

Financial Results Material for the First Quarter of the Period Ending March 2026

August 8, 2025



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Reference: DATA FILE (Full Year)

**First Quarter Financial Results
for the Period Ending March 2026**

Consolidated Performance Summary

Overview of consolidated management indicators, etc. (operating results)

(Millions of yen)

	1st Quarter of period ended March 2025	1st Quarter of period ending March 2026	Increase (Decrease)	Change rate
Net sales of uncompleted construction contracts at beginning of period	239,861	258,400	18,539	7.7%
Net sales of construction contract orders received	74,864	66,492	(8,372)	-11.2%
Net sales of completed construction contracts	44,325	60,147	15,822	35.7%
Gross profit on completed construction contracts	5,731	14,610	8,878	154.9%
Gross profit margin of completed construction contracts (%)	12.9%	24.3%	11.4p	—
Operating profit	1,725	9,703	7,978	462.5%
Operating profit margin (%)	3.9%	16.1%	12.2p	—
Ordinary profit	2,125	10,066	7,940	373.6%
Ordinary profit margin (%)	4.8%	16.7%	11.9p	—
Net profit attributable to owners of parent	1,306	6,885	5,578	426.8%
Net profit margin (%)	2.9%	11.4%	8.5p	—

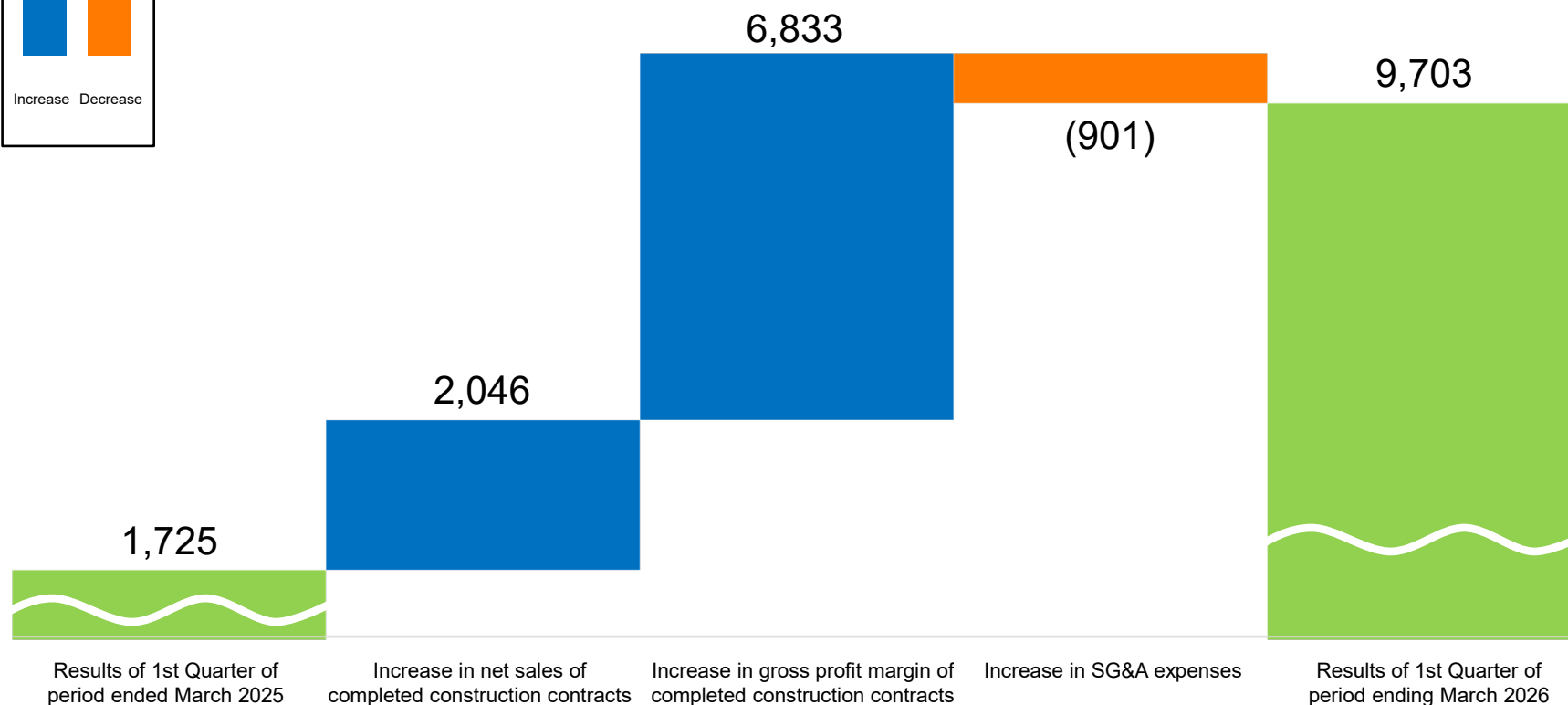
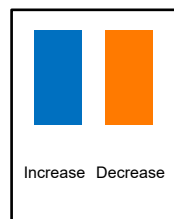
Business environment and the Company's performance summary

- Net sales of construction contract orders received decreased year-on-year, but remained at a high level.
- Net sales of completed construction contracts and gross profit on completed construction contracts increased significantly, thanks to the completion of large-scale construction projects carried over from the previous period and improved profitability following negotiations with clients.
- Net profit attributable to owners of parent increased, mainly due to said increase in gross profit on completed construction contracts offsetting the increase in SG&A expenses.

As a result of the above, we posted higher sales and higher profits.

Breakdown of increase/decrease in consolidated operating profit

(Millions of yen)



- Net sales of completed construction contracts and gross profit on completed construction contracts increased for the reasons stated on the previous page.
- SG&A expenses increased due mainly to “an increase in employee salaries accompanying base salary increases” and “DX investments, including investment in raising efficiency in field operation and office work.”

Trends in consolidated net sales by construction type

(Millions of yen)

		1st Quarter of period ended March 2025	1st Quarter of period ending March 2026	Increase (Decrease)	Change rate
Orders received	Air conditioning and plumbing installations	66,248	56,419	(9,829)	-14.8%
	Electrical installations	8,616	10,072	1,456	16.9%
	Total	74,864	66,492	(8,372)	-11.2%
Net sales (completed)	Air conditioning and plumbing installations	38,395	48,649	10,254	26.7%
	Electrical installations	5,929	11,497	5,568	93.9%
	Total	44,325	60,147	15,822	35.7%
Net sales (uncompleted)	Air conditioning and plumbing installations	240,033	231,206	(8,826)	-3.7%
	Electrical installations	30,367	33,538	3,170	10.4%
	Total	270,400	264,744	(5,656)	-2.1%

- Air conditioning and plumbing installations
 - ✓ Orders received remained at a high level, although they decreased from the previous period.
 - ✓ Net sales (completed) increased with steady progress on construction of large-scale industrial facilities.
- Electrical installations
 - ✓ We are focusing on increasing orders for electrical installation projects positioned as the domain of transforming in the Mid-Term Management Plan.
 - ✓ Net sales (completed) increased with steady progress on unfinished construction projects, and net sales (uncompleted) also increased as orders received exceeded net sales (completed).

