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Consolidated Financial Report [Japanese GAAP] for the Fiscal Year Ended March 31, 2026

April 28, 2026

Company name: KRAFTIA CORPORATION Listing: Tokyo Stock Exchange / Fukuoka Stock Exchange
 Securities code: 1959 URL: <https://www.kraftia.co.jp>
 Representative: Kazuyuki Ishibashi, Executive Officer Representative President
 Inquiries: Toshiyuki Suetsugu, General Manager of Finance & Accounting Department
 Tel: +81(0)-50-6861-1238
 Scheduled date to hold regular shareholders' meeting: June 25, 2026 Scheduled date to commence dividend payments: June 3, 2026
 Scheduled date to file annual securities report: June 23, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (For institutional investors and analysts)

(Yen amounts are rounded down to millions.)

1. Consolidated financial results for the fiscal year ended March 31, 2026

(From April 1, 2025 to March 31, 2026)

(1) Consolidated operating results (Percentages indicate change from corresponding period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2026	476,123	0.5	54,600	31.9	58,157	30.9	40,053	38.7
Year ended March 31, 2025	473,954	1.0	41,388	8.9	44,434	4.9	28,883	3.1

(Note) Comprehensive income Year ended March 31, 2026 ¥49,998 million (64.5%) Year ended March 31, 2025 ¥30,392 million (-17.3%)

	Profit per share	Diluted profit per share	Ratio of profit to equity	Ratio of ordinary income to total assets	Ratio of operating income to sales
	Yen	Yen	%	%	%
Year ended March 31, 2026	566.25	—	12.2	11.5	11.5
Year ended March 31, 2025	408.36	—	9.6	9.0	8.7

(Reference) Share of profit/loss of entities accounted for using equity method Year ended March 31, 2026 ¥494 million Year ended March 31, 2025 ¥493 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	523,268	351,644	66.4	4,915.49
As of March 31, 2025	488,472	312,152	63.5	4,384.30

(Reference) Equity As of March 31, 2026 ¥347,696 million As of March 31, 2025 ¥310,104 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2026	12,332	(18,143)	(14,307)	50,548
Year ended March 31, 2025	8,656	(8,910)	(24,552)	70,437

2. Dividends

	Annual dividends per share					Total dividends	Dividend ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Year ended March 31, 2025	Yen —	Yen 65.00	Yen —	Yen 75.00	Yen 140.00	Millions of yen 9,920	% 34.3	% 3.3
Year ended March 31, 2026	—	90.00	—	130.00	220.00	15,589	38.9	4.7
Year ending March 31, 2027 (Forecast)	—	110.00	—	110.00	220.00		38.4	

Note 1: Fiscal year ended March 31, 2026

2: Fiscal year ending March 31, 2027 (forecast)

Breakdown of year-end dividend

Breakdown of interim dividend

Breakdown of year-end dividend

Normal dividend: ¥130.00

Normal dividend: ¥110.00

Normal dividend: ¥110.00

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027

(From April 1, 2026 to March 31, 2027)

(Percentages indicate change from corresponding period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	500,000	5.0	55,500	1.6	59,000	1.4	40,500	1.1	572.56

*Notes

(1) Significant changes in the scope of consolidation during the period : Yes

KRAFTIA Innovation Fund

Investment Limited Partnership

Newly included: 4 companies(Company name) KATSURAO FURYOKU Co., Ltd.

Two other companies

Excluded: — companies(Company name)

Note: For details see "Important information used to compile consolidated financial statements" on p.16 of the attached materials.

(2) 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

(3) Number of issued shares (common stock)

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

Year ended March 31, 2026	70,864,961 shares	Year ended March 31, 2025	70,864,961 shares
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(ii) Number of treasury stock at the end of the period

Year ended March 31, 2026	130,136 shares	Year ended March 31, 2025	134,473 shares
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(iii) Average number of shares outstanding during the period

Year ended March 31, 2026	70,733,610 shares	Year ended March 31, 2025	70,730,438 shares
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(Note) Treasury stock figures include company shares remaining in the trust that administers the stock compensation plan for officers (as of March 31, 2026 : 108,800 shares; as of March 31, 2025 : 113,600 shares).

(Reference) Overview of non-consolidated results

Non-consolidated financial results for the fiscal year ended March 31, 2026 (From April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results (Percentages indicate change from corresponding period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2026	395,647	(0.7)	43,423	19.0	45,534	21.4	32,894	26.8
Year ended March 31, 2025	398,602	(1.5)	36,498	21.2	37,516	11.1	25,944	19.2

	Profit per share	Diluted profit per share
	Yen	Yen
Year ended March 31, 2026	464.92	—
Year ended March 31, 2025	366.71	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	457,551	277,161	60.6	3,917.28
As of March 31, 2025	433,384	249,313	57.5	3,523.91

(Reference) Equity As of March 31, 2026 ¥277,161 million As of March 31, 2025 ¥249,313 million

- * Financial results reports are exempt from audits conducted by certified public accountants or an audit corporation.
- * Proper use of consolidated earnings forecasts and other special matters
Forward-looking statements such as the earnings outlook included in these materials are based on information available to the company at the time of their compilation and on certain assumptions that have been determined to be reasonable. They do not constitute any commitment on the part of the company to achieve specific results. In addition, actual performance and other results may diverge significantly from forecasts for a variety of reasons. For precautionary information about the conditions that comprise the assumptions underlying earnings forecasts and about the use of earnings forecasts, see "Overview of operating results" on p.2 of the attached materials.

