Translation

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

August 8, 2025

Company name:	RAITO KOGYO CO.,LTD.		
Stock exchange listing:	Tokyo		
Stock code:	1926 URL https://www.raito.co.jp		
Representative:	President and Representative Director	Kazuhiro Akutsu	
Inquiries:	Senior Managing Director, General Manager of Corporate Planning Headquarters	Makoto Nishi	TEL 03-3265-2555

Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: No
Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

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	30,520	20.1	2,785	32.7	2,809	25.7	1,955	29.4
Three months ended June 30, 2024	25,421	(1.4)	2,098	21.3	2,236	23.4	1,511	30.6

Note: Comprehensive income Three months ended June 30, 2025: ¥1,716 million [(22.9)%]
Three months ended June 30, 2024: ¥2,227 million [2.0%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	44.36	–
Three months ended June 30, 2024	31.70	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2025	115,032	85,278	73.4	1,930.45
As of March 31, 2025	122,209	88,674	71.9	1,972.70

Reference: Equity
As of June 30, 2025: ¥84,469 million
As of March 31, 2025: ¥87,833 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	–	30.00	–	70.00	100.00
Year ending March 31, 2026	–				
Year ending March 31, 2026 (Forecast)		40.00	–	67.00	107.00

Note: Revisions to the most recently announced consolidated dividend forecasts: None

3. Forecast of consolidated financial results for the 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	62,800	14.2	6,500	18.1	6,600	17.9	4,550	20.8	102.19
Full year	127,500	5.0	13,700	6.9	13,850	5.2	9,500	(4.2)	213.36

Note: Revisions to the most recently announced consolidated earnings forecasts: None

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2025: No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(3) 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

(4) Number of issued shares (common shares)

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

As of June 30, 2025	45,467,550 shares	As of March 31, 2025	45,467,550 shares

Number of treasury shares at the end of the period

As of June 30, 2025	1,711,231 shares	As of March 31, 2025	942,865 shares

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

Three months ended June 30, 2025	44,071,571 shares	Three months ended June 30, 2024	47,683,809 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountant or auditing corporation: None

* Explanation of the appropriate use of earnings forecasts and other special notes

The earnings forecasts are prepared based on information available as of the date of publication of this document, and actual results may differ from the forecasts due to various factors in the future.

Attached Materials Index

1. Overview of Operating Results

(1) Overview of Operating Results for the Three Months Ended June 30, 2025

During the three months under review, the Japanese economy has maintained a gradual recovery trend under improvements in the employment and income environment and corporate earnings. However, the economic outlook remains uncertain due to deteriorating consumer sentiment resulting from the rising price of goods, and global economic slowdowns due to the U.S. tariff policy changes, which could put downward pressure on Japan’s economy.

In the construction industry, private-sector, non-residential construction investment shows steady growth, particularly in corporate capital investment supported by steady corporate earnings. Government construction investment also remained at a high level, driven mainly by disaster prevention and mitigation, national resilience, and future-oriented measures to address aging infrastructure. Due to this and other factors, a favorable environment for orders has continued.

In this environment, the Raito Kogyo Group recorded ¥49,160 million in orders received (up 3.9% year on year) during the three months under review. This was due to the continued high level of orders for slope stabilization and protection as well as foundations and ground improvement at the Company and overseas subsidiaries, despite a decrease in orders received for construction work due to a reactionary decline from multiple large-scale condominium projects that the Company had received in the same period of the previous year.

Net sales recorded ¥30,520 million (up 20.1% year on year) driven by an increase in the execution of major construction projects at the Company and overseas subsidiaries.

In terms of profit, gross profit was ¥5,983 million (up 15.9% year on year) due to an increase in net sales and improved profitability at consolidated subsidiaries.

Due to an increase in gross profit, operating profit and ordinary profit increased to ¥2,785 million (up 32.7% year on year) and ¥2,809 million (up 25.7% year on year), respectively.

Profit attributable to owners of parent was ¥1,955 million (up 29.4% year on year).

In the three months ended June 30, 2025, orders received, net sales, and construction contracts carried forward were as shown below.

