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August 7, 2025

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

Company name: TOTETSU KOGYO CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 1835
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 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: None
 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	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	29,229	11.5	2,338	76.2	2,637	67.9	1,723	21.3
June 30, 2024	26,207	7.4	1,327	97.1	1,570	85.7	1,421	174.1

Note: Comprehensive income For the three months June 30, 2025: ¥2,452 million [147.8%]
 For the three months June 30, 2024: ¥989 million [(25.1)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	50.05	—
June 30, 2024	41.28	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	155,407	120,292	76.6
March 31, 2025	181,115	120,777	66.0

Reference: Equity

As of June 30, 2025: ¥119,101 million

As of March 31, 2025: ¥119,615 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	—	50.00	—	85.00	135.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		70.00	—	70.00	140.00

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

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 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	%	Yen
Full year	165,000	3.1	16,000	3.1	16,500	2.9	12,000	3.8	348.52

Note: Revisions to the forecast of financial results most recently announced: None

*** Notes**

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

(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	36,100,000 shares
As of March 31, 2025	36,100,000 shares

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

As of June 30, 2025	1,667,066 shares
As of March 31, 2025	1,666,989 shares

(iii) Average number of shares outstanding during the period

Three months ended June 30, 2025	34,432,975 shares
Three months ended June 30, 2024	34,426,361 shares

(Note) The Company has introduced a “Board Benefit Trust” (BBT) performance-linked stock-based compensation system, and the number of treasury shares at the end of the period includes the Company’s shares (93,800 shares as of June 30, 2025 and 93,800 shares as of March 31, 2025) held by the Trust Account E for the BBT. In addition, the Company’s shares held by the Trust Account E are included in the treasury stock excluded from the calculation of the average number of shares outstanding during the period. (93,800 shares for the three months ended June 30, 2025 and 100,600 shares for the three months ended June 30, 2024)

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

- * Proper use of earnings forecasts and other special matters
 - The earnings forecasts and other forward-looking statements herein are based on currently available information and certain assumptions deemed reasonable, and the Company does not in any way guarantee the achievement of the forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors. Please refer to “Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 2 of the Appendix for assumptions on financial results forecasts and notes on the use of such forecasts.

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1. Overview of Operating Results

(1) Overview of Operating Results for the Period under Review

For the three months ended June 30, 2025, the Company posted orders received of ¥25,592 million (down ¥11,371 million year on year), while net sales amounted to ¥29,229 million (up ¥3,021 million year on year). This was mainly due to steady progress in various construction works carried over, and an increase in net sales of completed construction contracts for the private sector.

In terms of profit, gross profit came to ¥4,562 million (up ¥1,133 million year on year), operating profit was ¥2,338 million (up ¥1,011 million year on year), ordinary profit came to ¥2,637 million (up ¥1,066 million year on year), and profit attributable to owners of parent amounted to ¥1,723 million (up ¥302 million year on year).

Operating results by segment are as follows. Net sales in each segment are presented as net sales to outside customers.

(Civil Engineering Business)

Orders received were ¥19,286 million (down 20.5% year on year), net sales were ¥19,056 million (up 12.7% year on year), and balance carried forward was ¥83,312 million.

Segment profit totaled ¥1,528 million (up 62.3% year on year).

(Architectural Business)

Orders received were ¥6,306 million (down 50.3% year on year), net sales were ¥8,093 million (up 12.6% year on year), and balance carried forward was ¥31,736 million.

Segment profit totaled ¥544 million (up 381.5% year on year).

(Other Businesses)

Net sales amounted to ¥2,078 million (down 1.5% year on year), the principal source of which is manufacturing and sales income of railway-related products.

Segment profit totaled ¥260 million (down 2.7% year on year).

(2) Overview of Financial Position for the Period under Review

Total assets as of June 30, 2025 amounted to ¥155,407 million (a decrease of ¥25,708 million from the end of the previous fiscal year). Main factors included a decrease in notes receivable, accounts receivable from completed construction contracts and other.

Total liabilities amounted to ¥35,114 million (a decrease of ¥25,223 million from the end of the previous fiscal year). Main factors included a decrease in short-term borrowings.

Total net assets amounted to ¥120,292 million (a decrease of ¥484 million from the end of the previous fiscal year).

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

At this point, the consolidated financial results forecast for the full fiscal year remains unchanged from the one announced on May 15, 2025, as a result of examining the financial results for the three months ended June 30, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	15,714,414	32,556,007
Notes receivable, accounts receivable from completed construction contracts and other	116,468,682	69,160,316
Costs on construction contracts in progress	4,088,130	8,176,076
Other	1,693,601	1,598,705
Allowance for doubtful accounts	(9,905)	(8,037)
Total current assets	137,954,924	111,483,069
Non-current assets		
Property, plant and equipment	22,495,091	22,103,596
Intangible assets	651,020	716,496
Investments and other assets		
Investment securities	15,046,446	16,113,265
Other	5,014,318	5,037,096
Allowance for doubtful accounts	(46,378)	(46,278)
Total investments and other assets	20,014,386	21,104,082
Total non-current assets	43,160,498	43,924,175
Total assets	181,115,422	155,407,245

