

Translation

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**Summary of Consolidated Financial Results
for the Year Ended March 31, 2026
(Based on Japanese GAAP)**

May 13, 2026

Company name: TANABE ENGINEERING CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 1828 URL <https://www.tanabe-ind.co.jp/>
 Representative: President and Representative Director Fumio Mizusawa
 Inquiries: Director and Managing Executive Officer Yuichi Gommori TEL 025-545-6500
 Scheduled date of ordinary general meeting of shareholders: June 24, 2026
 Scheduled date to file Securities Report: June 23, 2026
 Scheduled date to commence dividend payments: June 25, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the 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	%
Year ended March 31, 2026	52,366	3.0	4,769	24.3	4,809	23.1	3,452	33.2
Year ended March 31, 2025	50,832	(1.9)	3,837	43.3	3,906	43.3	2,593	36.8

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2026	328.95	–	13.0	10.3	9.1
Year ended March 31, 2025	247.47	–	10.9	8.5	7.5

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	47,195	27,992	59.3	2,665.26
As of March 31, 2025	45,976	24,988	54.3	2,381.01

(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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2026	1,938	(875)	(1,347)	10,601
Year ended March 31, 2025	12,925	(1,278)	(4,171)	10,849

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2025	–	0.00	–	87.00	87.00	912	35.2	3.8
Year ended March 31, 2026	–	0.00	–	100.00	100.00	1,049	30.4	4.0
Year ending March 31, 2027 (Forecast)	–	0.00	–	100.00	100.00		38.9	

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

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	50,000	(4.5)	3,850	(19.3)	3,900	(18.9)	2,700	(21.8)	257.23

4. Notes

- (1) Significant changes in the scope of consolidation during the year ended March 31, 2026: No
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of March 31, 2026	10,728,000 shares	As of March 31, 2025	10,728,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2026	229,550 shares	As of March 31, 2025	236,321 shares
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Average number of shares during the period

Year ended March 31, 2026	10,496,534 shares	Year ended March 31, 2025	10,478,449 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	10,849,611	10,601,343
Notes receivable, accounts receivable from completed construction contracts and other	21,632,332	24,238,805
Electronically recorded monetary claims - operating	1,696,250	249,256
Costs on construction contracts in progress	79,576	118,120
Other inventories	261,002	238,787
Other	494,404	200,462
Allowance for doubtful accounts	(2,291)	(2,417)
Total current assets	35,010,887	35,644,358
Non-current assets		
Property, plant and equipment		
Buildings and structures	8,890,597	9,825,238
Machinery, vehicles, tools, furniture and fixtures	6,341,779	6,812,235
Land	3,239,355	3,234,709
Leased assets	134,661	174,422
Construction in progress	795,060	101,737
Accumulated depreciation	(9,887,385)	(10,602,277)
Total property, plant and equipment	9,514,069	9,546,065
Intangible assets	183,707	170,903
Investments and other assets		
Investment securities	330,657	640,223
Retirement benefit asset	25,003	208,993
Deferred tax assets	790,528	866,290
Other	121,456	118,756
Total investments and other assets	1,267,645	1,834,263
Total non-current assets	10,965,423	11,551,232
Total assets	45,976,310	47,195,591

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	4,601,857	4,237,019
Electronically recorded obligations - operating	6,433,987	6,242,280
Short-term borrowings	400,000	300,000
Lease liabilities	30,397	27,049
Accounts payable - other	1,007,918	590,566
Accrued expenses	482,121	433,352
Income taxes payable	845,108	976,956
Advances received on construction contracts in progress	3,508,905	2,393,989
Provision for warranties for completed construction	15,259	46,908
Provision for bonuses	1,587,540	2,147,003
Provision for bonuses for directors (and other officers)	75,000	97,300
Other	103,531	113,161
Total current liabilities	19,091,627	17,605,585
Non-current liabilities		
Long-term borrowings	975,000	675,000
Lease liabilities	21,244	45,041
Long-term accounts payable - other	130,000	130,000
Retirement benefit liability	770,253	747,637
Total non-current liabilities	1,896,498	1,597,678
Total liabilities	20,988,125	19,203,264
Net assets		
Shareholders' equity		
Share capital	885,320	885,320
Capital surplus	1,482,702	1,490,080
Retained earnings	22,013,044	24,553,070
Treasury shares	(281,474)	(272,588)
Total shareholders' equity	24,099,592	26,655,882
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	114,751	259,115
Foreign currency translation adjustment	610,134	741,976
Remeasurements of defined benefit plans	156,305	324,086
Total accumulated other comprehensive income	881,191	1,325,178
Non-controlling interests	7,400	11,265
Total net assets	24,988,184	27,992,327
Total liabilities and net assets	45,976,310	47,195,591