Overview of consolidated management indicators, etc. (financial position)

(Millions of yen)

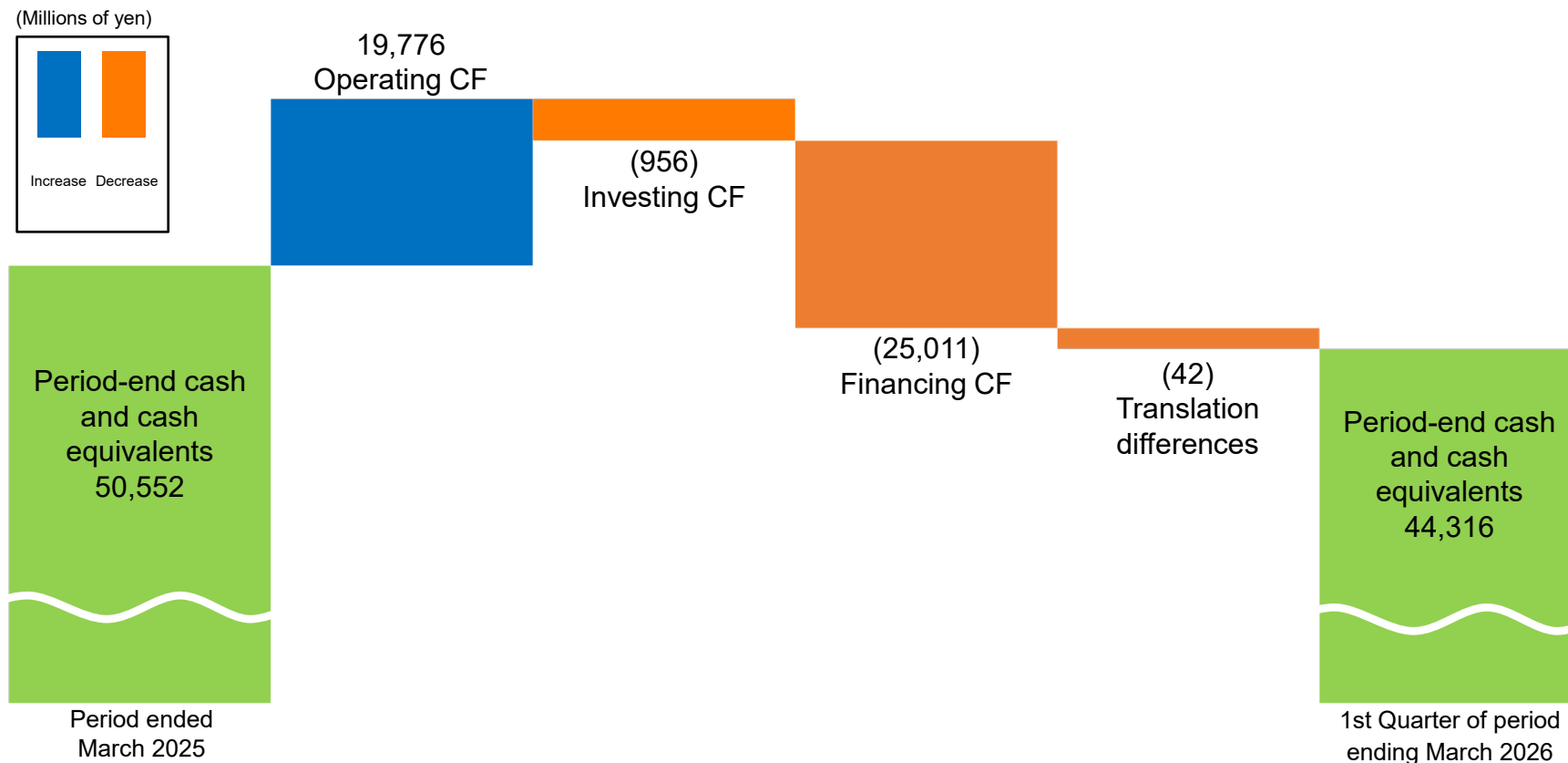
	Period ended March 2025	1st Quarter of period ending March 2026	Increase (Decrease)	Change rate	Major factors behind increase/decrease and annotation items
Net assets	109,206	110,640	1,433	1.3%	Retained earnings increased.
Total assets	215,309	181,874	(33,435)	-15.5%	Repayment of borrowings and decrease in accounts payable
Book value per share (BPS)	2,495.45 yen	2,528.78 yen	33.34	1.3%	PBR improved as stock price rose.
Price book-value ratio (PBR)	1.49 times	1.76 times	—	—	(Reference) Closing stock price as of Mar. 31, 2025: 3,710 yen Closing stock price as of Jun. 30, 2025: 4,445 yen
Equity capital ratio	49.7%	59.7%	10.0p	—	Due to the decrease in liabilities as stated above

Overview of consolidated management indicators, etc. (cash flows)

(Millions of yen)

	1st Quarter of period ended March 2025	1st Quarter of period ending March 2026	Increase (Decrease)	Change rate	Major factors behind increase/decrease and annotation items
Cash flows from operating activities	552	19,776	19,223	—	Smooth progress in the collection of accounts receivable
Cash flows from investing activities	(218)	(956)	(738)	—	Payment for property, plants, equipment, guarantee deposits, etc.
Cash flows from financing activities	18,056	(25,011)	(43,068)	—	Repayment of borrowings to secure working capital
Cash and cash equivalents at beginning of period	22,665	50,552	27,886	123.0%	
Increase/decrease in cash and cash equivalents	18,585	(6,376)	(24,962)	—	
Cash and cash equivalents at end of period	41,250	44,316	3,065	7.4%	

Breakdown of cash flows (Trends in period-end balance of cash and cash equivalents)



- Respective factors contributing to increases and decreases in cash flow in connection to the above are as follows: Operating CF (smooth progress in the collection of accounts receivable), Investing CF (payment for property, plants, equipment, guarantee deposits, etc.), and Financing CF (repayment of borrowings to secure working capital in response to the increase in operating CF).

