August 7, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 <Japanese GAAP>

Company name:	SANKI ENGINEERING CO., LTD.
Listing:	Tokyo Stock Exchange
Securities code:	1961
URL:	https://www.sanki.co.jp/
Representative:	Kazuhiro Nagoya, President and Representative Director
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Scheduled date to commence dividend payments: –
Preparation of supplementary materials on financial results: Yes
Holding of financial results briefing: None

(Amounts of less than 1 million yen are truncated)

1. Consolidated Financial Results for the Three Months Ended June 30, 2026 (April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (Cumulative) (Percentages indicate year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	53,424	7.4	4,567	106.5	5,086	94.7	4,376	142.3
June 30, 2025	49,747	2.5	2,211	43.6	2,612	25.1	1,806	34.2

(Note) Comprehensive income: Three months ended June 30, 2026: ¥2,879 million [27.4%]
Three months ended June 30, 2025: ¥2,260 million [－%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	28.65	28.58
June 30, 2025	11.63	11.59

(Note) The Company conducted a stock split at a ratio of three shares for every one share of the Company’s common stock, effective May 1, 2026. “Basic earnings per share” and “Diluted earnings per share” are calculated on the assumption that the stock split was conducted at the commencement of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	196,156	118,588	60.4
March 31, 2026	219,483	121,437	55.3

(Reference) Shareholders’ equity: As of June 30, 2026: ¥118,463 million As of March 31, 2026: ¥121,306 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, 2026	—	82.50	—	112.50	195.00
Fiscal year ending March 31, 2027	—				
Fiscal year ending March 31, 2027 (Forecast)		32.50	—	32.50	65.00

(Note) 1. Revisions to forecasts of cash dividends most recently announced: None

2. The Company conducted a stock split at a ratio of three shares for every one share of the Company's common stock, effective May 1, 2026. For the fiscal year ended March 31, 2026, the actual dividend amounts presented above represent the amounts before the stock split. For the fiscal year ending March 31, 2027 (forecast), the dividend amount is presented on a post-split basis.

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	265,000	4.1	31,000	10.7	31,500	7.6	26,300	11.0	172.03

(Note) 1. Revisions to forecasts of consolidated financial results most recently announced: Yes

2. The Company conducted a stock split at a ratio of three shares for every one share of the Company's common stock, effective May 1, 2026. In the forecast of consolidated financial results for the fiscal year ending March 31, 2027, "Basic earnings per share" take into account the impact of the stock split.

*** 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 stock)

(i) Number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	160,983,468 shares
As of March 31, 2026	160,983,468 shares

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

As of June 30, 2026	8,216,214 shares
As of March 31, 2026	8,231,100 shares

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

For the three months ended June 30, 2026	152,763,561 shares
For the three months ended June 30, 2025	155,340,005 shares

(Note) The Company conducted a stock split at a ratio of three shares for every one share of the Company's common stock, effective May 1, 2026. The total number of issued shares (ordinary shares) is calculated on the assumption that the stock split was conducted at the commencement of the previous consolidated fiscal year.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

We have amended the consolidated and non-consolidated earnings forecasts announced on May 14, 2026.

The forward-looking statements such as earnings forecasts contained in these materials are based on the information available at the time they were prepared, and the actual results could differ from forecasts depending on a variety of factors.

(Reference) Forecast of Non-consolidated Financial Results for the Fiscal Year Ending March 31, 2027

(April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	235,000	5.5	26,500	10.7	29,500	7.8	25,400	10.5	166.15

(Note) Revisions to forecasts of non-consolidated financial results during the accounting period under review: Yes

2. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	32,097	44,445
Notes receivable - trade	23	14
Electronically recorded monetary claims - operating	7,776	6,299
Accounts receivable from completed construction contracts and other	64,720	34,305
Contract assets	23,069	18,292
Securities	9,986	9,391
Costs on construction contracts in progress	2,792	4,131
Raw materials and supplies	1,160	1,069
Other	8,365	9,106
Allowance for doubtful accounts	(5)	(2)
Total current assets	149,986	127,055
Non-current assets		
Property, plant and equipment		
Buildings and structures	45,109	44,077
Accumulated depreciation	(36,233)	(35,617)
Buildings and structures, net	8,875	8,459
Machinery, vehicles, tools, furniture and fixtures	2,478	2,484
Accumulated depreciation	(2,029)	(2,031)
Machinery, vehicles, tools, furniture and fixtures, net	448	453
Land	3,068	2,219
Leased assets	309	306
Accumulated depreciation	(137)	(125)
Leased assets, net	172	180
Construction in progress	323	374
Total property, plant and equipment	12,887	11,687
Intangible assets		
Other	1,717	1,660
Total intangible assets	1,717	1,660
Investments and other assets		
Investment securities	35,258	36,032
Long-term loans receivable	37	36
Retirement benefit asset	12,836	12,902
Leasehold and guarantee deposits	1,595	1,618
Insurance funds	440	429
Deferred tax assets	1,399	1,405
Other	3,694	3,692
Allowance for doubtful accounts	(372)	(364)
Total investments and other assets	54,891	55,752
Total non-current assets	69,497	69,101
Total assets	219,483	196,156

