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November 7, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)



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 Listing: Tokyo Stock Exchange
 Securities code: 1882
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 Scheduled date to file semi-annual securities report: November 7, 2025
 Scheduled date to commence dividend payments: December 2, 2025
 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 six months ended September 30, 2025 (from April 1, 2025 to September 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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	51,459	(4.5)	406	129.3	552	71.8	469	(22.1)
September 30, 2024	53,881	6.0	177	(71.9)	321	(59.7)	602	23.7

Note: Comprehensive income For the six months ended September 30, 2025: ¥ 703 million [- %]
 For the six months ended September 30, 2024: ¥ (38) million [- %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	10.19	-
September 30, 2024	13.04	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	81,392	53,322	63.7
March 31, 2025	90,721	56,931	61.1

Reference: Equity
 As of September 30, 2025: ¥51,810 million
 As of March 31, 2025: ¥55,411 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	-	-	-	90.00	90.00
Fiscal year ending March 31, 2026	-	45.00			
Fiscal year ending March 31, 2026 (Forecast)			-	45.00	90.00

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

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from 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	127,000	0.3	6,500	29.6	6,600	26.8	4,100	(0.7)	88.72

Note: Revisions to the most recently announced financial result forecast: None

* Notes

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

Newly included: - companies (Company name)

Excluded: - companies (Company name)

(2) Adoption of accounting treatment specific to the preparation of semi-annual 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 September 30, 2025	50,394,730 shares
As of March 31, 2025	50,394,730 shares

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

As of September 30, 2025	4,183,192 shares
As of March 31, 2025	4,116,599 shares

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

Six months ended September 30, 2025	46,111,240 shares
Six months ended September 30, 2024	46,231,173 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts and other special matters

Financial results forecasts and other forward-looking statements contained herein are based on information that is currently available and certain assumptions that the Company deemed to be reasonable, and the Company does not guarantee their achievement. Actual results may differ significantly due to various factors.

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1. Qualitative Information on Semi-Annual Financial Results

(1) Explanation of Operating Results

In the six months under review, the Japanese economy showed signs of improvement in corporate capital investment and private consumption. However, the outlook remains uncertain mainly due to soaring energy prices and heightened geopolitical risks.

Construction investment has remained solid, supported by ongoing government-led infrastructure investment and disaster prevention and reduction measures, as well as policy initiatives related to green transformation (GX) and digital transformation (DX).

Meanwhile, material prices, personnel costs, and fuel costs continue to rise, making profit generation through rigorous cost control and efficient construction operations a key management priority. Despite this challenging business environment, the Group continues to implement growth investments and human resource development initiatives in line with its medium-term management plan, aiming to establish a solid business foundation for the future while pursuing sustainable growth and enhanced corporate value.

Under these circumstances, for the six months under review, the Group posted the orders received of ¥68,171 million (up 19.6% year on year) and net sales of ¥51,459 million (down 4.5% year on year).

With regard to profit or loss, operating profit was ¥406 million (up 129.3% year on year), ordinary profit was ¥552 million (up 71.8% year on year). Profit attributable to owners of parent was ¥469 million (down 22.1% year on year).

The operating results by segment are as follows.

1) Construction

The orders received for the six months under review amounted to ¥46,457 million (up 34.1% year on year). Net sales of completed construction contracts were ¥29,745 million (down 5.6% year on year) and the segment profit was ¥340 million (up 62.6% year on year).

2) Manufacturing and sales of construction materials, environmental business, and other businesses

Net sales for the six months under review were ¥21,713 million (down 2.9% year on year) and the segment profit was ¥1,276 million (up 20.6% year on year).

(2) Explanation of Financial Position

The total assets at the end of the six months under review amounted to ¥81,392 million, decreasing by ¥9,329 million from the end of the preceding fiscal year. This was due mainly to a decrease of ¥1,839 million in cash and deposits, and a decrease of ¥10,850 million in notes receivable, accounts receivable from completed construction contracts and other.

Total liabilities amounted to ¥28,069 million, decreasing by ¥5,721 million from the end of the preceding fiscal year. This was due mainly to a decrease of ¥1,166 million in notes payable, accounts payable for construction contracts and other, a decrease of ¥2,500 million in short-term borrowings, and a decrease of ¥995 million in income taxes payable.

Total net assets amounted to ¥53,322 million, decreasing by ¥3,608 million from the end of the preceding fiscal year. This was due mainly to a decrease of ¥3,697 million in retained earnings as a result of dividends of ¥4,165 million paid to shareholders, partially offset by ¥469 million in profit attributable to owners of parent.

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

Regarding the financial results forecast for the fiscal year ending March 31, 2026, despite the uncertain trends in material prices, including asphalt, both the construction business and the manufacturing and sales of construction materials, environmental business, and other businesses are expected to make steady progress from the third quarter onward. As of now, there are no changes to the financial results forecast announced on May 9, 2025. If any revisions become necessary based on future business performance, the Company will make appropriate disclosures.