**First Quarter Financial Results
for the Period Ending March 2026**

First Quarter Financial Closing Highlights

Renovations and direct orders

(Millions of yen)

	Period ended March 2025			Period ending March 2026	Year-on-year change	
	First quarter	Second to fourth quarters	Full year	First quarter	Increase (Decrease)	Change rate
Renovations	29,798	81,202	111,000	30,951	1,152	3.9%
Ratio of renovations (%)	39.8%	39.3%	39.5%	46.5%	6.7p	—
Mid-to-large renovations	17,089	34,675	51,765	12,438	(4,651)	-27.2%
Small-scale renovations	12,708	46,527	59,235	18,512	5,804	45.7%
New construction	45,066	125,203	170,270	35,541	(9,525)	-21.1%
Total orders received	74,864	206,406	281,271	66,492	(8,372)	-11.2%
Of which, direct orders	30,041	109,936	139,977	30,224	183	0.6%
Ratio of direct orders (%)	40.1%	53.3%	49.8%	45.5%	5.3p	—

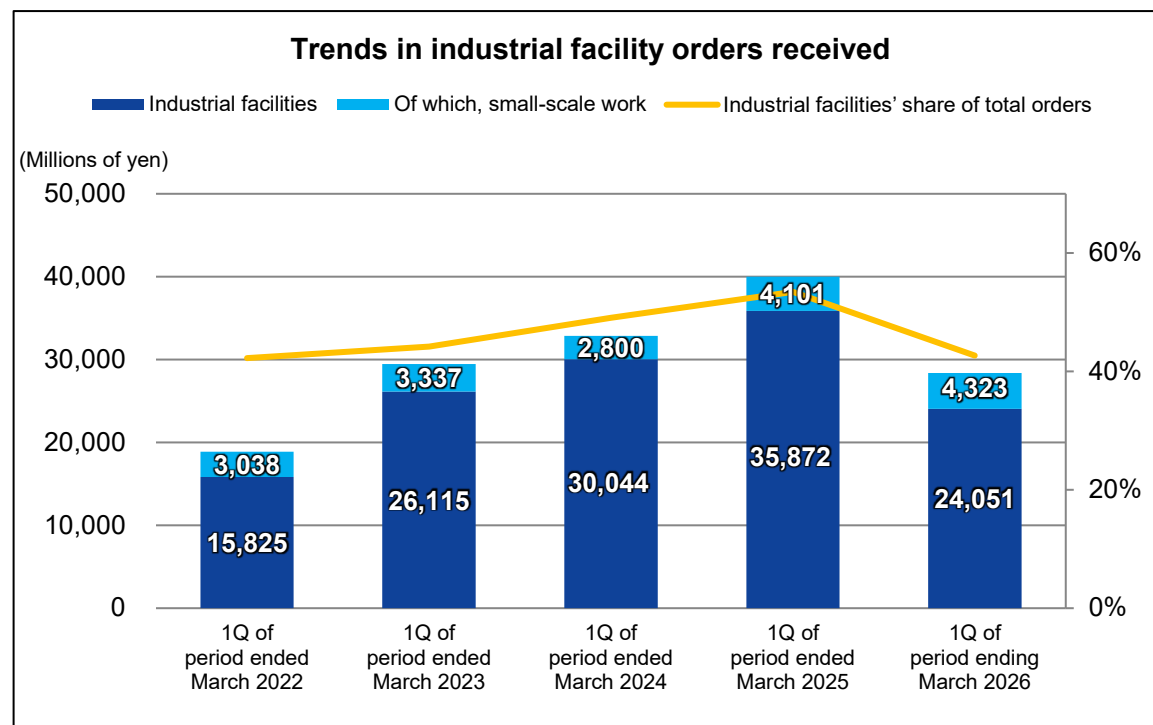
- Orders received for renovations increased from the previous period due to an increase in orders for small-scale renovation work, despite a decrease in orders for large- and medium-scale renovation work.
- New construction orders posted a year-on-year decrease, but remained at a high level.
- Direct orders posted growth due to orders for small-scale renovation work, resulting in a direct order ratio of 45.5%.

Industrial facilities

(Millions of yen)

	Period ended March 2025			Period ending March 2026	Year-on-year change	
	First quarter	Second to fourth quarters	Full year	First quarter	Increase (Decrease)	Change rate
Total industrial facilities	39,972	122,829	162,802	28,374	(11,598)	-29.0%
(Share of total orders: %)	53.4%	59.5%	57.9%	42.7%	-10.7p	—
Total orders received	74,864	206,406	281,271	66,492	(8,372)	-11.2%

* Factories, labs, data centers, and logistics facilities are classified as “industrial facilities.”



- Although the amount and percentage of orders received for industrial facility construction decreased from the previous period, we expect to secure the same level of orders for the full year as in the previous period.

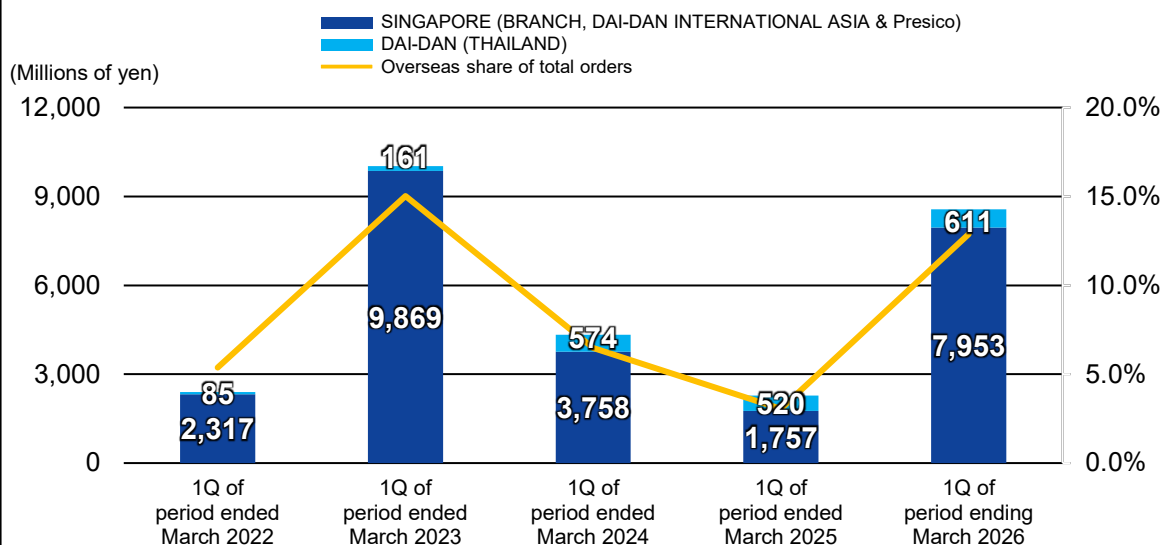
Overseas operations

- Singapore (Branch, DAI-DAN INTERNATIONAL ASIA PTE. LTD., and Presico Engineering Pte. Ltd.), Thailand (DAI-DAN (THAILAND) CO., LTD.), Vietnam (DAI-DAN (VIETNAM) CO., LTD.), and Taiwan (DAI-DAN Taiwan Co., Ltd.) are the bases of our overseas operations.