(Millions of yen)

By business/ construction type	Orders received		Net sales		Construction contracts carried forward	
	Three months ended June 30, 2024	Three months ended June 30, 2025	Three months ended June 30, 2024	Three months ended June 30, 2025	Three months ended June 30, 2024	Three months ended June 30, 2025
Slope stabilization and protection	11,475	13,386	6,558	8,133	21,022	27,164
Foundations and ground improvement	21,745	25,769	11,618	13,730	42,608	45,333
Repair and reinforcement	2,203	1,653	2,154	1,890	7,321	7,099
Environmental remediation	373	559	369	723	717	1,453
General civil engineering	616	937	1,048	578	2,840	2,008
Building construction	10,109	6,128	3,330	5,026	22,861	22,146
Other construction	768	724	261	368	1,035	697
Construction segment total	47,292	49,160	25,341	30,451	98,406	105,904
Product and materials sales segment	–	–	79	69	–	–
Total	47,292	49,160	25,421	30,520	98,406	105,904

(2) Overview of Financial Position for the Three Months Ended June 30, 2025

Assets

Assets decreased by ¥7,177 million from the end of the previous fiscal year due to decreases in cash and deposits, and notes receivable, accounts receivable from completed construction contracts and other.

Liabilities

Liabilities decreased by ¥3,781 million from the end of the previous fiscal year due to decreases in electronically recorded obligations - operating and income taxes payable.

Net assets

Net assets decreased by ¥3,396 million from the end of the previous fiscal year as the decreases due to payment of dividends to shareholders and purchase of treasury shares exceeded the increase in profit attributable to owners of parent reported.

(3) Explanation of Forecasts of Consolidated Financial Results and Other Forward-looking Statements

There are no revisions to the forecasts of consolidated financial results for the fiscal year ending March 31, 2026, announced on May 14, 2025.

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	30,947	25,310
Notes receivable, accounts receivable from completed construction contracts and other	40,484	39,298
Electronically recorded monetary claims - operating	2,089	2,244
Costs on construction contracts in progress	1,492	1,691
Merchandise and finished goods	24	21
Raw materials and supplies	798	763
Accounts receivable - other	763	540
Other	1,846	1,969
Allowance for doubtful accounts	(33)	(33)
Total current assets	78,411	71,806
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,622	8,513
Machinery and vehicles, net	6,022	5,912
Land	11,058	11,058
Leased assets, net	132	131
Construction in progress	213	377
Other, net	672	617
Total property, plant and equipment	26,722	26,611
Intangible assets		
Goodwill	360	337
Other	284	281
Total intangible assets	644	618
Investments and other assets		
Investment securities	8,313	8,399
Retirement benefit asset	4,088	4,065
Deferred tax assets	563	–
Other	3,831	3,899
Allowance for doubtful accounts	(365)	(368)
Total investments and other assets	16,431	15,996
Total non-current assets	43,798	43,225
Total assets	122,209	115,032

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	10,536	9,895
Electronically recorded obligations - operating	7,626	5,946
Short-term borrowings	1,447	1,570
Income taxes payable	1,985	484
Advances received on construction contracts in progress	1,134	2,269
Provision for warranties for completed construction	79	91
Provision for loss on construction contracts	32	151
Accrued expenses	2,986	2,239
Other	5,892	5,381
Total current liabilities	31,721	28,031
Non-current liabilities		
Long-term accounts payable - other	30	30
Lease liabilities	114	123
Deferred tax liabilities	708	603
Deferred tax liabilities for land revaluation	769	769
Provision for share awards for directors	129	134
Other	61	61
Total non-current liabilities	1,813	1,722
Total liabilities	33,534	29,753
Net assets		
Shareholders’ equity		
Share capital	6,119	6,119
Capital surplus	6,447	6,447
Retained earnings	73,300	72,128
Treasury shares	(2,071)	(4,057)
Total shareholders’ equity	83,795	80,638
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,678	1,843
Revaluation reserve for land	(1,059)	(1,059)
Foreign currency translation adjustment	1,895	1,571
Remeasurements of defined benefit plans	1,523	1,475
Total accumulated other comprehensive income	4,037	3,831
Non-controlling interests	841	809
Total net assets	88,674	85,278
Total liabilities and net assets	122,209	115,032