2. Semi-Annual Consolidated Financial Statements and Principal Notes

(1) Semi-Annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	12,308	10,468
Notes receivable, accounts receivable from completed construction contracts and other	37,232	26,381
Electronically recorded monetary claims - operating	2,575	2,102
Costs on construction contracts in progress	1,263	3,890
Merchandise and finished goods	974	1,052
Work in process	619	548
Raw materials and supplies	1,696	1,967
Other	3,420	3,734
Allowance for doubtful accounts	(89)	(83)
Total current assets	60,001	50,062
Non-current assets		
Property, plant and equipment		
Buildings and structures	14,283	14,392
Machinery, equipment and vehicles	30,059	30,314
Land	13,793	13,839
Leased assets	1,477	1,666
Construction in progress	58	410
Other	2,769	2,864
Accumulated depreciation	(38,734)	(39,625)
Total property, plant and equipment	23,707	23,861
Intangible assets	321	298
Investments and other assets		
Investment securities	4,087	4,353
Long-term loans receivable	330	319
Retirement benefit asset	1,685	1,691
Deferred tax assets	367	573
Other	300	310
Allowance for doubtful accounts	(80)	(78)
Total investments and other assets	6,691	7,169
Total non-current assets	30,720	31,330
Total assets	90,721	81,392

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	13,988	12,822
Electronically recorded obligations - operating	3,687	2,929
Short-term borrowings	5,450	2,950
Income taxes payable	1,506	510
Advances received on construction contracts in progress	969	1,865
Provision for warranties for completed construction	28	27
Provision for loss on construction contracts	114	110
Other	4,657	3,578
Total current liabilities	30,401	24,795
Non-current liabilities		
Long-term borrowings	450	225
Deferred tax liabilities	713	757
Deferred tax liabilities for land revaluation	1,059	1,059
Retirement benefit liability	459	460
Asset retirement obligations	55	55
Other	649	715
Total non-current liabilities	3,389	3,274
Total liabilities	33,790	28,069
Net assets		
Shareholders' equity		
Share capital	7,584	7,584
Capital surplus	6,419	6,653
Retained earnings	40,991	37,293
Treasury shares	(2,584)	(2,906)
Total shareholders' equity	52,410	48,624
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,792	2,001
Revaluation reserve for land	589	589
Remeasurements of defined benefit plans	619	594
Total accumulated other comprehensive income	3,001	3,186
Non-controlling interests	1,519	1,512
Total net assets	56,931	53,322
Total liabilities and net assets	90,721	81,392

(2) Semi-Annual Consolidated Statements of Income and Comprehensive Income
Semi-Annual Consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	53,881	51,459
Cost of sales	49,498	46,676
Gross profit	4,383	4,783
Selling, general and administrative expenses	4,206	4,376
Operating profit	177	406
Non-operating income		
Interest income	3	12
Dividend income	138	80
Insurance claim income	10	39
Other	36	50
Total non-operating income	189	182
Non-operating expenses		
Interest expenses	10	18
Financial commission	0	4
Litigation expenses	1	1
Provision of allowance for doubtful accounts	4	-
Commission expenses	1	2
Other	26	9
Total non-operating expenses	45	36
Ordinary profit	321	552
Extraordinary income		
Gain on sale of non-current assets	12	39
Gain on sale of investment securities	607	120
Total extraordinary income	619	159
Extraordinary losses		
Loss on sale of non-current assets	-	0
Loss on retirement of non-current assets	28	10
Other	0	0
Total extraordinary losses	28	10
Profit before income taxes	912	700
Income taxes	275	182
Profit	636	518
Profit attributable to non-controlling interests	33	48
Profit attributable to owners of parent	602	469

Semi-Annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	636	518
Other comprehensive income		
Valuation difference on available-for-sale securities	(639)	209
Remeasurements of defined benefit plans, net of tax	(35)	(24)
Total other comprehensive income	(675)	184
Comprehensive income	(38)	703
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(72)	654
Comprehensive income attributable to non-controlling interests	33	48

(3) Semi-Annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	912	700
Depreciation	1,040	1,081
Increase (decrease) in allowance for doubtful accounts	(9)	(8)
Increase (decrease) in provision for loss on construction contracts	(9)	(3)
Increase (decrease) in retirement benefit liability	0	(4)
Loss on retirement of property, plant and equipment	28	10
Interest and dividend income	(142)	(92)
Interest expenses	10	18
Share of loss (profit) of entities accounted for using equity method	(1)	1
Loss (gain) on sale of property, plant and equipment	(12)	(38)
Decrease (increase) in trade receivables	5,350	11,324
Decrease (increase) in costs on construction contracts in progress	(860)	(2,626)
Decrease (increase) in inventories	112	(277)
Increase (decrease) in trade payables	(4,528)	(1,744)
Loss (gain) on sale of investment securities	(607)	(120)
Increase (decrease) in accrued consumption taxes	(800)	(1,285)
Increase (decrease) in advances received on construction contracts in progress	841	896
Other, net	(1,968)	1
Subtotal	(643)	7,831
Interest and dividends received	142	92
Interest paid	(11)	(23)
Income taxes paid	(1,018)	(1,316)
Net cash provided by (used in) operating activities	(1,531)	6,584
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,158)	(1,218)
Proceeds from sale of property, plant and equipment	3	62
Purchase of intangible assets	(52)	(13)
Purchase of investment securities	(3)	(2)
Proceeds from sale of investment securities	952	262
Loan advances	(30)	(43)
Proceeds from collection of loans receivable	8	111
Other, net	15	(20)
Net cash provided by (used in) investing activities	(265)	(862)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	(2,500)
Repayments of long-term borrowings	(325)	(225)
Purchase of treasury shares	(1,175)	(519)
Dividends paid	(1,974)	(4,165)
Dividends paid to non-controlling interests	(35)	(55)
Other, net	(77)	(96)
Net cash provided by (used in) financing activities	(3,587)	(7,561)
Net increase (decrease) in cash and cash equivalents	(5,384)	(1,839)
Cash and cash equivalents at beginning of period	14,227	12,308
Cash and cash equivalents at end of period	8,843	10,468

