84
Other	107	171
Total non-operating income	253	590
Non-operating expenses		
Interest expenses	249	388
Share of loss of entities accounted for using equity method	633	384
Other	211	201
Total non-operating expenses	1,094	975
Ordinary profit	10,619	17,512
Extraordinary income		
Gain on sale of non-current assets	1	18
Gain on sale of investment securities	52	237
Other	—	5
Total extraordinary income	54	261
Extraordinary losses		
Loss on sale of non-current assets	2	0
Loss on retirement of non-current assets	85	39
Loss on sale of investment securities	0	—
Total extraordinary losses	88	39
Profit before income taxes	10,585	17,735
Income taxes - current	5,394	7,138
Income taxes - deferred	(1,272)	(844)
Total income taxes	4,121	6,294
Profit	6,463	11,440
Profit attributable to non-controlling interests	11	14
Profit attributable to owners of parent	6,452	11,426

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 2025 (April 1, 2024-March 31, 2025)	Fiscal year ended March 2026 (April 1, 2025-March 31, 2026)
Profit	6,463	11,440
Other comprehensive income		
Valuation difference on available-for-sale securities	(160)	111
Revaluation reserve for land	(6)	—
Foreign currency translation adjustment	325	(215)
Remeasurements of defined benefit plans, net of tax	(37)	865
Share of other comprehensive income of entities accounted for using equity method	449	(32)
Total other comprehensive income	569	729
Comprehensive income	7,033	12,170
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,022	12,156
Comprehensive income attributable to non-controlling interests	11	14

(3) Consolidated statement of changes in equity
Previous fiscal year (April 1, 2024 – March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,000	797	127,822	(0)	133,619
Changes during period					
Dividends of surplus			(1,915)		(1,915)
Interim dividends from surplus			(1,427)		(1,427)
Profit attributable to owners of parent			6,452		6,452
Purchase of treasury shares				—	—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	3,110	—	3,110
Balance at end of period	5,000	797	130,932	(0)	136,729

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	275	(1,242)	1,089	282	405	43	134,069
Changes during period							
Dividends of surplus							(1,915)
Interim dividends from surplus							(1,427)
Profit attributable to owners of parent							6,452
Purchase of treasury shares							—
Net changes in items other than shareholders' equity	(160)	(6)	774	(37)	569	7	577
Total changes during period	(160)	(6)	774	(37)	569	7	3,687
Balance at end of period	115	(1,248)	1,864	244	975	51	137,756

Current fiscal year (April 1, 2025 –March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,000	797	130,932	(0)	136,729
Changes during period					
Dividends of surplus			(1,427)		(1,427)
Interim dividends from surplus			(1,566)		(1,566)
Profit attributable to owners of parent			11,426		11,426
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	8,432	(0)	8,432
Balance at end of period	5,000	797	139,364	(0)	145,161

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	115	(1,248)	1,864	244	975	51	137,756
Changes during period							
Dividends of surplus							(1,427)
Interim dividends from surplus							(1,566)
Profit attributable to owners of parent							11,426
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	111	—	(248)	865	729	8	737
Total changes during period	111	—	(248)	865	729	8	9,170
Balance at end of period	227	(1,248)	1,616	1,110	1,704	59	146,926

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 2025 (April 1, 2024-March 31, 2025)	Fiscal year ended March 2026 (April 1, 2025-March 31, 2026)
Cash flows from operating activities		
Profit before income taxes	10,585	17,735
Depreciation	2,051	2,287
Amortization of goodwill	169	169
Increase (decrease) in allowance for doubtful accounts	11	(135)
Increase (decrease) in provision for warranties for completed construction	(128)	(19)
Increase (decrease) in provision for bonuses	394	2,818
Increase (decrease) in retirement benefit liability	531	475
Increase (decrease) in provision for special repairs of vessels	(1)	(20)
Increase (decrease) in provision for incentive compensation	—	58
Interest and dividend income	(57)	(190)
Interest expenses	249	388
Share of loss (profit) of entities accounted for using equity method	633	384
Foreign exchange losses (gains)	27	(143)
Loss (gain) on investments in capital	(6)	(8)
Loss (gain) on sale of non-current assets	1	(18)
Loss on retirement of non-current assets	85	39
Loss (gain) on sale of investment securities	(52)	(237)
Decrease (increase) in trade receivables	(11,796)	(18,155)
Decrease (increase) in inventories	(5,308)	(27,024)
Increase (decrease) in trade payables	5,021	1,631
Increase (decrease) in advances received on construction contracts in progress	4,314	4,604
Decrease (increase) in accounts receivable - other	932	234
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(182)	2,861
Increase (decrease) in deposits received	875	136
Other, net	355	741
Subtotal	8,703	(11,386)
Interest and dividends received	215	359
Interest paid	(248)	(385)
Income taxes paid	(4,700)	(5,509)
Income taxes refund	1,162	32
Net cash provided by (used in) operating activities	5,132	(16,889)

(Millions of yen)

	Fiscal year ended March 2025 (April 1, 2024-March 31, 2025)	Fiscal year ended March 2026 (April 1, 2025-March 31, 2026)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,374)	(998)
Purchase of intangible assets	(201)	(330)
Payments for retirement of non-current assets	(28)	(6)
Purchase of investment securities	(508)	(3,177)
Proceeds from sale of investment securities	430	798
Long-term loan advances	(20)	(4)
Proceeds from share of profits on investments in capital	6	106
Other, net	(2)	24
Net cash provided by (used in) investing activities	(1,699)	(3,588)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	9,000	32,000
Redemption of bonds	—	(10,000)
Repayments of lease liabilities	(195)	(237)
Purchase of treasury shares	—	(0)
Dividends paid	(3,343)	(2,995)
Dividends paid to non-controlling interests	(3)	(5)
Net cash provided by (used in) financing activities	5,458	18,761
Effect of exchange rate change on cash and cash equivalents	47	(86)
Net increase (decrease) in cash and cash equivalents	8,938	(1,802)
Cash and cash equivalents at beginning of period	26,785	35,723
Cash and cash equivalents at end of period	35,723	33,920

(5) Notes to consolidated financial statements

(Notes on going concern assumption)

None

(Segment information)

1. Overview of reportable segment information

Reportable business segments are the constituent business units of the Takamatsu Construction Group companies for which separate financial information is available and that the board of directors examines periodically to determine the allocation of resources and to evaluate performance.