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	30,506,594	22,732,045
Short-term borrowings	10,000,000	—
Income taxes payable	2,999,820	253,338
Advances received on construction contracts in progress	881,616	1,261,105
Provision for warranties for completed construction	282,018	162,294
Provision for loss on construction contracts	85,319	58,145
Provision for bonuses	2,329,523	1,190,214
Other	8,398,700	3,718,624
Total current liabilities	55,483,592	29,375,769
Non-current liabilities		
Provision for repairs	1,163,625	1,215,034
Retirement benefit liability	845,745	823,274
Provision for share awards for directors (and other officers)	93,987	109,242
Provision for retirement benefits for directors (and other officers)	17,070	18,978
Asset retirement obligations	138,547	138,882
Other	2,595,499	3,433,564
Total non-current liabilities	4,854,477	5,738,975
Total liabilities	60,338,069	35,114,744
Net assets		
Shareholders' equity		
Share capital	2,810,000	2,810,000
Capital surplus	3,166,700	3,166,700
Retained earnings	111,041,273	109,829,706
Treasury shares	(3,879,539)	(3,879,793)
Total shareholders' equity	113,138,434	111,926,613
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,465,969	5,195,935
Remeasurements of defined benefit plans	2,010,687	1,978,654
Total accumulated other comprehensive income	6,476,657	7,174,589
Non-controlling interests	1,162,261	1,191,297
Total net assets	120,777,353	120,292,500
Total liabilities and net assets	181,115,422	155,407,245

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Thousands 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	24,095,605	27,150,036
Net sales for incidental businesses	2,111,457	2,078,997
Total net sales	26,207,062	29,229,033
Cost of sales		
Cost of sales of completed construction contracts	21,151,763	23,098,903
Cost of sales on incidental businesses	1,625,903	1,567,533
Total cost of sales	22,777,666	24,666,436
Gross profit		
Gross profit on completed construction contracts	2,943,841	4,051,133
Gross profit on incidental businesses	485,553	511,463
Total gross profit	3,429,395	4,562,596
Selling, general and administrative expenses	2,102,204	2,223,890
Operating profit	1,327,191	2,338,706
Non-operating income		
Interest income	36	71
Dividend income	222,089	309,366
Share of profit of entities accounted for using equity method	13,698	—
Other	14,371	8,236
Total non-operating income	250,195	317,673
Non-operating expenses		
Interest expenses	6,404	9,661
Share of loss of entities accounted for using equity method	—	9,270
Other	375	40
Total non-operating expenses	6,779	18,972
Ordinary profit	1,570,606	2,637,407
Extraordinary income		
Gain on sale of non-current assets	125	116
Gain on sale of investment securities	644,375	—
Total extraordinary income	644,500	116
Extraordinary losses		
Loss on retirement of non-current assets	729	748
Total extraordinary losses	729	748
Profit before income taxes	2,214,378	2,636,775
Income taxes - current	328,455	242,236
Income taxes - deferred	428,208	644,875
Total income taxes	756,664	887,111
Profit	1,457,714	1,749,664
Profit attributable to non-controlling interests	36,595	26,453
Profit attributable to owners of parent	1,421,118	1,723,211

Quarterly Consolidated Statements of Comprehensive Income
Three Months Ended June 30

(Thousands of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	1,457,714	1,749,664
Other comprehensive income		
Valuation difference on available-for-sale securities	(441,742)	734,703
Remeasurements of defined benefit plans, net of tax	(26,228)	(32,033)
Total other comprehensive income	(467,970)	702,670
Comprehensive income	989,743	2,452,334
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	959,047	2,421,144
Comprehensive income attributable to non-controlling interests	30,695	31,190

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes on segment information, etc.)

I. For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

Information on net sales and profit (loss) and information on disaggregation of revenue by reportable segment

(Thousands of yen)

	Reportable segment			Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Civil Engineering Business	Architectural Business	Total				
Net sales							
Goods or services transferred at a point in time	2,845,995	442,202	3,288,198	2,004,475	5,292,673	—	5,292,673
Goods or services transferred over time	14,060,682	6,746,724	20,807,407	—	20,807,407	—	20,807,407
Revenue from contracts with customers	16,906,677	7,188,927	24,095,605	2,004,475	26,100,081	—	26,100,081
Revenue from other sources	—	—	—	106,981	106,981	—	106,981
Net sales to outside customers	16,906,677	7,188,927	24,095,605	2,111,457	26,207,062	—	26,207,062
Inter-segment net sales or transfers	—	69,191	69,191	83,590	152,782	(152,782)	—
Total	16,906,677	7,258,119	24,164,796	2,195,048	26,359,844	(152,782)	26,207,062
Segment profit	942,034	113,109	1,055,144	267,243	1,322,388	4,802	1,327,191

(Notes) 1. The “Others” category is a business segment not included in reportable segments, and includes manufacturing and sale of railway-related products, real estate leasing business and environmental business, etc.

2. Segment profit adjustment of ¥4,802 thousand consists of inter-segment elimination of ¥2,235 thousand and adjustment of unrealized gain (loss) on non-current assets of ¥2,567 thousand.