(4) Notes to Semi-Annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

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

On May 29, 2025, the Company acquired 350,000 treasury shares based on the resolution at the Board of Directors meeting held on May 28, 2025. Furthermore, based on the resolution at the Board of Directors meeting held on July 7, 2025, the Company disposed of 57,742 treasury shares as restricted stock compensation and 226,600 treasury shares as a restricted stock incentive for the employee shareholding association of the Company. As a result, capital surplus and the value of treasury shares increased by ¥233 million and ¥322 million, respectively, in the six months under review.

As of September 30, 2025, capital surplus amounted to ¥6,653 million, and treasury shares totaled ¥2,906 million.

(Segment information, etc.)

I. For the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

1. Information on the amounts of net sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment		
	Construction	Asphalt Products, Environment and Other	Total
Net sales			
Net sales to outside customers	31,520	22,360	53,881
Inter-segment net sales or transfers	0	430	430
Total	31,521	22,791	54,312
Segment profit	209	1,058	1,267

2. Differences between the total amounts of profit (loss) for reportable segments and the amounts in the semi-annual consolidated statements of income, and the main details of these differences (matters relating to difference adjustments)

(Millions of yen)

Profit	Amount
Reportable segments total	1,267
Elimination of inter-segment transactions	23
Corporate expenses (Note)	(1,113)
Operating profit in the semi-annual consolidated statements of income	177

(Note) Corporate expenses are mainly general and administrative expenses that are not attributable to the reportable segments.

3. Information on impairment loss on non-current assets by reportable segment

Not applicable.

II. For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

1. Information on the amounts of net sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segment		
	Construction	Asphalt Products, Environment and Other	Total
Net sales			
Net sales to outside customers	29,745	21,713	51,459
Inter-segment net sales or transfers	9	331	340
Total	29,755	22,045	51,800
Segment profit	340	1,276	1,616

2. Differences between the total amounts of profit (loss) for reportable segments and the amounts in the semi-annual consolidated statements of income, and the main details of these differences (matters relating to difference adjustments)

(Millions of yen)

Profit	Amount
Reportable segments total	1,616
Elimination of inter-segment transactions	9
Corporate expenses (Note)	(1,219)
Operating profit in the semi-annual consolidated statements of income	406

(Note) Corporate expenses are mainly general and administrative expenses that are not attributable to the reportable segments.

3. Information on impairment loss on non-current assets by reportable segment

Not applicable.

3. Others

Overview of Production, Orders Received and Sales

Orders received, sales and balance of orders carried forward by business

Category			For the six months ended September 30, 2024		For the six months ended September 30, 2025	
			Amount (Millions of yen)	Composition (%)	Amount (Millions of yen)	Composition (%)
Balance of orders brought forward	Construction	Pavement construction	21,667	61.9	19,720	70.3
		Civil engineering	13,322	38.1	8,337	29.7
		Total	34,990	100.0	28,057	100.0
	Asphalt Products, Environment and Other		-	-	-	-
	Total		34,990	100.0	28,057	100.0
Orders received	Construction	Pavement construction	30,055	52.7	36,025	52.8
		Civil engineering	4,588	8.1	10,431	15.3
		Total	34,644	60.8	46,457	68.1
	Asphalt Products, Environment and Other		22,360	39.2	21,713	31.9
	Total		57,005	100.0	68,171	100.0
Net sales	Construction	Pavement construction	23,718	44.0	24,255	47.1
		Civil engineering	7,802	14.5	5,490	10.7
		Total	31,520	58.5	29,745	57.8
	Asphalt Products, Environment and Other		22,360	41.5	21,713	42.2
	Total		53,881	100.0	51,459	100.0
Balance of orders carried forward	Construction	Pavement construction	28,005	73.5	31,490	70.3
		Civil engineering	10,108	26.5	13,278	29.7
		Total	38,114	100.0	44,768	100.0
	Asphalt Products, Environment and Other		-	-	-	-
	Total		38,114	100.0	44,768	100.0