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	1,398	869
Accounts payable for construction contracts	33,461	22,586
Short-term borrowings	5,781	5,675
Lease liabilities	113	135
Income taxes payable	5,774	159
Contract liabilities	19,952	22,852
Provision for bonuses	9,188	3,230
Provision for directors’ bonuses	414	97
Provision for warranties for completed construction	442	331
Provision for loss on construction contracts	332	26
Other	8,169	6,919
Total current liabilities	85,030	62,883
Non-current liabilities		
Long-term borrowings	350	262
Lease liabilities	241	302
Retirement benefit liability	3,651	3,876
Deferred tax liabilities	2,821	4,210
Other	5,951	6,031
Total non-current liabilities	13,016	14,684
Total liabilities	98,046	77,568
Net assets		
Shareholders’ equity		
Share capital	8,105	8,105
Capital surplus	4,181	4,181
Retained earnings	95,888	94,525
Treasury shares	(8,940)	(8,924)
Total shareholders’ equity	99,234	97,887
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,333	14,972
Deferred gains or losses on hedges	8	5
Foreign currency translation adjustment	707	710
Remeasurements of defined benefit plans	5,022	4,887
Total accumulated other comprehensive income	22,072	20,575
Share acquisition rights	130	125
Total net assets	121,437	118,588
Total liabilities and net assets	219,483	196,156

(2) Quarterly consolidated statements of income and comprehensive income

First quarter of consolidated fiscal year

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales		
Net sales of completed construction contracts	49,089	52,763
Net sales in real estate business and other	658	660
Total net sales	49,747	53,424
Cost of sales		
Cost of sales of completed construction contracts	40,506	41,250
Cost of sales in real estate business and other	378	367
Total cost of sales	40,884	41,617
Gross profit		
Gross profit on completed construction contracts	8,582	11,512
Gross profit on real estate business and other	280	293
Total gross profit	8,863	11,806
Selling, general and administrative expenses	6,651	7,239
Operating profit	2,211	4,567
Non-operating income		
Interest income	41	60
Dividend income	430	370
Other	65	180
Total non-operating income	537	610
Non-operating expenses		
Interest expenses	30	31
Other	105	60
Total non-operating expenses	136	91
Ordinary profit	2,612	5,086
Extraordinary income		
Gain on sale of non-current assets	—	1,133
Gain on sale of investment securities	—	298
Total extraordinary income	—	1,431
Extraordinary losses		
Loss on retirement of non-current assets	—	29
Total extraordinary losses	—	29
Profit before income taxes	2,612	6,488
Income taxes – current	(27)	39
Income taxes – deferred	833	2,072
Total income taxes	806	2,112
Profit	1,806	4,376
(Breakdown)		
Profit attributable to owners of parent	1,806	4,376
Profit attributable to non-controlling interests	—	—
Other comprehensive income		
Valuation difference on available-for-sale securities	520	(1,360)
Deferred gains or losses on hedges	(2)	(3)
Foreign currency translation adjustment	(52)	2
Remeasurements of defined benefit plans	(10)	(134)
Total other comprehensive income	454	(1,496)
Comprehensive income	2,260	2,879
(Breakdown)		
Comprehensive income attributable to owners of parent	2,260	2,879
Comprehensive income attributable to non-controlling interests	—	—

(3) Quarterly consolidated statements of cash flows

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	2,612	6,488
Depreciation	508	468
Loss on retirement of non-current assets	4	29
Increase (decrease) in allowance for doubtful accounts	1	(10)
Increase (decrease) in provision for bonuses	(5,484)	(5,957)
Increase (decrease) in retirement benefit liability	168	(36)
Increase (decrease) in provision for loss on construction contracts	(72)	(306)
Interest and dividend income	(471)	(430)
Interest expenses	30	31
Loss (gain) on sale of property, plant and equipment	2	(1,133)
Loss (gain) on sale of investment securities	(0)	(298)
Decrease (increase) in trade receivables and contract assets	18,774	36,694
Decrease (increase) in costs on construction contracts in progress	(977)	(1,336)
Increase (decrease) in trade payables	(11,605)	(11,409)
Increase (decrease) in contract liabilities	1,633	2,898
Increase (decrease) in other current liabilities	(904)	(988)
Other	103	(1,400)
Subtotal	4,325	23,301
Interest and dividends received	470	430
Interest paid	(26)	(27)
Income taxes paid	(5,604)	(5,477)
Income taxes refund	—	0
Compensation paid for damage	(462)	—
Cash flows from operating activities	(1,297)	18,228
Cash flows from investing activities		
Payments into time deposits	(4,000)	—
Purchase of securities	(1,000)	(5,400)
Proceeds from redemption of securities	—	2,000
Purchase of property, plant and equipment	(301)	(488)
Proceeds from sale of property, plant and equipment	0	2,190
Payments for retirement of property, plant and equipment	(7)	(17)
Purchase of investment securities	(0)	(2,494)
Proceeds from sale of investment securities	0	310
Proceeds from collection of loans receivable	2	1
Purchase of intangible assets	(126)	(76)
Proceeds from maturity of insurance funds	—	30
Other	175	40
Cash flows from investing activities	(5,258)	(3,904)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	0	61
Repayments of long-term borrowings	(256)	(256)
Purchase of treasury shares	(0)	(0)
Proceeds from exercise of share options	0	0
Repayments of lease liabilities	(32)	(34)
Dividends paid	(5,694)	(5,728)
Cash flows from financing activities	(5,983)	(5,958)
Effect of exchange rate changes on cash and cash equivalents	(36)	(12)
Net increase (decrease) in cash and cash equivalents	(12,575)	8,353
Cash and cash equivalents at beginning of period	43,848	39,784
Cash and cash equivalents at end of period	31,272	48,137