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1. Overview of operating results

(1) Overview of operating results for the current fiscal year

During the current consolidated fiscal year, although construction investment remained resilient, including urban redevelopment and data center-related facilities in the private sector, there has been increasing uncertainty as a result of unstable international conditions, particularly the reciprocal tariff policies of the U.S. Domestically, fluctuations in foreign exchange rates, rising prices, and tight labor supply and demand could compound U.S. tariff policies to impact Japanese companies' capital investment plans in a significant manner, and are requiring continued close monitoring.

Against this backdrop, the Group's Mid-term Management Plan seeks to deepen existing initiatives, including enhancing technological capabilities, and has been strengthening human capital management to support sustained growth and reinforcing investment strategies conceived to secure stable future earnings.

We identified the basic management policy theme for the fiscal year ended March 31, 2026, the first year of the Mid-term Management Plan, as "Challenge 2025: deepening of technology and investing in growth." In line with this theme, we have steadily advanced the 11 initiatives and 5 investment strategies that we've identified as top priorities for achieving both the financial and non-financial targets of the Mid-term Management Plan to drive the Group's growth.

This approach to our businesses yielded the following results for the current fiscal year:

[Consolidated operating results]

Construction orders	¥479,014 million	(up 6.0% from the previous year)
Sales	¥476,123 million	(up 0.5% from the previous year)
Operating income	¥54,600 million	(up 31.9% from the previous year)
Ordinary income	¥58,157 million	(up 30.9% from the previous year)
Profit attributable to owners of parent	¥40,053 million	(up 38.7% from the previous year)

Net sales rose for the facilities construction business while falling in other businesses, resulting in the segment total rising ¥2,169 million from the corresponding period of the previous fiscal year to ¥476,123 million.

Operating income rose ¥13,212 million from the corresponding period of the previous fiscal year to ¥54,600 million, while ordinary income rose ¥13,722 million to ¥58,157 million. Profit attributable to owners of parent rose ¥11,169 million to ¥40,053 million.

Individual business segments performed as follows:

(Facilities construction business)

Construction orders rose ¥26,901 million (6.0%) from the previous consolidated fiscal year to ¥479,014 million as a result of appropriately passing on rising prices while pursuing orders in a planned manner based on optimal staffing arrangements, primarily regarding redevelopment projects in the Tokyo metropolitan area and Fukuoka, the integrated resort project in the Kansai area, and data center-related construction projects.

Net sales rose ¥3,150 million (0.7%) to ¥457,524 million mainly due to an increase in power distribution consignment work, with prices adjusted to reflect inflation.

Segment profit (operating income) rose ¥13,226 million (34.8%) from the previous consolidated fiscal year to ¥51,219 million, supported by improved gross profit margins on construction work.

Regarding the Ukujima Solar Power Project, the power producers ("SPC") established mainly by Kyocera and the Company are continuing to advance the procedures to obtain occupancy permits from Nagasaki Prefecture for the areas of ocean under the prefecture's jurisdiction through consultations with the prefecture and related parties.

As the EPC contractor for this project, we are scheduled to acquire the construction site for the AC/DC converter station on the Sasebo side, which is a critical path in the process, at the end of April, and so we will concentrate all the Group's efforts on the construction of the AC/DC converter station on the Sasebo side and on the construction work on Ukujima, aiming for early completion.

At this time, the specific completion date is expected to be delayed from FY2026 as the construction contract will be

signed after the ground survey for the AC/DC converter station is completed. At the same time, as environmental considerations and other costs are increasing, the SPC, in which we also have an equity stake, is considering reviewing new profit improvement schemes, such as transitioning to a Feed-in Premium (FIP) system, using corporate PPAs, and undertaking measures to improve business performance based on social conditions.

(Other)

Net sales fell ¥981 million (-5.0%) from the previous consolidated fiscal year to ¥18,598 million due to a decrease in the sale of construction-related materials and equipment.

Segment profit (operating income) rose ¥251 million (8.3%) from the previous consolidated fiscal year to ¥3,292 million due to an improvement in profit margins.

(2) Overview of financial position during the current fiscal year

Overview of assets, liabilities, and net assets

(Assets)

Current assets fell ¥965 million from the end of the previous consolidated fiscal year to ¥298,303 million due to factors including a decrease in cash and deposits resulting from the settlement of payment obligations and the acquisition of investment securities as strategic investments.

Fixed assets rose ¥35,762 million from the end of the previous consolidated fiscal year to ¥224,965 million due to factors including the acquisition of investment securities as strategic investments.

As a result, total assets rose ¥34,796 million from the end of the previous consolidated fiscal year to ¥523,268 million.

(Liabilities)

Current liabilities fell ¥823 million from the end of the previous consolidated fiscal year to ¥146,706 million due to factors including a decline in electronically recorded obligations resulting from the settlement of payment obligations.

Fixed liabilities fell ¥3,871 million from the end of the previous consolidated fiscal year to ¥24,917 million due to factors including a decrease resulting from the transfer of long-term borrowings to current liabilities.

As a result, total liabilities fell ¥4,695 million from the end of the previous consolidated fiscal year to ¥171,624 million.

