

May 9, 2025

Consolidated Financial Results for the Three Months Ended March 31, 2025 (Under Japanese GAAP)

Company name: FUKUDA CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 1899
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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 March 31, 2025 (from January 1, 2025 to March 31, 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 March 31, 2025	40,263	(2.8)	2,273	(14.5)	2,369	(13.9)	1,537	(18.4)
March 31, 2024	41,419	15.4	2,659	100.2	2,751	93.8	1,883	97.4

Note: Comprehensive income For the three months ended March 31, 2025: ¥1,520 million [(30.6)%]
 For the three months ended March 31, 2024: ¥2,189 million [118.0%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended March 31, 2025	185.72	-
March 31, 2024	227.69	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of March 31, 2025	147,888	84,973	57.1
December 31, 2024	142,814	85,407	59.3

Reference: Equity
 As of March 31, 2025: ¥84,423 million
 As of December 31, 2024: ¥84,661 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 December 31, 2024	-	0.00	-	200.00	200.00
Fiscal year ending December 31, 2025	-				
Fiscal year ending December 31, 2025 (Forecast)		0.00		200.00	200.00

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

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(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 December 31, 2025	167,000	0.2	6,000	(21.7)	6,300	(20.8)	4,300	(19.0)	519.34

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: Yes
- (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 March 31, 2025	8,988,111 shares
As of December 31, 2024	8,988,111 shares

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

As of March 31, 2025	708,517 shares
As of December 31, 2024	710,789 shares

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

Three months ended March 31, 2025	8,278,366 shares
Three months ended March 31, 2024	8,274,002 shares

The Company has introduced the "J-ESOP" and "Officers' Equity Benefit Trust (BBT)" systems. The number of treasury shares at the end of the fiscal year includes shares held by the Custody Bank of Japan, Ltd. (Trust E) (92,600 shares in the first quarter of the fiscal year ending December 31, 2025 and 95,100 shares in the fiscal year ending December 31, 2024). In addition, the Company's shares held by Japan Custody Bank, Ltd. (Trust E Account) are included in the treasury stock deducted in the calculation of the average number of treasury shares during the period (93,975 shares in the first quarter of the fiscal year ending December 31, 2025 and 93,775 shares in the first quarter of the fiscal year ending December 31, 2024).

* 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

Forward-looking statements, such as earnings forecasts, described in this material are based on information available to the Company and certain assumptions that the Company deems reasonable, and actual results may differ due to various factors. For the conditions on which earnings forecasts are predicated and precautions for using earnings forecasts, please refer to "1. Qualitative Information on the Financial Results for the this quarter (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

Reference: Non-consolidated earnings forecast for the fiscal year ending December 31, 2025 (January 1, 2025 ~ December 31, 2025)

(Percentage is the percentage change from the previous fiscal year)

	sales		Operating Profit		Ordinary Income		Net Income		per share Net Income
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	96,280	(2.2)	2,900	(27.3)	3,400	(26.6)	2,380	(29.0)	287.45

Note: There is no change from the announcement on February 14, 2025.

We have not prepared earnings forecasts for the second quarter (cumulative).

Quarterly consolidated balance sheet

(Millions of yen)

	As of December 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	32,849	30,111
Notes receivable, accounts receivable from completed construction contracts and other	62,756	69,309
Real estate for sale	1,634	1,510
Costs on construction contracts in progress	1,320	1,227
Costs on real estate business	2,987	3,373
Other inventories	390	389
Accounts receivable - other	2,312	3,073
Other	1,222	1,330
Allowance for doubtful accounts	(40)	(35)
Total current assets	105,433	110,290
Non-current assets		
Property, plant and equipment		
Buildings and structures	23,917	24,149
Machinery, vehicles, tools, furniture and fixtures	14,257	14,302
Land	15,837	15,815
Other	1,234	1,153
Accumulated depreciation	(28,422)	(28,551)
Total property, plant and equipment	26,825	26,868
Intangible assets		
Other	400	408
Total intangible assets	400	408
Investments and other assets		
Investment securities	6,609	6,678
Long-term loans receivable	163	163
Retirement benefit asset	2,022	2,041
Deferred tax assets	728	822
Other	926	911
Allowance for doubtful accounts	(295)	(295)
Total investments and other assets	10,154	10,321
Total non-current assets	37,380	37,597
Total assets	142,814	147,888

	As of December 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	34,009	41,714
Short-term borrowings	730	1,030
Income taxes payable	1,658	1,026
Advances received on uncompleted construction contracts and other	6,138	6,205
Provisions	377	1,267
Other	7,090	4,422
Total current liabilities	50,004	55,665
Non-current liabilities		
Long-term borrowings	473	401
Deferred tax liabilities	521	421
Deferred tax liabilities for land revaluation	778	801
Provisions	588	582
Retirement benefit liability	2,432	2,387
Other	2,608	2,653
Total non-current liabilities	7,402	7,249
Total liabilities	57,406	62,914
Net assets		
Shareholders' equity		
Share capital	5,158	5,158
Capital surplus	6,172	6,107
Retained earnings	75,080	74,953
Treasury shares	(3,513)	(3,500)
Total shareholders' equity	82,898	82,719
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,855	1,809
Revaluation reserve for land	41	18
Remeasurements of defined benefit plans	(134)	(124)
Total accumulated other comprehensive income	1,762	1,703
Non-controlling interests	746	549
Total net assets	85,407	84,973
Total liabilities and net assets	142,814	147,888