3. Segment profit is adjusted with operating profit in the Quarterly Consolidated Statements of Income.

II. For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

Information on net sales and profit (loss) and information on disaggregation of revenue by reportable segment

(Thousands of yen)

	Reportable segment			Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Civil Engineering Business	Architectural Business	Total				
Net sales							
Goods or services transferred at a point in time	3,639,543	540,486	4,180,029	1,967,153	6,147,183	—	6,147,183
Goods or services transferred over time	15,416,999	7,553,007	22,970,006	—	22,970,006	—	22,970,006
Revenue from contracts with customers	19,056,543	8,093,493	27,150,036	1,967,153	29,117,190	—	29,117,190
Revenue from other sources	—	—	—	111,843	111,843	—	111,843
Net sales to outside customers	19,056,543	8,093,493	27,150,036	2,078,997	29,229,033	—	29,229,033
Inter-segment net sales or transfers	—	113,541	113,541	73,550	187,091	(187,091)	—
Total	19,056,543	8,207,035	27,263,578	2,152,547	29,416,125	(187,091)	29,229,033
Segment profit	1,528,949	544,622	2,073,571	260,158	2,333,730	4,975	2,338,706

(Notes) 1. The “Others” category is a business segment not included in reportable segments, and includes manufacturing and sale of railway-related products, real estate leasing business and environmental business, etc.

2. Segment profit adjustment of ¥4,975 thousand consists of inter-segment elimination of ¥2,165 thousand and adjustment of unrealized gain (loss) on non-current assets of ¥2,810 thousand.

3. Segment profit is adjusted with operating profit in the Quarterly Consolidated Statements of Income.

(Notes on statements of cash flows)

The quarterly consolidated statements of cash flows for the three months ended June 30, 2025 have not been prepared. Depreciation (including amortization of intangible assets) for the three months ended June 30 is as follows.

(Thousands of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation	657,817	654,347

3. Supplementary Information

Status of orders received, net sales and balance carried forward

Comparison of orders received by consolidated division

(Figures of less than one million yen are rounded down.)						
Category	For the three months ended June 30, 2024		Composition ratio	For the three months ended June 30, 2025		Composition ratio
<Construction business>	Millions of yen			Millions of yen		
Civil Engineering	24,263		65.6%	19,286		75.4%
Architectural	12,700		34.4%	6,306		24.6%
Total	36,963		100.0%	25,592		100.0%
Public sector	1,414		3.8%	1,838		7.1%
	Railway	347	0.9%	Railway	390	1.5%
	General	1,066	2.9%	General	1,448	5.6%
Private sector	35,549		96.2%	23,753		92.9%
	Railway	27,814	75.2%	Railway	22,178	86.7%
	General	7,735	21.0%	General	1,574	6.2%
Total	36,963		100.0%	25,592		100.0%
	Railway	28,161	76.1%	Railway	22,568	88.2%
	General	8,801	23.9%	General	3,023	11.8%

Comparison of net sales by consolidated division

(Figures of less than one million yen are rounded down.)						
Category	For the three months ended June 30, 2024		Composition ratio	For the three months ended June 30, 2025		Composition ratio
<Construction business>						
Net sales of completed construction contracts	Millions of yen			Millions of yen		
Civil Engineering	16,906		70.2%	19,056		70.2%
Architectural	7,188		29.8%	8,093		29.8%
Total	24,095		100.0%	27,150		100.0%
Public sector	2,818		11.7%	2,513		9.3%
	Railway	675	2.8%	Railway	907	3.4%
	General	2,143	8.9%	General	1,605	5.9%
Private sector	21,277		88.3%	24,636		90.7%
	Railway	18,063	75.0%	Railway	20,554	75.7%
	General	3,214	13.3%	General	4,081	15.0%
Total	24,095		100.0%	27,150		100.0%
	Railway	18,738	77.8%	Railway	21,462	79.1%
	General	5,357	22.2%	General	5,687	20.9%
<Incidental businesses>						
Net sales	2,111		—	2,078		—
Net sales total	26,207		—	29,229		—

Comparison of balance carried forward by consolidated division

(Figures of less than one million yen are rounded down.)

Category	For the three months ended June 30, 2024		Composition ratio	For the three months ended June 30, 2025		Composition ratio
<Construction business>	Millions of yen			Millions of yen		
Civil Engineering	90,771		69.5%	83,312		72.4%
Architectural	39,763		30.5%	31,736		27.6%
Total	130,535		100.0%	115,049		100.0%
Public sector	12,178		9.3%	9,764		8.5%
	Railway	3,886	3.0%	Railway	2,926	2.5%
	General	8,292	6.3%	General	6,838	6.0%
Private sector	118,356		90.7%	105,284		91.5%
	Railway	100,197	76.8%	Railway	98,129	85.3%
	General	18,159	13.9%	General	7,155	6.2%
Total	130,535		100.0%	115,049		100.0%
	Railway	104,083	79.8%	Railway	101,055	87.8%
	General	26,451	20.2%	General	13,993	12.2%