(Net assets)

Total net assets rose ¥39,491 million from the end of the previous consolidated fiscal year to ¥351,644 million, despite the payment of dividends, due to factors including an increase in retained earnings resulting from the recording of profit attributable to owners of the parent.

(3) Overview of cash flows during the current fiscal year

Cash and cash equivalents (“funds”) during the current consolidated fiscal year fell ¥19,888 million from the end of the previous consolidated fiscal year to ¥50,548 million.

(Cash flows from operating activities)

Funds gained from operating activities totaled ¥12,332 million (an increase in income of ¥3,675 million from the previous consolidated fiscal year).

This figure is mainly due to the fact that the increase in income before income taxes exceeded the increase in trade receivables and the decrease in accounts payable.

(Cash flows from investing activities)

Funds expended in connection with investing activities totaled ¥18,143 million (an increase in expenditures of ¥9,232 million from the previous consolidated fiscal year).

This figure primarily reflects the acquisition of investment securities as strategic investments.

(Cash flows from financing activities)

Funds from financing activities totaled ¥14,307 million (a decrease in expenditures of ¥10,244 million from the previous consolidated fiscal year).

This figure primarily reflects cash outflows for dividend payments.

(4) Outlook for results during the next fiscal year

Going forward, the construction industry is expected to continue to see firm demand supported by corporate capital investment, including urban redevelopment, logistics facilities, and data center-related facilities in the private sector. On the other hand, the outlook is clouded by unstable international conditions, including reciprocal tariff policies of the U.S., China's tightening of restrictions on exports to Japan, and growing tensions in the Middle East. In addition, we expect issues such as fluctuations in foreign exchange rates, rising prices, and tight labor supply and demand to continue in Japan, and we recognize the need to continue to closely monitor trends in the business environment surrounding the construction industry.

For our Mid-term Management Plan, which is now in its second year, we recognize that rising prices due to inflation and labor shortages due to a declining population are ongoing management issues. Based on this recognition of the environment, the basic management policy theme for the fiscal year ending March 31, 2027 is "Challenge 2026: establishing growth areas with an eye on the future," and we will steadily implement the 11 initiatives and 5 investment strategies that we've identified as top priorities to drive the Group's growth.

The objective indicators (KPIs) for assessing the Group's management goals are ordinary profit, return on invested capital (ROIC), total investment amount, and shareholder returns. We've adopted ¥60 billion in ordinary profit and an ROIC of 10% or higher as FY2029 targets. We expect investment during the Mid-term Management Plan period to total ¥200 billion, with a dividend payout ratio target of 40% (progressive dividends).

Regarding the earnings forecast for the upcoming fiscal year, we will steadily promote the measures set forth in the Mid-term Management Plan. However, the impact of fluctuations in resource prices and other factors associated with the increasingly tense situation in the Middle East on our business performance is currently uncertain, and so the forecast remains pending. We will promptly disclose the information when certain prospects become clear and reasonable calculations can be made.

These figures are based on the outlook for our performance during the upcoming fiscal year based on foreseeable circumstances as of the date the consolidated financial report was submitted. As such, they do not guarantee that the expected level of performance will be achieved.

As a result of the above initiatives, we expect the following operating results for the upcoming fiscal year (ending March 31, 2027):

(Consolidated financial results)

Construction orders	¥495.0 billion (up 3.3% from the current fiscal year)
Sales	¥500.0 billion (up 5.0% from the current fiscal year)
Operating income	¥55.5 billion (up 1.6% from the current fiscal year)
Ordinary income	¥59.0 billion (up 1.4% from the current fiscal year)
Profit attributable to owners of parent	¥40.5 billion (up 1.1% from the current fiscal year)

(5) Basic policy on profit allocation and dividends for the current and upcoming fiscal years

With regard to the allocation of profits, we strive to maintain appropriate financial structures based on awareness of capital costs and return profits to shareholders while setting aside sufficient internal reserves to strengthen our management base and expand our businesses in order to enhance performance.

With regard to dividends, we make comprehensive determinations based on such factors as the business environment, operating results, and financial position, and will endeavor to meet the expectations of shareholders by implementing a progressive dividend policy designed to maintain or increase dividends with a target consolidated payout ratio of 40% as a guideline to ensure stable shareholder returns.

In keeping with this basic policy, the year-end dividend for the current fiscal year will be ¥130 per share, up ¥20 from ¥110 per share, taking into account this fiscal year's performance and our commitment to shareholder returns. As a result, the annual dividend, including the interim dividend of ¥90 already paid, will total ¥220 per share.

Based on the current earnings forecast, for the upcoming fiscal year (ending March 31, 2027), we plan to pay an annual dividend of ¥220 per share (including an interim dividend of ¥110).

2. Basic approach to selection of accounting standards

Most of the Group's business is conducted in Japan, and most of the interested parties, including creditors and business partners, operate in Japan. As a result, we apply Japanese accounting standards so that consolidated financial statements from multiple fiscal years and for multiple businesses can be compared.

Our policy going forward will be to examine potential future use of international accounting standards as appropriate based on considerations such as the domestic and international situation and adoption of international accounting standards by other companies in our industry.