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales		
Net sales of completed construction contracts	50,832,166	52,366,140
Total net sales	50,832,166	52,366,140
Cost of sales		
Cost of sales of completed construction contracts	42,104,259	42,188,719
Total cost of sales	42,104,259	42,188,719
Gross profit		
Gross profit on completed construction contracts	8,727,907	10,177,421
Total gross profit	8,727,907	10,177,421
Selling, general and administrative expenses		
Employees' salaries and allowances	1,344,513	1,321,854
Provision for bonuses	615,954	812,660
Provision for bonuses for directors (and other officers)	75,000	97,300
Retirement benefit expenses	82,298	82,328
Depreciation	315,271	374,862
Enterprise tax	116,872	135,755
Other	2,340,451	2,583,501
Total selling, general and administrative expenses	4,890,362	5,408,262
Operating profit	3,837,544	4,769,159
Non-operating income		
Interest income	3,346	2,674
Dividend income	9,410	11,482
Rental income from land and buildings	48,006	51,613
Insurance claim income	28,948	557
Other	38,628	36,160
Total non-operating income	128,341	102,488
Non-operating expenses		
Interest expenses	27,732	12,625
Loss on sale of receivables	16,199	16,751
Commitment fees	11,299	20,749
Foreign exchange losses	856	8,980
Other	2,858	2,651
Total non-operating expenses	58,947	61,759
Ordinary profit	3,906,938	4,809,888
Extraordinary income		
Gain on sale of non-current assets	2,105	4,777
Gain on sale of investment securities	8,457	–
Total extraordinary income	10,562	4,777

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Extraordinary losses		
Loss on sale of non-current assets	2,753	20,221
Loss on disposal of non-current assets	58,080	4,239
Loss on sale of investment securities	599	–
Impairment losses	22,927	2,948
Total extraordinary losses	84,360	27,408
Profit before income taxes	3,833,141	4,787,257
Income taxes - current	1,273,061	1,547,098
Income taxes - deferred	(32,033)	(215,981)
Total income taxes	1,241,027	1,331,116
Profit	2,592,113	3,456,140
Profit (loss) attributable to non-controlling interests	(1,024)	3,338
Profit attributable to owners of parent	2,593,138	3,452,802

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	2,592,113	3,456,140
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,615)	144,364
Foreign currency translation adjustment	235,394	132,368
Remeasurements of defined benefit plans, net of tax	18,750	167,781
Total other comprehensive income	249,530	444,513
Comprehensive income	2,841,643	3,900,654
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,841,742	3,896,789
Comprehensive income attributable to non-controlling interests	(98)	3,864

Consolidated statements of changes in equity

Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	885,320	1,475,320	19,943,281	(310,440)	21,993,481
Changes during period					
Dividends of surplus			(523,375)		(523,375)
Profit attributable to owners of parent			2,593,138		2,593,138
Purchase of treasury shares				(54)	(54)
Disposal of treasury shares		7,382		29,020	36,403
Net changes in items other than shareholders' equity					
Total changes during period	–	7,382	2,069,762	28,966	2,106,110
Balance at end of period	885,320	1,482,702	22,013,044	(281,474)	24,099,592

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	119,366	375,666	137,554	632,587	7,499	22,633,568
Changes during period						
Dividends of surplus						(523,375)
Profit attributable to owners of parent						2,593,138
Purchase of treasury shares						(54)
Disposal of treasury shares						36,403
Net changes in items other than shareholders' equity	(4,615)	234,468	18,750	248,604	(98)	248,505
Total changes during period	(4,615)	234,468	18,750	248,604	(98)	2,354,616
Balance at end of period	114,751	610,134	156,305	881,191	7,400	24,988,184