(Millions of yen)

	Period ended March 2025			Period ending March 2026	Year-on-year change	
	First quarter	Second to fourth quarters	Full year	First quarter	Increase (Decrease)	Change rate
Total overseas orders received (Consolidated)	2,277	37,593	39,870	8,564	6,287	276.1%
(Share of total orders: %)	3.0%	18.2%	14.2%	12.9%	9.8p	—
Total orders received	74,864	206,406	281,271	66,492	(8,372)	-11.2%

Trends in overseas construction orders received (Consolidated)



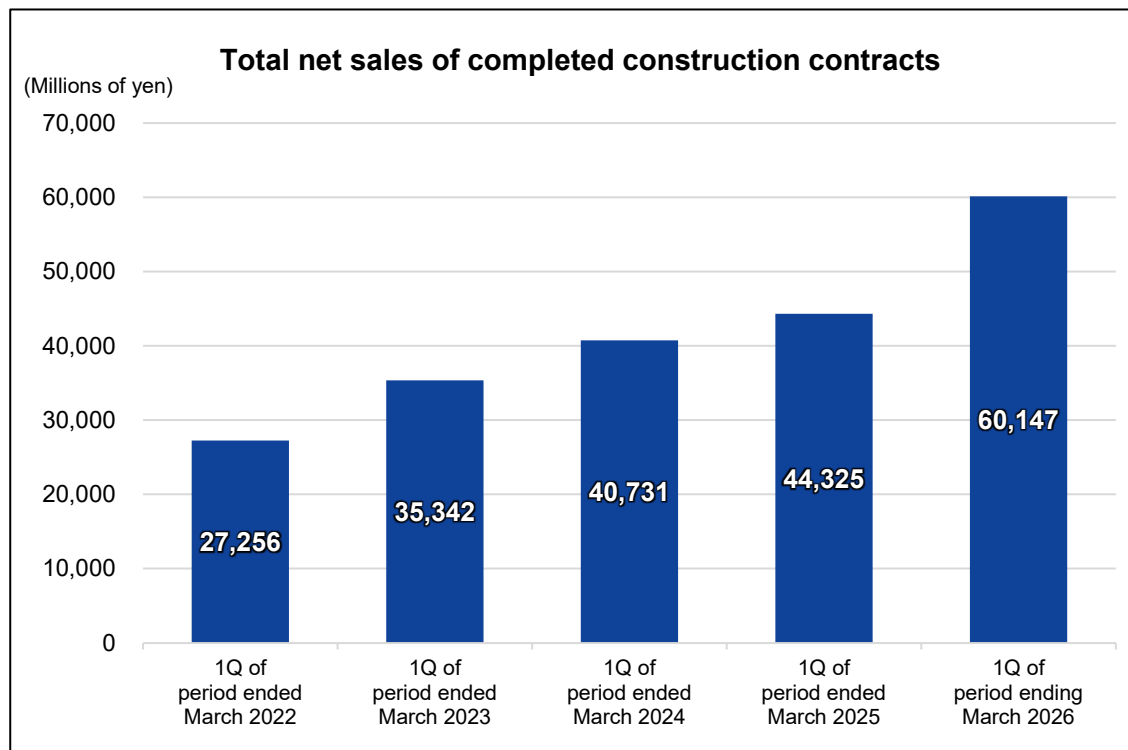
- Singapore saw a significant overall increase due to additional orders received for large-scale research facility projects and the inclusion of Presico as our consolidated subsidiary from the fourth quarter of the previous period.
- As a result of the above, orders received increased by 6,287 million yen from the previous period to 8,564 million yen.

Status of completed construction contracts

(Millions of yen)

	First quarter of period ended March 2025		First quarter of period ending March 2026		Year-on-year change	
	Monetary amount	Composition ratio	Monetary amount	Composition ratio	Monetary amount	Change rate
Total net sales of completed construction contracts	44,325	100.0%	60,147	100.0%	15,822	35.7%
(Renovations)	14,290	32.2%	16,716	27.8%	2,426	17.0%
(Industrial facilities)	18,094	40.8%	34,242	56.9%	16,148	89.2%
(Overseas operations)	3,089	7.0%	5,345	8.9%	2,256	73.1%

* The figures in the table include a certain amount of overlap, as calculation is done by construction type: renovations, industrial facilities, and overseas operations.



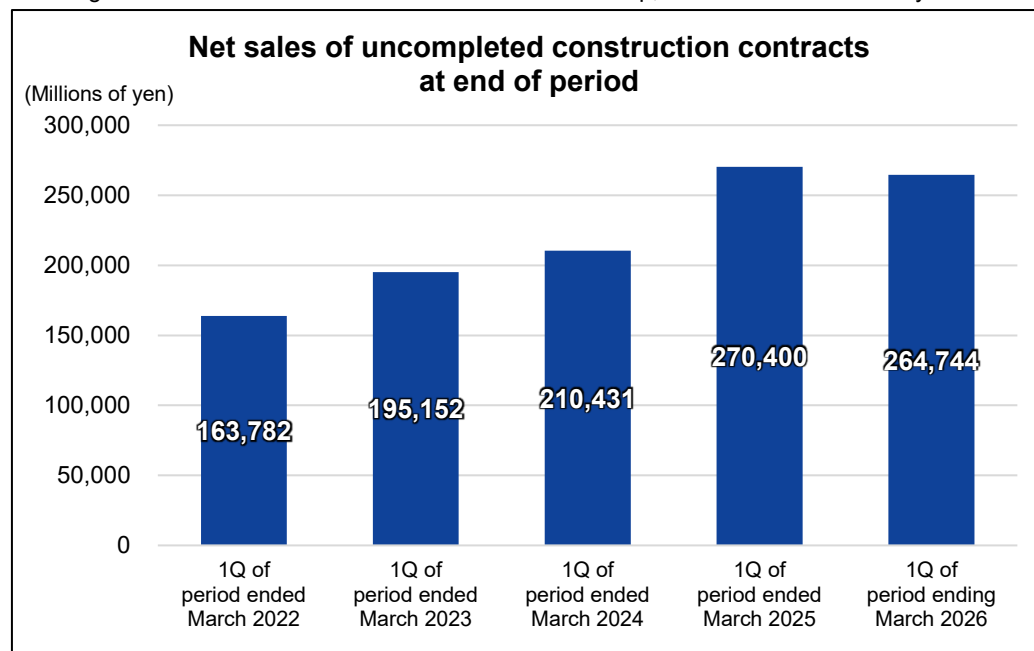
- Net sales of completed construction contracts increased due to progress mainly in large-scale industrial facility construction projects that were carried over from the previous period.
- As a result of the above, the composition ratio of industrial facilities rose to 56.9%.

Status of uncompleted construction contracts

(Millions of yen)

	First quarter of period ended March 2025		First quarter of period ending March 2026		Year-on-year change	
	Monetary amount	Composition ratio	Monetary amount	Composition ratio	Monetary amount	Change rate
Net sales of uncompleted construction contracts at beginning of period	239,861	—	258,400	—	18,539	7.7%
Net sales of construction contract orders received	74,864	—	66,492	—	(8,372)	-11.2%
Net sales of completed construction contracts	44,325	—	60,147	—	15,822	35.7%
Net sales of uncompleted construction contracts at end of period	270,400	100.0%	264,744	100.0%	(5,656)	-2.1%
(Renovations)	54,037	20.0%	77,604	29.3%	23,566	43.6%
(Industrial facilities)	141,372	52.3%	138,708	52.4%	(2,663)	-1.9%
(Overseas operations)	13,588	5.0%	37,911	14.3%	24,322	179.0%

* The figures in the table include a certain amount of overlap, as calculation is done by construction type: renovations, industrial facilities, and overseas operations.



