

August 7, 2025

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

Company name: WAKACHIKU CONSTRUCTION CO.,LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 1888
 URL: <https://www.wakachiku.co.jp/>
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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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	20,239	21.2	173	740.6	205	49.5	104	218.3
June 30, 2024	16,698	(25.8)	20	(97.8)	137	(91.8)	32	(97.0)

Note: Comprehensive income For the three months ended June 30, 2025: ¥219 million [(18.5)%]
 For the three months ended June 30, 2024: ¥268 million [(74.0)%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2025	8.21		-	
June 30, 2024	2.57		-	

(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
June 30, 2025	83,000	48,465	56.5	3,692.05
March 31, 2025	91,890	49,858	52.6	3,802.84

Reference: Equity
 As of June 30, 2025: ¥46,925 million
 As of March 31, 2025: ¥48,322 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	-	0.00	-	126.00	126.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		0.00		131.00	131.00

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

3. Forecast of consolidated financial results 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
Fiscal year ending March 31, 2026	100,600	16.4	5,750	10.2	5,500	5.2	3,700	0.3	291.18

Note: Revisions to the earnings forecasts 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	12,964,993 shares
As of March 31, 2025	12,964,993 shares

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

As of June 30, 2025	255,132 shares
As of March 31, 2025	258,142 shares

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

Three months ended June 30, 2025	12,708,302 shares
Three months ended June 30, 2024	12,757,589 shares

Note: The number of treasury shares at the end of the fiscal year and the number of treasury shares to be deducted for the calculation of the average number of shares during the period include the Company's shares held by the trust account related to the Equity Grant Trust for Officers.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For information on the circumstances on which earnings forecasts are based and precautions for using earnings forecasts, please refer to Appendix P.2 "1. Qualitative Information on Financial Results for the this quarter (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	13,217	14,013
Notes receivable, accounts receivable from completed construction contracts and other	45,839	35,928
Real estate for sale	2,971	2,977
Costs on construction contracts in progress	1,232	1,811
Advances paid	1,241	695
Other	5,802	5,872
Allowance for doubtful accounts	(50)	(39)
Total current assets	70,253	61,259
Non-current assets		
Property, plant and equipment		
Buildings and structures	5,581	5,585
Machinery, vehicles, tools, furniture and fixtures	4,571	4,606
Vessels	3,640	3,646
Land	6,581	6,581
Other	717	760
Accumulated depreciation	(9,800)	(9,952)
Total property, plant and equipment	11,291	11,228
Intangible assets	512	539
Investments and other assets		
Investment securities	6,705	6,920
Deferred tax assets	947	856
Retirement benefit asset	1,601	1,615
Other	1,043	1,027
Allowance for doubtful accounts	(466)	(447)
Total investments and other assets	9,832	9,973
Total non-current assets	21,636	21,740
Total assets	91,890	83,000

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	13,830	13,264
Short-term borrowings	12,190	3,181
Income taxes payable	231	118
Advances received on uncompleted construction contracts	3,974	5,122
Deposits received	5,622	7,498
Provisions	1,346	781
Other	633	587
Total current liabilities	37,830	30,555
Non-current liabilities		
Long-term borrowings	378	131
Deferred tax liabilities for land revaluation	791	791
Provision for share awards	176	183
Retirement benefit liability	2,679	2,706
Other	176	166
Total non-current liabilities	4,202	3,979
Total liabilities	42,032	34,534
Net assets		
Shareholders' equity		
Share capital	11,374	11,374
Capital surplus	2,948	2,948
Retained earnings	30,194	28,681
Treasury shares	(518)	(511)
Total shareholders' equity	43,998	42,493
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,120	1,267
Revaluation reserve for land	1,684	1,684
Remeasurements of defined benefit plans	1,518	1,480
Total accumulated other comprehensive income	4,323	4,432
Non-controlling interests	1,535	1,539
Total net assets	49,858	48,465
Total liabilities and net assets	91,890	83,000

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales		
Net sales of completed construction contracts	16,000	19,682
Net sales in real estate business and other	698	557
Total net sales	16,698	20,239
Cost of sales		
Cost of sales of completed construction contracts	14,343	17,769
Cost of sales in real estate business and other	434	355
Total cost of sales	14,777	18,125
Gross profit		
Gross profit on completed construction contracts	1,656	1,912
Gross profit on real estate business and other	263	201
Total gross profit	1,920	2,114
Selling, general and administrative expenses	1,900	1,940
Operating profit	20	173
Non-operating income		
Interest income	17	9
Dividend income	56	80
Foreign exchange gains	46	-
Other	37	14
Total non-operating income	157	104
Non-operating expenses		
Interest expenses	34	34
Foreign exchange losses	-	32
Other	6	5
Total non-operating expenses	40	71
Ordinary profit	137	205
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Impairment losses	1	-
Total extraordinary losses	1	0
Profit before income taxes	136	206
Income taxes - current	61	56
Income taxes - deferred	24	40
Total income taxes	86	96
Profit	50	110
Profit attributable to non-controlling interests	17	5
Profit attributable to owners of parent	32	104

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	50	110
Other comprehensive income		
Valuation difference on available-for-sale securities	254	146
Remeasurements of defined benefit plans, net of tax	(36)	(38)
Total other comprehensive income	218	108
Comprehensive income	268	219
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	251	213
Comprehensive income attributable to non-controlling interests	17	5

(Notes on segment information, etc.)

Segment Information

I. the three months of the previous fiscal year (April 1, 2024 to June 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

	Reportable segments			Other (Note) 1	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	Construction industry	Real estate business	Total			
Sales						
Revenues from external customers	16,486	129	16,615	82	-	16,698
Transactions with other segments	-	-	-	10	(10)	-
Total	16,486	129	16,615	93	(10)	16,698
Segment Profit	469	64	533	8	(521)	20

Note:

1. The "Other" category is a business segment that is not included in the reporting segment, and the main content is ship supervision.
2. Segment profit adjustment of (521) million yen is a company-wide expense that is not attributable to each reporting segment. Corporate expenses are general and administrative expenses that are not primarily attributable to the reporting segment.
3. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.

II. the three months of the current fiscal year (April 1, 2025 to June 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

	Reportable segments			Other (Note) 1	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	Construction industry	Real estate business	Total			
Sales						
Revenues from external customers	20,070	141	20,212	27	-	20,239
Transactions with other segments	-	-	-	25	(25)	-
Total	20,070	141	20,212	53	(25)	20,239
Segment profit (loss)	630	78	708	(14)	(520)	173

Note:

1. The "Other" category is a business segment that is not included in the reporting segment, and the main content is ship supervision.
2. Adjustments for segment profit or loss of (520) million yen are company-wide expenses that are not attributable to each reporting segment. Corporate expenses are general and administrative expenses that are not primarily attributable to the reporting segment.
3. Segment profit or loss is adjusted for operating income in the quarterly consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.