3. Consolidated financial statements and principal notes

(1) Consolidated balance sheet

(Millions of yen)

	Previous fiscal year As of March 31, 2025	Current fiscal year As of March 31, 2026
Assets		
Current assets		
Cash and deposits	71,693	51,939
Notes receivable, accounts receivable from completed construction contracts and other	163,446	177,386
Securities	4	—
Costs of uncompleted construction contracts	8,789	8,153
Real estate for sale	156	3,049
Costs on real estate business	199	589
Merchandise	864	656
Raw materials and supplies	36,681	36,652
Other	17,675	20,482
Allowance for doubtful accounts	(240)	(605)
Total current assets	299,268	298,303
Fixed assets		
Property and equipment		
Buildings and structures	76,153	79,436
Machinery, vehicles, tools, furniture and fixtures	46,319	53,205
Land	30,445	31,287
Lease assets	8,462	9,896
Construction in process	1,106	1,347
Total cumulative depreciation	(83,912)	(89,912)
Total property and equipment	78,575	85,259
Intangible assets		
Goodwill	522	331
Customer-related assets	1,022	801
Other	2,911	3,718
Total intangible assets	4,455	4,851
Investments and other assets		
Investment securities	80,153	97,872
Long-term loans receivable	5	187
Retirement benefit asset	18,682	24,839
Deferred tax assets	1,441	1,364
Other	7,016	11,787
Allowance for doubtful accounts	(1,125)	(1,196)
Total investments and other assets	106,172	134,854
Total fixed assets	189,203	224,965
Total assets	488,472	523,268

(Millions of yen)

	Previous fiscal year As of March 31, 2025	Current fiscal year As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	68,166	65,050
Electronically recorded obligations	22,418	9,012
Short-term borrowings	1,920	16,337
Income taxes payable	8,139	10,468
Advances received on uncompleted construction contracts	28,947	26,546
Provision for loss on construction contracts	2,756	4,783
Other	15,180	14,508
Total current liabilities	147,529	146,706
Long-term liabilities		
Long-term borrowings	16,779	8,876
Lease obligations	3,775	4,547
Provision for retirement benefits for directors (and other officers)	278	224
Retirement benefit liability	3,771	3,675
Provision for share-based payments	165	237
Provision for loss on business of subsidiaries and associates	165	—
Other	3,853	7,357
Total long-term liabilities	28,789	24,917
Total liabilities	176,319	171,624
Net assets		
Shareholders' equity		
Share capital	12,561	12,561
Capital surplus	13,220	13,220
Retained earnings	273,660	301,661
Treasury stock, at cost	(486)	(469)
Total shareholders' equity	298,955	326,973
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,539	14,416
Deferred gains or losses on hedges	245	626
Foreign currency translation adjustment	1,091	956
Remeasurements of defined benefit plans	2,272	4,722
Total accumulated other comprehensive income	11,148	20,722
Non-controlling interests	2,048	3,948
Total net assets	312,152	351,644
Total liabilities and net assets	488,472	523,268

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Net sales		
Construction contracts	454,373	457,524
Other	19,580	18,598
Total net sales	473,954	476,123
Cost of sales		
Construction contracts	388,635	375,403
Other	14,617	13,645
Total cost of sales	403,253	389,049
Gross profit		
Construction contracts	65,738	82,120
Other	4,963	4,953
Total gross profit	70,701	87,074
Selling, general and administrative expenses	29,313	32,473
Operating income	41,388	54,600
Non-operating income		
Interest income	162	132
Dividend income	1,239	1,103
Share of profit of entities accounted for using equity method	493	494
Gain on investments in partnerships	1,463	1,719
Rent income	335	338
Other	661	1,030
Total non-operating income	4,355	4,819
Non-operating expenses		
Interest expenses	515	649
Extra retirement payments	119	111
Provision of allowance for doubtful accounts for subsidiaries and affiliates	160	—
Provision of allowance for doubtful accounts	241	338
Other	272	164
Total non-operating expenses	1,309	1,263
Ordinary income	44,434	58,157

(Millions of yen)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Extraordinary income		
Gain on sales of fixed assets	181	19
Gain on sales of investment securities	464	1,041
Reversal of provision for loss on business of subsidiaries and associates	497	—
Total extraordinary income	1,142	1,060
Extraordinary losses		
Loss on disposal and sales of fixed assets	268	375
Loss on sales of investment securities	527	—
Loss on valuation of investment securities	—	985
Loss on liquidation of subsidiaries and associates	45	—
Impairment losses	277	728
Provision for loss on business of subsidiaries and associates	165	—
Total extraordinary losses	1,283	2,088
Profit before income taxes	44,293	57,129
Corporate, residence, and business taxes	15,100	17,960
Income taxes - deferred	136	(1,133)
Total income taxes	15,237	16,826
Profit	29,056	40,302
Profit attributable to non-controlling interests	172	249
Profit attributable to owners of parent	28,883	40,053

Consolidated statement of comprehensive income

(Millions of yen)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Profit	29,056	40,302
Other comprehensive income		
Valuation difference on available-for-sale securities	(277)	6,848
Deferred gains or losses on hedges	—	215
Foreign currency translation adjustment	218	(134)
Remeasurements of defined benefit plans, net of tax	1,215	2,450
Share of other comprehensive income (loss) of entities accounted for using equity method	180	316
Total other comprehensive income	1,336	9,695
Comprehensive income	30,392	49,998
(of which)		
Comprehensive income attributable to owners of parent	30,203	49,627
Comprehensive income attributable to non-controlling interests	189	370

(3) Statement of changes in consolidated shareholders' equity, etc.