- While net sales of uncompleted construction contracts at the beginning of the period increased, net sales of uncompleted construction contracts at the end of the period decreased, reflecting a decrease in net sales of construction contract orders received and an increase in net sales of completed construction contracts.
- However, net sales of uncompleted construction contracts at the end of the period are expected to remain at a high level, mainly due to large-scale projects such as industrial and medical facilities, as well as contracts in overseas operations.

**First Quarter Financial Results
for the Period Ending March 2026**

**Full-Year Earnings
Forecast for the
Period Ending
March 2026**

Consolidated full-year earnings forecast

(Millions of yen)

	Period ended March 2025			Period ending March 2026			Year-on-year change, full year	
	First quarter	Second to fourth quarters	Full year	First quarter	Second to fourth quarters (Forecast)	Full year (Forecast)	Increase (Decrease)	Change rate
Net sales of uncompleted construction contracts at beginning of period	—	—	239,861	—	—	258,400	18,539	7.7%
Net sales of construction contract orders received	74,864	206,407	281,271	66,492	216,508	283,000	1,729	0.6%
Net sales of uncompleted construction contracts at the end of period	270,400	227,861	258,400	264,744	275,055	281,400	23,000	8.9%
Net sales of completed construction contracts	44,325	218,407	262,732	60,147	199,853	260,000	(2,732)	-1.0%
Gross profit on completed construction contracts	5,731	35,618	41,349	14,610	31,890	46,500	5,151	12.5%
Gross profit margin of completed construction contracts (%)	12.9%	16.3%	15.7%	24.3%	16.0%	17.9%	2.1p	—
Operating profit	1,725	21,312	23,037	9,703	13,797	23,500	463	2.0%
Operating profit margin (%)	3.9%	9.8%	8.8%	16.1%	6.9%	9.0%	0.3p	—
Ordinary profit	2,125	21,354	23,479	10,066	13,734	23,800	321	1.4%
Ordinary profit margin (%)	4.8%	9.8%	8.9%	16.7%	6.9%	9.2%	0.2p	—
Net profit attributable to owners of parent	1,306	16,137	17,443	6,885	10,715	17,600	157	0.9%
Net profit margin (%)	2.9%	7.4%	6.6%	11.4%	5.4%	6.8%	0.1p	—
Return on equity (ROE)	—	—	17.4%	—	—	15.9%	-1.5p	—

Preconditions for earnings forecast

- There has been no change to our earnings forecast in the brief report on financial statements announced on May 9, 2025.
- Despite a decrease in the first quarter, net sales of construction contract orders received are expected to increase for the full year, as we expect an increase in orders from the second quarter onward.
- As stated on page 4, gross profit on completed construction contracts and gross profit margin increased substantially in the first quarter thanks to a significant improvement in the profitability of some large-scale construction projects.
Meanwhile, the performance from the second quarter onward will be at the same level as the previous period. As SG&A expenses and other fixed costs are also expected to continue rising, we have kept the full-year earnings forecast unchanged.
- In the second year of “Phase 2: The Refining Stage”, we will achieve our earnings forecast, which will lead to meeting of goals set in the forecast for the final year of Phase 2, the period ending March 31, 2027.

Shareholder return policy

- In addition to striving to build a sound financial structure, we are committed to returning profits to shareholders, which is our most important management policy.
- As stated in the Notice Concerning Revision of the Performance Targets and Financial Strategy Indicators of the Mid-Term Management Plan “Refining Stage” announced on May 9, 2025, aiming to further promote profit return to shareholders and implement a more stable dividend policy, we have adopted a new dividend policy of “**Dividend payout ratio of 40% or higher and a minimum DOE of 4.8%** (+0.8 points compared to the previous announcement)” starting from the period ending March 31, 2026.
- Based on the above policy, the annual dividend for the fiscal year ending March 31, 2026 is forecast to be 165 yen per ordinary share.

Dividend status

	Full-year dividend			Total dividend (Total sum)	Dividend ratio (Consolidated)	Dividend on equity ratio (Consolidated)
	End of second quarter	End of period	Total			
	Yen Sen	Yen Sen	Yen Sen	Million yen	%	%
Period ended March 2025	52.00	111.00	163.00	7,032	40.1%	7.0%
Period ending March 2026 (Forecast)	82.00	83.00	165.00	7,130	40.2%	6.4%