Fiscal year ended March 31, 2026

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	885,320	1,482,702	22,013,044	(281,474)	24,099,592
Changes during period					
Dividends of surplus			(912,776)		(912,776)
Profit attributable to owners of parent			3,452,802		3,452,802
Purchase of treasury shares				(166)	(166)
Disposal of treasury shares		7,378		9,052	16,431
Net changes in items other than shareholders' equity					
Total changes during period	–	7,378	2,540,026	8,885	2,556,290
Balance at end of period	885,320	1,490,080	24,553,070	(272,588)	26,655,882

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	114,751	610,134	156,305	881,191	7,400	24,988,184
Changes during period						
Dividends of surplus						(912,776)
Profit attributable to owners of parent						3,452,802
Purchase of treasury shares						(166)
Disposal of treasury shares						16,431
Net changes in items other than shareholders' equity	144,364	131,841	167,781	443,987	3,864	447,852
Total changes during period	144,364	131,841	167,781	443,987	3,864	3,004,142
Balance at end of period	259,115	741,976	324,086	1,325,178	11,265	27,992,327

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	3,833,141	4,787,257
Depreciation	731,652	785,926
Impairment losses	22,927	2,948
Increase (decrease) in allowance for doubtful accounts	(879)	126
Increase (decrease) in provision for bonuses	317,306	581,763
Decrease (increase) in retirement benefit asset	(25,003)	(5,470)
Increase (decrease) in retirement benefit liability	45,913	18,398
Increase (decrease) in provision for warranties for completed construction	(4,767)	31,638
Increase (decrease) in provision for loss on construction contracts	(18,510)	–
Interest and dividend income	(12,757)	(14,157)
Interest expenses	27,732	12,625
Increase (decrease) in provision for loss on liquidation of subsidiaries and associates	(33,209)	–
Loss (gain) on sale of investment securities	(7,858)	–
Loss (gain) on sale of property, plant and equipment	648	15,443
Loss on retirement of property, plant and equipment	58,080	4,239
Decrease (increase) in trade receivables	8,650,413	(1,131,157)
Decrease (increase) in costs on construction contracts in progress	19,463	(38,543)
Decrease (increase) in inventories	31,117	34,581
Decrease (increase) in other current assets	(156,481)	307,186
Increase (decrease) in trade payables	(2,437,227)	(564,669)
Increase (decrease) in advances received on construction contracts in progress	2,487,547	(1,115,884)
Increase (decrease) in other current liabilities	203,774	(474,582)
Other, net	62,159	114,477
Subtotal	13,795,183	3,352,145
Interest and dividends received	12,757	14,157
Interest paid	(28,922)	(12,296)
Income taxes paid	(853,287)	(1,415,250)
Net cash provided by (used in) operating activities	12,925,730	1,938,756
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,309,234)	(714,937)
Proceeds from sale of property, plant and equipment	2,001	6,278
Payments for retirement of property, plant and equipment	(45,452)	(1,967)
Purchase of intangible assets	(38,916)	(57,827)
Purchase of investment securities	(2,368)	(102,200)
Proceeds from sale of investment securities	108,409	419
Proceeds from collection of loans receivable	535	1,321
Other, net	6,798	(6,569)
Net cash provided by (used in) investing activities	(1,278,226)	(875,483)

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(4,200,000)	–
Repayments of long-term borrowings	(400,000)	(400,000)
Proceeds from long-term borrowings	1,000,000	–
Dividends paid	(523,816)	(910,802)
Purchase of treasury shares	(54)	(166)
Repayments of lease liabilities	(47,203)	(36,133)
Net cash provided by (used in) financing activities	(4,171,075)	(1,347,102)
Effect of exchange rate change on cash and cash equivalents	82,279	35,562
Net increase (decrease) in cash and cash equivalents	7,558,707	(248,268)
Cash and cash equivalents at beginning of period	3,290,904	10,849,611
Cash and cash equivalents at end of period	10,849,611	10,601,343