Previous fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at start of fiscal year under review	12,561	13,069	253,824	(493)	278,962
Change during fiscal year under review					
Dividend of surplus			(9,212)		(9,212)
Profit attributable to owners of parent			28,883		28,883
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares				9	9
Changes in the scope of consolidation					—
Purchase of shares of consolidated subsidiaries		150			150
Increase in retained earnings due to change of accounting period of subsidiaries			164		164
Change in items other than shareholders' equity during fiscal year under review (net)					—
Total change during fiscal year under review	—	150	19,835	6	19,993
Balance at end of fiscal year under review	12,561	13,220	273,660	(486)	298,955

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at start of fiscal year under review	7,810	61	890	1,056	9,818	2,344	291,125
Change during fiscal year under review							
Dividend of surplus							(9,212)
Profit attributable to owners of parent							28,883
Purchase of treasury shares							(3)
Disposal of treasury shares							9
Changes in the scope of consolidation							—
Purchase of shares of consolidated subsidiaries							150
Increase in retained earnings due to change of accounting period of subsidiaries							164
Change in items other than shareholders' equity during fiscal year under review (net)	(270)	183	201	1,215	1,329	(295)	1,034
Total change during fiscal year under review	(270)	183	201	1,215	1,329	(295)	21,027
Balance at end of fiscal year under review	7,539	245	1,091	2,272	11,148	2,048	312,152

Current fiscal year (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at start of fiscal year under review	12,561	13,220	273,660	(486)	298,955
Change during fiscal year under review					
Dividend of surplus			(11,692)		(11,692)
Profit attributable to owners of parent			40,053		40,053
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares				19	19
Changes in the scope of consolidation			(359)		(359)
Purchase of shares of consolidated subsidiaries					—
Increase in retained earnings due to change of accounting period of subsidiaries					—
Change in items other than shareholders' equity during fiscal year under review (net)					—
Total change during fiscal year under review	—	—	28,001	16	28,017
Balance at end of fiscal year under review	12,561	13,220	301,661	(469)	326,973

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at start of fiscal year under review	7,539	245	1,091	2,272	11,148	2,048	312,152
Change during fiscal year under review							
Dividend of surplus							(11,692)
Profit attributable to owners of parent							40,053
Purchase of treasury shares							(3)
Disposal of treasury shares							19
Changes in the scope of consolidation							(359)
Purchase of shares of consolidated subsidiaries							—
Increase in retained earnings due to change of accounting period of subsidiaries							—
Change in items other than shareholders' equity during fiscal year under review (net)	6,876	381	(134)	2,450	9,574	1,899	11,473
Total change during fiscal year under review	6,876	381	(134)	2,450	9,574	1,899	39,491
Balance at end of fiscal year under review	14,416	626	956	4,722	20,722	3,948	351,644

(4) Consolidated cash flow statement

	(Millions of yen)	
	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Cash flows from operating activities		
Profit before income taxes	44,293	57,129
Depreciation expenses	6,454	6,922
Impairment losses	277	728
Increase/decrease in allowance for doubtful accounts (with figures in parentheses indicating decreases)	361	450
Increase/decrease in retirement benefit assets (with figures in parentheses indicating increases)	(3,853)	(6,156)
Increase/decrease in retirement benefit liabilities and provision for retirement benefits for directors (and other officers) (with figures in parentheses indicating decreases)	1,637	3,411
Increase/decrease in provision for loss on construction contracts (with figures in parentheses indicating decreases)	2,493	1,900
Increase/decrease in provision for loss on business of subsidiaries and associates (with figures in parentheses indicating decreases)	(2,095)	—
Gain/loss on investments in partnerships (with figures in parentheses indicating gains)	(1,463)	(1,719)
Interest income and dividend income	(1,401)	(1,235)
Interest expenses	515	649
Foreign exchange gain or loss (with figures in parentheses indicating gains)	(114)	(440)
Share of profit/loss of entities accounted for using equity method (with figures in parentheses indicating profit)	(138)	943
Gain/loss on sale of property and equipment (with figures in parentheses indicating gains)	(112)	0
Loss on disposal of property and equipment	198	330
Gain/loss on valuation of securities and investment securities (with figures in parentheses indicating gains)	—	985
Gain/loss on sale of securities and investment securities (with figures in parentheses indicating gains)	63	(1,041)
Increase/decrease in accounts receivable (with figures in parentheses indicating increases)	2,530	(13,559)
Increase/decrease in costs of uncompleted construction contracts (with figures in parentheses indicating increases)	909	635
Increase/decrease in inventory assets (with figures in parentheses indicating increases)	(3,711)	(573)
Increase/decrease in accounts payable (with figures in parentheses indicating decreases)	(29,510)	(16,756)
Increase/decrease in advances received on uncompleted construction contracts (with figures in parentheses indicating decreases)	7,215	(2,452)
Increase/decrease in long-term accounts payable (with figures in parentheses indicating decreases)	(39)	35
Increase/decrease in unpaid or uncollected consumption tax	(1,414)	(2,399)
Other	3,104	(730)
Sub total	26,200	27,058
Interest income and dividend income received	1,327	1,150
Interest paid	(515)	(649)
Income taxes paid	(18,355)	(15,226)
Cash flows from operating activities	8,656	12,332