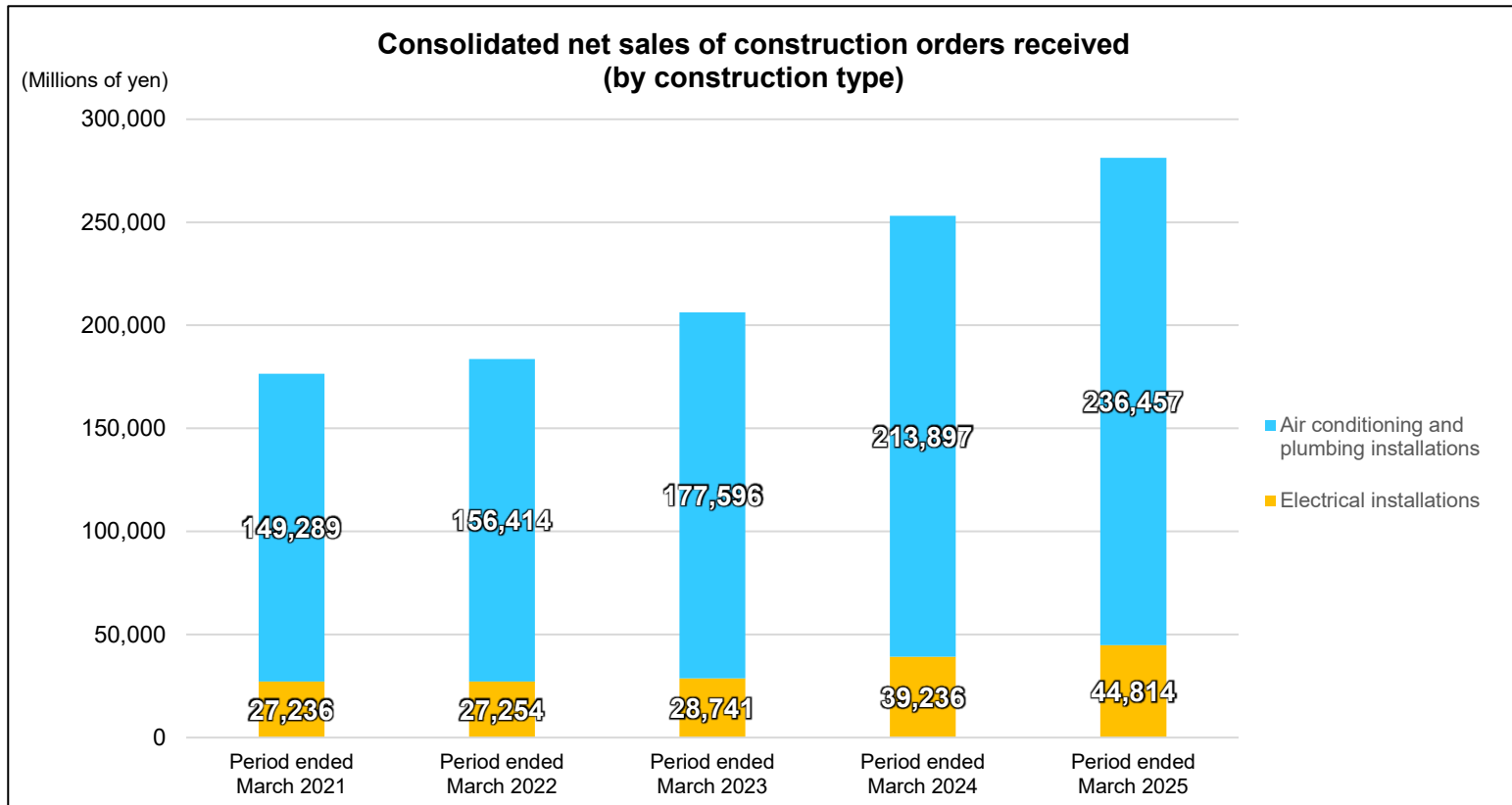


**Reference:
DATA FILE
(Full Year)**

Consolidated net sales of construction orders received by construction type (Full year)

(Millions of yen)

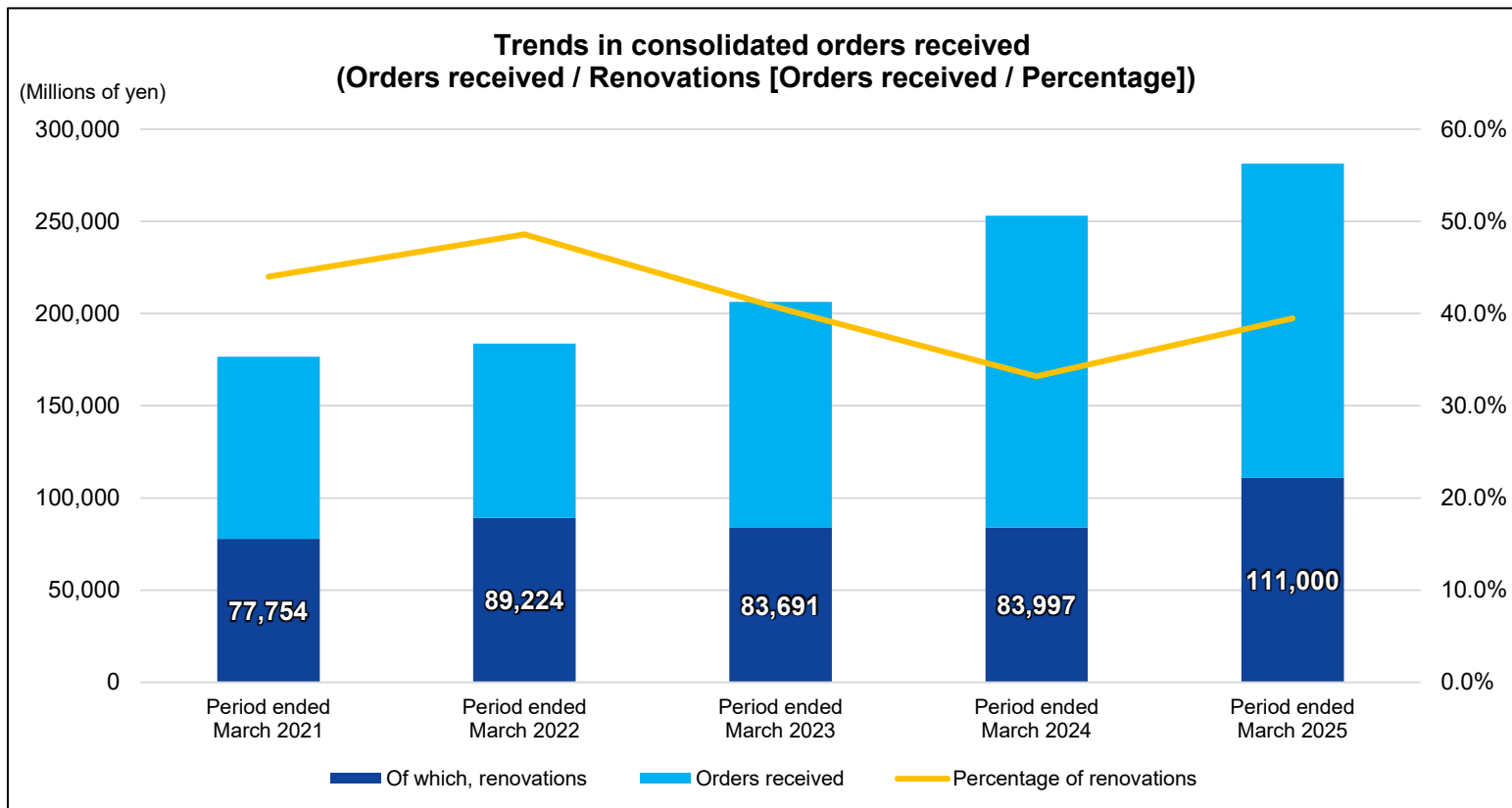
	Period ended March 2021	Period ended March 2022	Period ended March 2023	Period ended March 2024	Period ended March 2025
Air conditioning and plumbing installations	149,289	156,414	177,596	213,897	236,457
Electrical installations	27,236	27,254	28,741	39,236	44,814
Total	176,526	183,668	206,337	253,134	281,271



Trends in consolidated orders received (Orders received / Renovations) (Full year)