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Net sales		
Net sales of completed construction contracts	34,200	36,695
Sales in real estate business	4,026	479
Sales in other businesses	3,193	3,088
Total net sales	41,419	40,263
Cost of sales		
Cost of sales of completed construction contracts	30,862	32,844
Cost of sales in real estate business	2,902	319
Cost of sales in other businesses	2,617	2,414
Total cost of sales	36,382	35,578
Gross profit		
Gross profit on completed construction contracts	3,338	3,851
Gross profit - real estate business	1,123	159
Gross profit - other business	575	673
Total gross profit	5,037	4,684
Selling, general and administrative expenses	2,378	2,411
Operating profit	2,659	2,273
Non-operating income		
Interest income	4	8
Dividend income	72	70
Reversal of allowance for doubtful accounts	-	0
Share of profit of entities accounted for using equity method	4	4
Other	30	33
Total non-operating income	111	117
Non-operating expenses		
Interest expenses	7	5
Commission for syndicated loans	8	9
Prepayment guarantee fee	2	5
Other	0	1
Total non-operating expenses	19	20
Ordinary profit	2,751	2,369
Extraordinary income		
Gain on sale of non-current assets	3	0
Subsidy income	59	-
Total extraordinary income	62	0
Extraordinary losses		
Loss on retirement of non-current assets	0	18
Loss on valuation of investment securities	0	-
Loss on tax purpose reduction entry of non-current assets	59	-
Total extraordinary losses	59	18
Profit before income taxes	2,754	2,351
Income taxes - current	1,071	972
Income taxes - deferred	(226)	(199)
Total income taxes	844	772
Profit	1,910	1,578
Profit attributable to non-controlling interests	26	41
Profit attributable to owners of parent	1,883	1,537

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Profit	1,910	1,578
Other comprehensive income		
Valuation difference on available-for-sale securities	249	(40)
Revaluation reserve for land	15	(22)
Remeasurements of defined benefit plans, net of tax	7	9
Share of other comprehensive income of entities accounted for using equity method	5	(5)
Total other comprehensive income	279	(58)
Comprehensive income	2,189	1,520
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,161	1,478
Comprehensive income attributable to non-controlling interests	28	41

(Notes on segment information, etc.)

Segment Information

I. the three months of the previous fiscal year (January 1, 2024 to March 31, 2024)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(in millions of yen)

	Reportable segments			Other (Note)	Total
	Construction	Real Estate	Total		
Sales					
Civil engineering work	15,367	-	15,367	-	15,367
Construction work	18,895	-	18,895	-	18,895
Other	2,494	3,606	6,101	150	6,251
Revenue generated from customer contracts	36,757	3,606	40,363	150	40,513
Other Earnings	483	422	905	-	905
Revenues from external customers	37,241	4,028	41,269	150	41,419
Transactions with other segments	4	23	27	0	27
Total	37,245	4,051	41,297	150	41,447
Segment Profit	1,921	775	2,696	2	2,699

Note: The "Other" category refers to business segments that are not included in the reporting segments and includes welfare-related businesses.

2. The difference between the total amount of profit or loss of the reported segment and the amount recorded in the quarterly consolidated statements of income and the main details of the difference (matters related to adjustment of differences)

(in millions of yen)

benefit	amount of money
Total Reporting Segments	2,696
Benefits of the "Other" category	2
Inter-segment transaction elimination	0
Company-wide expenses (Note)	41
Operating Income in Quarterly Consolidated Statements of Income	2,659

Note: Corporate expenses are general and administrative expenses that are not primarily attributable to the reporting segment.

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

Not applicable.

II. the three months of the current fiscal year (January 1, 2025 to March 31, 2025)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(in millions of yen)

	Reportable segments			Other (Note)	Total
	Construction	Real Estate	Total		
Sales					
Civil engineering work	16,494	-	16,494	-	16,494
Construction work	20,324	-	20,324	-	20,324
Other	2,442	120	2,563	156	2,719
Revenue generated from customer contracts	39,261	120	39,381	156	39,538
Other Earnings	363	361	724	-	724
Revenues from external customers	39,624	482	40,106	156	40,263
Transactions with other segments	24	19	43	0	44
Total	39,649	501	40,150	156	40,307
Segment Profit	2,218	78	2,297	16	2,314

Note: The "Other" category refers to business segments that are not included in the reporting segments and includes welfare-related businesses.

2. The difference between the total amount of profit or loss of the reported segment and the amount recorded in the quarterly consolidated statements of income and the main details of the difference (matters related to adjustment of differences)

(in millions of yen)

benefit	amount of money
Total Reporting Segments	2,297
Benefits of the "Other" category	16
Inter-segment transaction elimination	0
Company-wide expenses (Note)	41
Operating Income in Quarterly Consolidated Statements of Income	2,273

Note: Corporate expenses are general and administrative expenses that are not primarily attributable to the reporting segment.

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

Not applicable.