(Millions of yen)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Cash flows from investing activities		
Expenditures on deposits of time deposits	(2,884)	(1,003)
Income from redemption of time deposits	5,992	886
Expenditures on purchases of property and equipment	(3,791)	(4,837)
Income from sale of property and equipment	512	107
Expenditures on disposal of property and equipment	(61)	(282)
Expenditures on purchases of investment securities	(6,164)	(10,466)
Income from sale of investment securities	1,533	2,375
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(504)	—
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	373
Income from collection of long-term loans	74	9
Other	(3,616)	(5,306)
Cash flows from investing activities	(8,910)	(18,143)
Cash flows from financing activities		
Net increase/decrease in short-term borrowings (with figures in parentheses indicating decreases)	(72)	(110)
Income from long-term borrowings	14,000	—
Expenditures on repayment of long-term loans	(27,599)	(975)
Expenditures on purchases of treasury stock	(3)	(3)
Proceeds from sale of treasury shares	5	8
Dividends paid	(9,204)	(11,679)
Dividends paid to non-controlling interests	(4)	(4)
Proceeds from share issuance to non-controlling shareholders	—	1
Expenditures on refunds to non-controlling interests	(20)	(20)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(309)	—
Other	(1,344)	(1,524)
Cash flows from financing activities	(24,552)	(14,307)
Translation differences related to cash and cash equivalents	326	143
Increase/decrease in cash and cash equivalents (with figures in parentheses indicating decreases)	(24,479)	(19,974)
Cash and cash equivalents at start of period	94,588	70,437
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	86
Increase (decrease) in cash and cash equivalents resulting from a change in closing dates of consolidated subsidiaries	328	—
Cash and cash equivalents at end of period	70,437	50,548

(5) Notes on the consolidated financial statements

(Notes on the premise of a going concern)

None

(Important information used to compile consolidated financial statements)

With the exception of the following, disclosures have been omitted due to the absence of important changes to the information provided in the most recent annual securities report (submitted on June 25, 2025).

(Changes in the scope of consolidation)

GREEN BIOMASS FACTORY Co., Ltd. has been included in the scope of consolidation from the current fiscal year due to its increased importance. Due to our acquisition of additional shares of KATSURAO FURYOKU Co., Ltd., it has also been included in the scope of consolidation from the current fiscal year. Furthermore, as a result of being newly established, the KRAFTIA Innovation Fund Investment Limited Partnership and ASIA PROJECTS ENGINEERING VIETNAM Co., Ltd. have been included in the scope of consolidation from the current fiscal year.

These results brought the number of subsidiaries to 56.

(Changes to matters concerning the application of the equity method)

HAKONE SENGOKUHARA Special Purpose Company has been included in the scope of equity-method affiliates from the current fiscal year due to a new investment.

These results brought the number of companies accounted for under the equity method to 10.

(Change in labeling method)

(Consolidated balance sheet)

In the previous consolidated fiscal year, "Costs on real estate business" were included in "Costs of uncompleted construction contracts" under "Current assets". However, due to an increase in materiality, they are presented separately beginning with the current consolidated fiscal year. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified accordingly.

As a result, in the consolidated balance sheet for the previous fiscal year, the amount of ¥8,988 million previously presented for the "Costs of uncompleted construction contracts" under "Current assets" has been reclassified as "Costs of uncompleted construction contracts" of ¥8,789 million and "Costs on real estate business" of ¥199 million.

In the previous consolidated fiscal year, "Real estate for sale" was included in "Merchandise" under "Current assets". However, due to an increase in materiality, it is presented separately beginning with the current consolidated fiscal year. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified accordingly.

As a result, in the consolidated balance sheet for the previous fiscal year, the amount of ¥1,020 million previously presented for "Merchandise" under "Current assets" has been reclassified as "Real estate for sale" of ¥156 million and "Merchandise" of ¥864 million.

(Consolidated statement of income)

In the previous consolidated fiscal year, "Commission expenses" under "Non-operating expenses" were presented separately. However, as they have decreased to less than 10/100 of the total amount of non-operating expenses, they are included in "Other" beginning with the current consolidated fiscal year. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified accordingly.

As a result, in the consolidated statement of income for the previous fiscal year, the previously presented "Commission expenses" of ¥171 million and "Other" of ¥101 million have been reclassified as "Other" of ¥272 million.

(Business segment information)

1. Overview of reporting segments

It is possible to obtain discrete financial information for the reporting segments that make up the Group, which are subject to regular study by the Board of Directors as it makes decisions concerning the allocation of management resources and assesses performance.

The Head Office formulates medium- and long-term business strategies for the Group and carries out business activities involving facilities construction in cooperation with consolidated group companies, with a focus on local worksites.

Business activities in other industries, including the sale of construction-related materials and equipment, real-estate, and the generation of renewable energy, are carried out by consolidated group companies as independent business units.

Consequently, the Group, which consists of several business-specific segments, aggregates multiple business segments that are generally similar in terms of elements such as economic characteristics and services and treats them as the “facilities construction business” reporting segment so that it can provide appropriate information, for example descriptions of associated business activities.