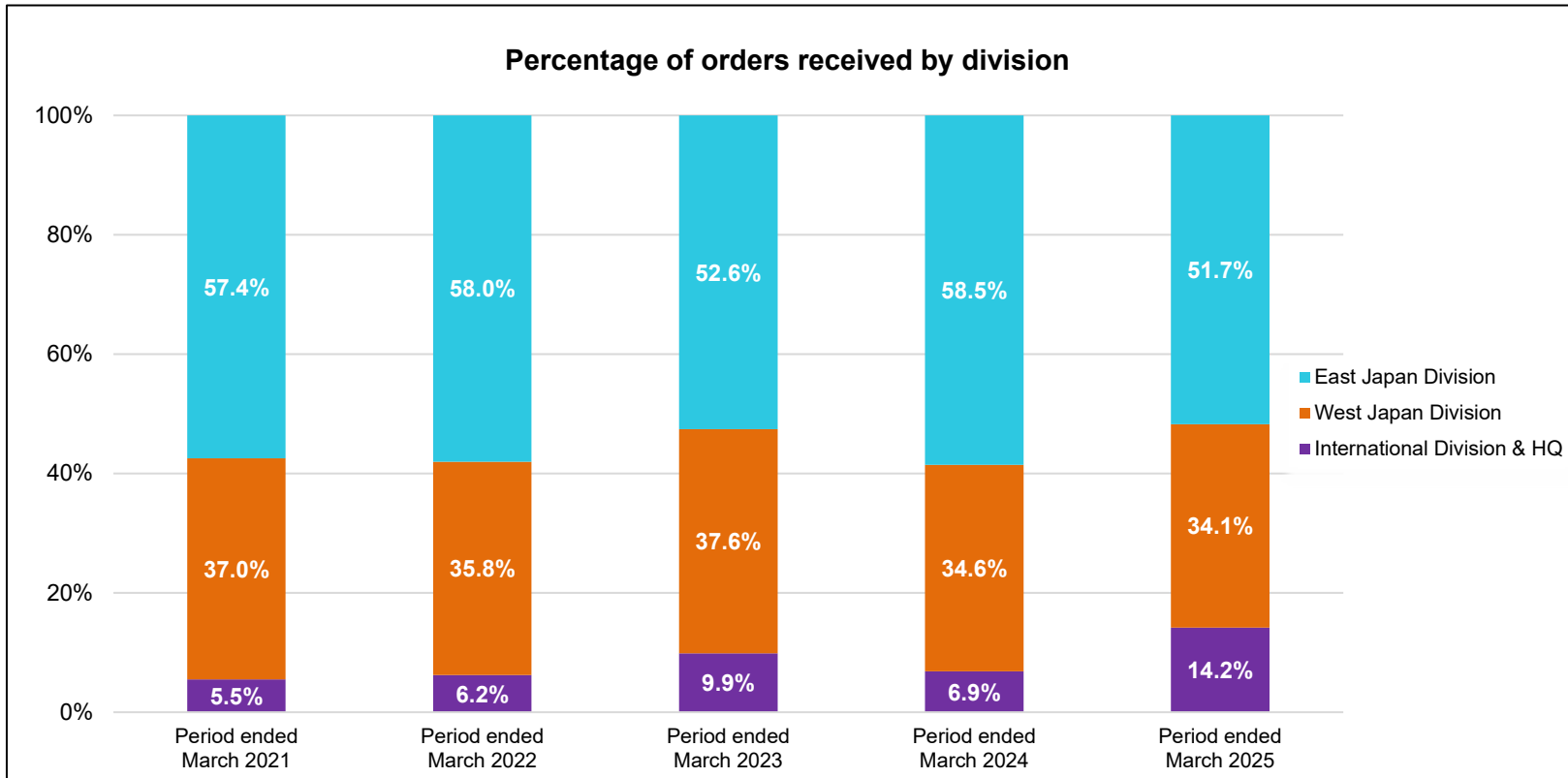
(Millions of yen)

	Period ended March 2021	Period ended March 2022	Period ended March 2023	Period ended March 2024	Period ended March 2025
Net sales of construction contract orders received	176,526	183,668	206,337	253,134	281,271
Renovations	77,754	89,224	83,691	83,997	111,000
Percentage of renovations	44.0%	48.6%	40.6%	33.2%	39.5%



Percentage of consolidated orders received by division (Full year)

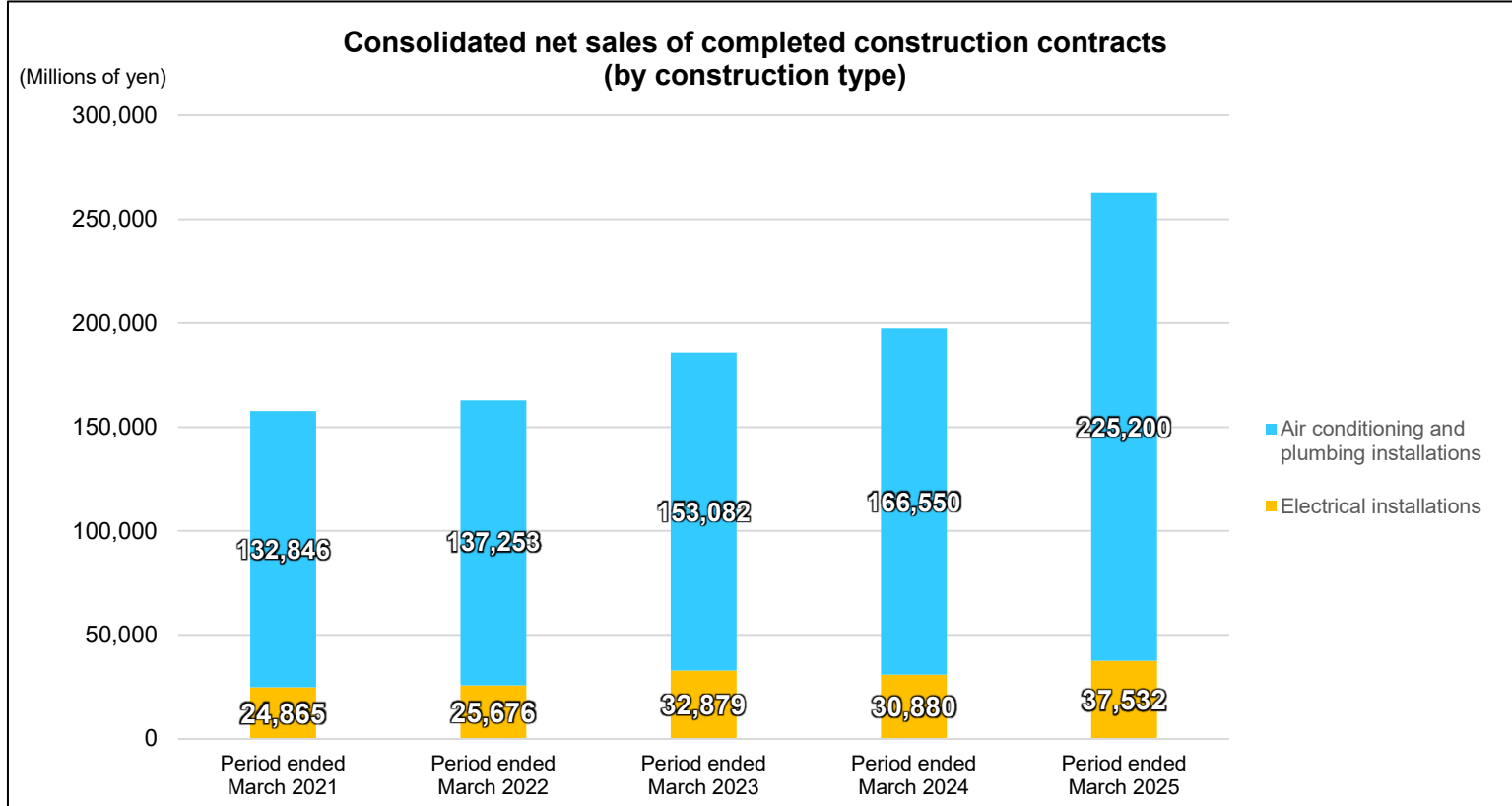
	Period ended March 2021	Period ended March 2022	Period ended March 2023	Period ended March 2024	Period ended March 2025
East Japan Division	57.4%	58.0%	52.6%	58.5%	51.7%
West Japan Division	37.0%	35.8%	37.6%	34.6%	34.1%
International Division & HQ	5.5%	6.2%	9.9%	6.9%	14.2%