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales		
Net sales from completed construction contracts	25,341	30,451
Net sales from sideline businesses	79	69
Total net sales	25,421	30,520
Cost of sales		
Cost of sales of completed construction contracts	20,201	24,488
Cost of sales of sideline businesses	55	48
Total cost of sales	20,257	24,537
Gross profit		
Gross profit on completed construction contracts	5,140	5,962
Gross profit on sideline businesses	24	20
Total gross profit	5,164	5,983
Selling, general and administrative expenses	3,065	3,197
Operating profit	2,098	2,785
Non-operating income		
Interest income	35	27
Dividend income	58	46
Royalty income	5	9
Insurance claim income	2	58
Rental income	104	103
Foreign exchange gains	106	–
Other	23	30
Total non-operating income	338	275
Non-operating expenses		
Interest expenses	24	27
Commission expenses	5	0
Guarantee commission	13	14
Rental costs	122	121
Foreign exchange losses	–	33
Share of loss of entities accounted for using equity method	2	25
Other	32	29
Total non-operating expenses	201	251
Ordinary profit	2,236	2,809
Extraordinary income		
Gain on sale of non-current assets	1	0
Total extraordinary income	1	0
Extraordinary losses		
Loss on sale and retirement of non-current assets	0	–
Total extraordinary losses	0	–
Profit before income taxes	2,237	2,810
Income taxes - current	301	462
Income taxes - deferred	438	403
Total income taxes	739	866
Profit	1,498	1,943
Loss attributable to non-controlling interests	(13)	(11)
Profit attributable to owners of parent	1,511	1,955

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	1,498	1,943
Other comprehensive income		
Valuation difference on available-for-sale securities	283	164
Foreign currency translation adjustment	334	(213)
Remeasurements of defined benefit plans, net of tax	(19)	(47)
Share of other comprehensive income of entities accounted for using equity method	130	(130)
Total other comprehensive income	729	(227)
Comprehensive income	2,227	1,716
Comprehensive income attributable to:		
Owners of parent	2,218	1,748
Non-controlling interests	8	(32)

(3) Notes to the Quarterly Consolidated Financial Statements

Notes on Segment Information, Etc.

I Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

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

(Millions of yen)

	Reportable Segment	Other (Note)	Total
	Construction Business		
Net sales			
Net sales to external customers	25,341	79	25,421
Inter-segment sales and transfers	–	295	295
Total	25,341	375	25,717
Segment profit	2,085	13	2,098

Note: Other is a business segment not included in the reportable segment and includes the product and materials sales business, the leasing business, and the home-visit care business.

2. Difference between the total amount of profit or loss of reportable segments and the amount recorded in the quarterly consolidated statements of income and the main details of such difference (matters concerning reconciliation)

(Millions of yen)

Profit	Amount
Reportable segment total	2,085
Profit of Other	13
Inter-segment eliminations	0
Operating profit in quarterly consolidated statements of income	2,098

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

No relevant items to report.

II Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

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

(Millions of yen)

	Reportable Segment	Other (Note)	Total
	Construction Business		
Net sales			
Net sales to external customers	30,451	69	30,520
Inter-segment sales and transfers	–	252	252
Total	30,451	321	30,773
Segment profit	2,785	0	2,785

Note: Other is a business segment not included in the reportable segment and includes the product and materials sales business, the leasing business, and the home-visit care business.

2. Difference between the total amount of profit or loss of reportable segments and the amount recorded in the quarterly consolidated statements of income and the main details of such difference (matters concerning reconciliation)

(Millions of yen)

Profit	Amount
Reportable segment total	2,785
Profit of Other	0
Inter-segment eliminations	0
Operating profit in quarterly consolidated statements of income	2,785

3. Information on impairment loss on non-current assets, goodwill, etc. by reportable segment
No relevant items to report.

Significant Changes in Shareholders' Equity

No relevant items to report.

Notes on Premise of Going Concern

No relevant items to report.

Notes on Quarterly Consolidated Statements of Cash Flows

Quarterly consolidated statements of cash flows are not prepared for the three months ended June 30, 2025. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the three months ended June 30, 2024 and 2025 are as follows.

(Millions of yen)

	Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
Depreciation	686	704
Amortization of goodwill	12	10