The facilities construction business encompasses primarily design and installation for electrical work such as power distribution line work, indoor wiring work, and telecommunications work as well as HVAC facility work such as space conditioning, cooling and heating, water supply and wastewater sanitary equipment, and water treatment work.

2. Methods used to calculate sales, profit, assets, liabilities, and other amounts for each business segment

The accounting treatments used for reported business segments are generally the same as those described in “Important information used to compile consolidated financial statements.”

Reportable segment income is based on operating income. Inter-segment revenues and transfers are based on prevailing market prices.

3. Information related to sales, profit, assets, liabilities, and other amounts for each reporting segment

Previous fiscal year (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reporting segment		Other (Note 1)	Total	Adjustment (Note 3)	Total
	Facilities construction business					
Net sales						
Sales to outside customers	454,373		19,580	473,954	—	473,954
Inter-segment internal sales and transfers	1,200		6,809	8,009	(8,009)	—
Total	455,573		26,390	481,964	(8,009)	473,954
Segment profit	37,993		3,040	41,033	354	41,388
Other items						
Depreciation expenses	4,349		1,987	6,336	(103)	6,233
Amortization of goodwill	268		—	268	—	268
Depreciation of customer-related assets	220		—	220	—	220

- Note 1: The “Other” category comprises a business segment that is not included in any other reporting segment and consists of businesses such as the following: sales of construction-related materials and equipment, real-estate, generation of renewable energy, temporary staffing, software development, environmental analysis and measurement, health care, golf course operation, business hotel operation, and retail facility planning and operation.
2. Segment assets and segment liabilities are not listed because assets and liabilities are not allocated to the business segment in question.
3. The ¥354 million adjustment to segment profit serves to eliminate inter-segment transactions.
4. Segment profit is derived from operating income as listed on the consolidated statement of income and adjustments.

Current fiscal year (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reporting segment		Other (Note 1)	Total	Adjustment (Note 3)	Total
	Facilities construction business					
Net sales						
Sales to outside customers	457,524		18,598	476,123	—	476,123
Inter-segment internal sales and transfers	1,049		6,946	7,996	(7,996)	—
Total	458,574		25,545	484,120	(7,996)	476,123
Segment profit	51,219		3,292	54,511	89	54,600
Other items						
Depreciation expenses	4,637		2,185	6,822	(120)	6,701
Amortization of goodwill	190		41	232	—	232
Depreciation of customer-related assets	220		—	220	—	220

- Note 1: The “Other” category comprises a business segment that is not included in any other reporting segment and consists of businesses such as the following: sales of construction-related materials and equipment, real-estate, generation of renewable energy, temporary staffing, software development, environmental analysis and measurement, health care, golf course operation, business hotel operation, and retail facility planning and operation.
2. Segment assets and segment liabilities are not listed because assets and liabilities are not allocated to the business segment in question.
3. The ¥89 million adjustment to segment profit serves to eliminate inter-segment transactions.
4. Segment profit is derived from operating income as listed on the consolidated statement of income and adjustments.

(Per-share data)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Net assets per share	¥4,384.30	¥4,915.49
Profit per share	¥408.36	¥566.25

Note 1: Diluted profit per share is not listed as the company has no potential shares.

2. Profit per share is calculated as follows:

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Profit per share		
Profit attributable to owners of parent (millions of yen)	28,883	40,053
Amount not attributable to ordinary shareholders (millions of yen)	—	—
Profit attributable to owners of parent related to common stock (millions of yen)	28,883	40,053
Average number of common stock shares outstanding during the period (thousands of shares)	70,730	70,733

3. To calculate profit per share, shares of the Company remaining in the stock compensation trust for officers are included in the number of treasury shares deducted from the average number of shares outstanding during the period. The average number of treasury shares deducted was 113,900 shares during the previous consolidated fiscal year and 110,223 shares during the current consolidated fiscal year.

4. Net assets per share are calculated as follows:

	End of previous fiscal year (March 31, 2025)	End of current fiscal year (March 31, 2026)
Total net assets (millions of yen)	312,152	351,644
Amount excluded from total net assets (millions of yen)	2,048	3,948
(Of which, share warrants [millions of yen])	(—)	(—)
(Of which, non-controlling interests [millions of yen])	(2,048)	(3,948)
Net assets at end of period related to common stock (millions of yen)	310,104	347,696
Number of issued common stock shares (thousands of shares)	70,864	70,864
Number of common shares of treasury stock (thousands of shares)	134	130
Number of common stock shares at end of period used to calculate net assets per share (thousands of shares)	70,730	70,734

5. To calculate net assets per share, shares of the Company remaining in the stock compensation trust for officers are included in the number of treasury shares deducted from the total number of shares issued at the end of the fiscal year. The number of treasury shares deducted was 113,600 shares at the end of the previous consolidated fiscal year and 108,800 shares at the end of the current consolidated fiscal year.