Activities of the group are divided into the construction business and the real estate business. In the construction business, there are consolidated subsidiaries engaged solely in either architecture or civil engineering business and consolidated subsidiaries that engage in both of these businesses. For consolidated subsidiaries that engage in both architecture and civil engineering operations, offices are organized with separate sections for these two businesses.

For these reasons, there are three reportable segments: architecture, civil engineering and real estate.

2. Calculation methods for sales and profit (loss) by reportable segments

The accounting methods used for the reportable segments are basically the same as the methods used to present the consolidated financial statements.

Operating profit is used for reportable segment earnings.

3. Information of sales and profit (loss) by reportable segments

Previous fiscal year (April 1, 2024 - March 31, 2025)

(Millions of yen)

	Reportable segments				Adjustment (Note1)	Amount on statements of income (Note 2)
	Architecture	Civil engineering	Real estate	Total		
Net sales (of which to outside customers)	163,044	101,399	82,241	346,685	—	346,685
(of which inter- segment or transfers)	1,396	31	1,167	2,595	(2,595)	—
Total	164,441	101,431	83,408	349,281	(2,595)	346,685
Segment profit	3,778	5,876	7,188	16,843	(5,383)	11,460

Notes:

- Adjustments to segment profit include general and administrative expenses of -5,479 million yen that cannot be allocated to reportable segments and 96 million yen of other adjustments.
- Reportable segment profit is adjusted to match with operating profit on the consolidated statement of income.

Current fiscal year (April 1, 2025 - March 31, 2026)

(Millions of yen)

	Reportable segments				Adjustment (Note1)	Amount on statements of income (Note 2)
	Architecture	Civil engineering	Real estate	Total		
Net sales (of which to outside customers)	172,838	100,736	84,100	357,675	—	357,675
(of which inter- segment or transfers)	5,812	33	1,166	7,012	(7,012)	—
Total	178,651	100,769	85,267	364,688	(7,012)	357,675
Segment profit	12,465	6,514	6,084	25,063	(7,166)	17,897

Notes:

- Adjustments to segment profit include general and administrative expenses of -6,423 million yen that cannot be allocated to reportable segments and -742 million yen of other adjustments.
- Reportable segment profit is adjusted to match with operating profit on the consolidated statement of income.

(Per share information)

(Yen)

	Previous fiscal year (April 1, 2024 – March 31, 2025)	Current fiscal year (April 1, 2025 – March 31, 2026)
Net assets per share	3,954.94	4,218.07
Basic earnings per share	185.32	328.18
Diluted earnings per share	Not presented since the company has no potential stock	Not presented since the company has no potential stock

Note 1. The bases for calculating net assets per share are as follows.

	Previous fiscal year (April 1, 2024 – March 31, 2025)	Current fiscal year (April 1, 2025 – March 31, 2026)
Total net assets (Millions of yen)	137,756	146,926
Amount deducted from total net assets (Millions of yen)	51	59
of which non-controlling interests (Millions of yen)	51	59
Net assets attributable to ordinary shares (Millions of yen)	137,705	146,866
Number of shares at the end of fiscal year (Thousands of shares)	34,818	34,818

Note 2. The bases for calculating earnings per share are as follows.

	Previous fiscal year (April 1, 2024 – March 31, 2025)	Current fiscal year (April 1, 2025 – March 31, 2026)
Comprehensive income attributable to owners of parent (Millions of yen)	6,452	11,426
Amount not attributable to ordinary shareholders (Millions of yen)	—	—
Comprehensive income attributable to owners of parent attributable to ordinary shares (Millions of yen)	6,452	11,426
Average number of ordinary shares during the fiscal year (Thousands of shares)	34,818	34,818

(Important subsequent events)

None

4. Consolidated Orders Received and Net Sales

(Millions of yen, %)

		Fiscal year ended March 31, 2025 (April 1, 2024 March 31, 2025)		Fiscal year ended March 31, 2026 (April 1, 2025 March 31, 2026)		Changes	
		Amount	Share	Amount	Share	Amount	%
Orders received	Architecture	209,298	53.5	223,648	51.3	14,349	6.9
	Civil engineering	99,008	25.3	119,665	27.4	20,657	20.9
	Total construction	308,307	78.8	343,314	78.7	35,006	11.4
	Real estate	83,070	21.2	92,784	21.3	9,713	11.7
	Total	391,378	100.0	436,098	100.0	44,720	11.4
Net sales	Architecture	163,044	47.0	172,838	48.3	9,793	6.0
	Civil engineering	101,399	29.3	100,736	28.2	(663)	(0.7)
	Total construction	264,444	76.3	273,575	76.5	9,130	3.5
	Real estate	82,241	23.7	84,100	23.5	1,859	2.3
	Total	346,685	100.0	357,675	100.0	10,990	3.2