(Important subsequent events)

None

4. Other

Reference: Production, orders, and sales status

[Consolidated performance]

(1) Net sales

Accounting period Business segment	Previous fiscal year (April 2024 to March 2025)		Current fiscal year (April 2025 to March 2026)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	Rate (%)
Power distribution line work	51,380	10.9	56,595	11.9	5,215	10.2
Electrical work	238,022	50.2	238,543	50.1	521	0.2
HVAC and sanitary facility work	164,970	34.8	162,385	34.1	(2,585)	(1.6)
Total, facilities construction business	454,373	95.9	457,524	96.1	3,150	0.7
Other businesses	19,580	4.1	18,598	3.9	(981)	(5.0)
Total	473,954	100	476,123	100	2,169	0.5

(2) Construction orders

Accounting period Business segment	Previous fiscal year (April 2024 to March 2025)		Current fiscal year (April 2025 to March 2026)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	Rate (%)
Power distribution line work	52,713	11.7	56,716	11.8	4,002	7.6
Electrical work	223,938	49.5	263,683	55.1	39,745	17.7
HVAC and sanitary facility work	175,461	38.8	158,614	33.1	(16,846)	(9.6)
Total	452,113	100	479,014	100	26,901	6.0

(3) Construction contract balance at end of period

Accounting period Business segment	As of March 31, 2025 (2025.3)		As of March 31, 2026 (2026.3)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	Rate (%)
Power distribution line work	4,640	1.0	4,760	1.0	120	2.6
Electrical work	288,547	63.6	313,687	65.9	25,139	8.7
HVAC and sanitary facility work	160,871	35.4	157,601	33.1	(3,269)	(2.0)
Total	454,059	100	476,049	100	21,990	4.8

(4) Construction sales by customer

Accounting period Customer	Previous fiscal year (April 2024 to March 2025)		Current fiscal year (April 2025 to March 2026)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	Rate (%)
Kyushu Electric Power Group*	50,938	11.2	53,694	11.7	2,756	5.4
General customers	403,435	88.8	403,830	88.3	394	0.1
Total	454,373	100	457,524	100	3,150	0.7

(5) Construction orders by customer

Accounting period Customer	Previous fiscal year (April 2024 to March 2025)		Current fiscal year (April 2025 to March 2026)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	Rate (%)
Kyushu Electric Power Group*	50,023	11.1	53,910	11.3	3,886	7.8
General customers	402,089	88.9	425,104	88.7	23,014	5.7
Total	452,113	100	479,014	100	26,901	6.0

(6) Full-year sales and construction order volume forecast for the fiscal year ending March 2027

Business segment	Sales (millions of yen)	Construction order volume (millions of yen)
Power distribution line work	59,500	60,500
Electrical work	255,000	265,500
HVAC and sanitary facility work	167,000	169,000
Total, facilities construction business	481,500	495,000
Other businesses	18,500	
Total	500,000	

*Kyushu Electric Power Group: Kyushu Electric Power Co., Inc., Kyushu Electric Power Transmission and Distribution Co., Inc., and Kyuden T&D Service Co., Inc.

[Non-consolidated performance]

(1) Net sales

Accounting period Business segment	Previous fiscal year (April 2024 to March 2025)		Current fiscal year (April 2025 to March 2026)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	Rate (%)
Power distribution line work	48,376	12.2	53,322	13.5	4,946	10.2
Electrical work	213,755	53.6	212,842	53.8	(913)	(0.4)
HVAC and sanitary facility work	128,333	32.2	124,188	31.4	(4,144)	(3.2)
Total, facilities construction business	390,465	98.0	390,354	98.7	(110)	(0.0)
Other businesses	8,137	2.0	5,293	1.3	(2,844)	(35.0)
Total	398,602	100	395,647	100	(2,955)	(0.7)

(2) Construction orders

Accounting period Business segment	Previous fiscal year (April 2024 to March 2025)		Current fiscal year (April 2025 to March 2026)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	Rate (%)
Power distribution line work	49,607	12.9	53,305	12.8	3,697	7.5
Electrical work	197,962	51.6	238,541	57.1	40,578	20.5
HVAC and sanitary facility work	136,449	35.5	125,557	30.1	(10,891)	(8.0)
Total	384,019	100	417,403	100	33,384	8.7

(3) Construction contract balance at end of period

Accounting period Business segment	As of March 31, 2025 (2025.3)		As of March 31, 2026 (2026.3)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	Rate (%)
Power distribution line work	3,817	0.9	3,799	0.9	(17)	(0.5)
Electrical work	272,512	67.3	298,210	69.0	25,698	9.4
HVAC and sanitary facility work	128,558	31.8	129,926	30.1	1,368	1.1
Total	404,887	100	431,937	100	27,049	6.7

(4) Construction sales by customer

Accounting period Customer	Previous fiscal year (April 2024 to March 2025)		Current fiscal year (April 2025 to March 2026)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	Rate (%)
Kyushu Electric Power Group*	48,645	12.5	50,814	13.0	2,169	4.5
General customers	341,819	87.5	339,539	87.0	(2,280)	(0.7)
Total	390,465	100	390,354	100	(110)	(0.0)

(5) Construction orders by customer

Accounting period Customer	Previous fiscal year (April 2024 to March 2025)		Current fiscal year (April 2025 to March 2026)		Increase (Decrease)	
	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	As percent of total (%)	Amount (millions of yen)	Rate (%)
Kyushu Electric Power Group*	47,566	12.4	51,218	12.3	3,652	7.7
General customers	336,452	87.6	366,185	87.7	29,732	8.8
Total	384,019	100	417,403	100	33,384	8.7

*Kyushu Electric Power Group: Kyushu Electric Power Co., Inc., Kyushu Electric Power Transmission and Distribution Co., Inc., and Kyuden T&D Service Co., Inc.