Consolidated net sales of completed construction contracts by construction type (Full year)

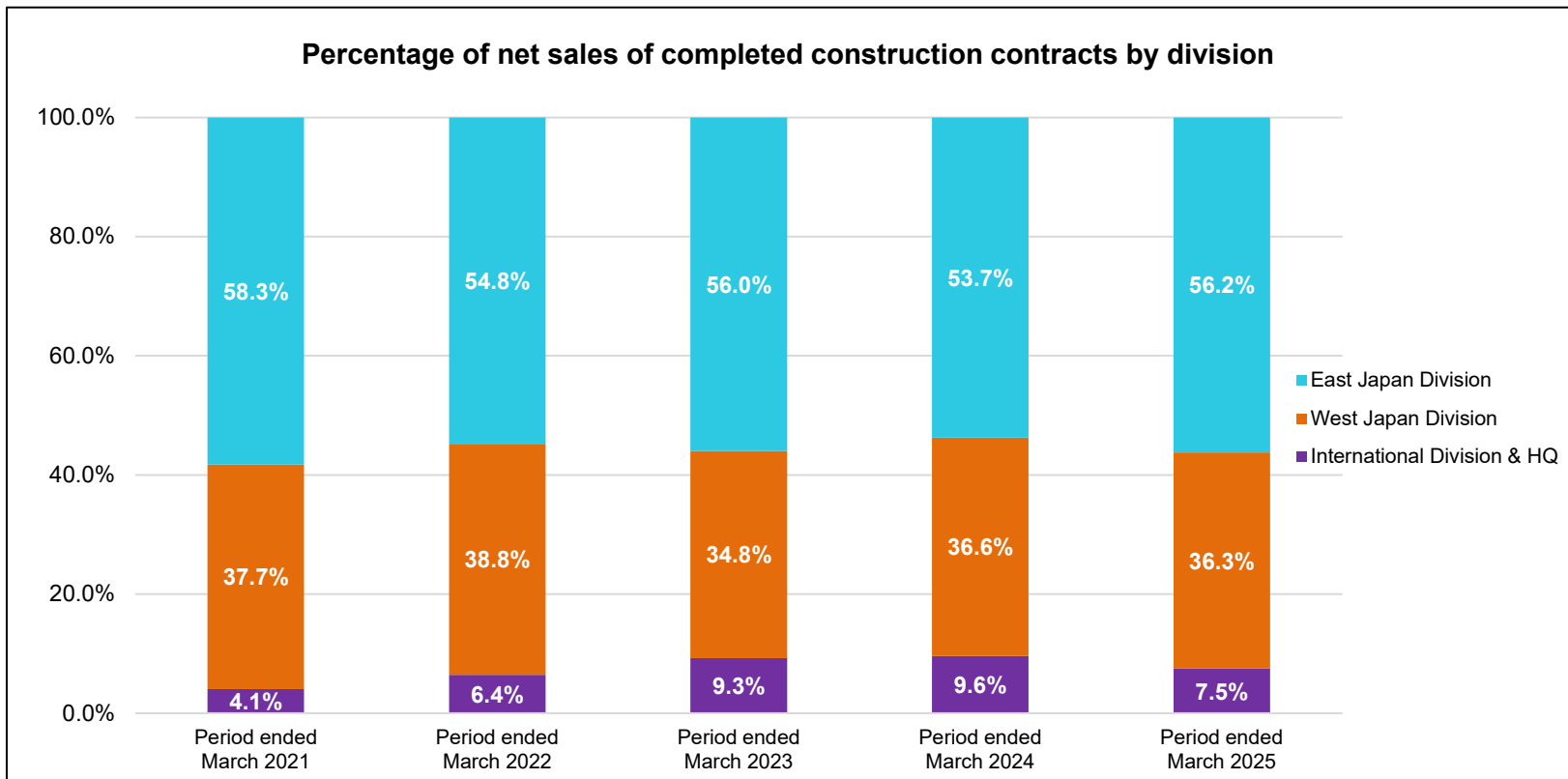
(Millions of yen)

	Period ended March 2021	Period ended March 2022	Period ended March 2023	Period ended March 2024	Period ended March 2025
Air conditioning and plumbing installations	132,846	137,253	153,082	166,550	225,200
Electrical installations	24,865	25,676	32,879	30,880	37,532
Total	157,712	162,929	185,961	197,431	262,732



Percentage of consolidated net sales of completed construction contracts by division (Full year)

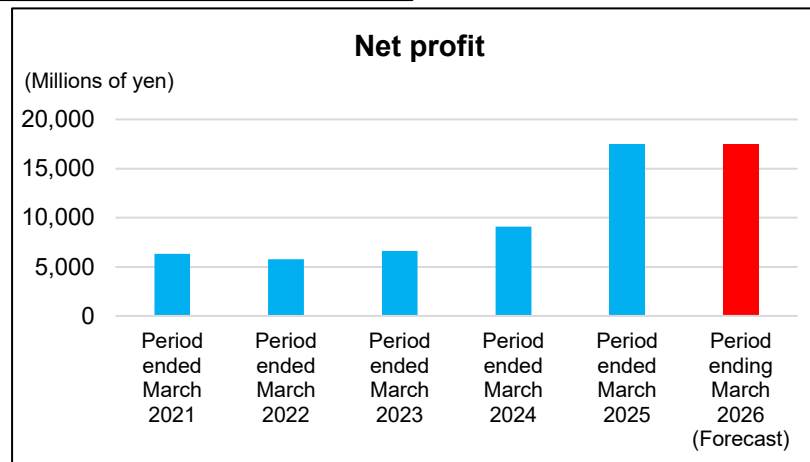
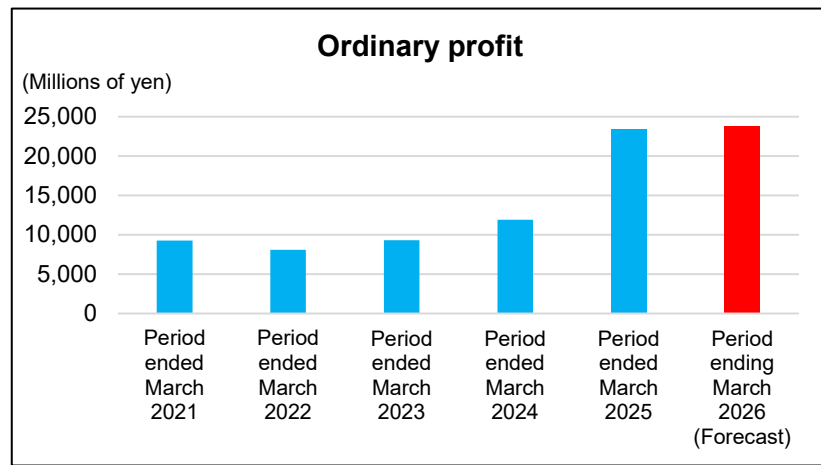
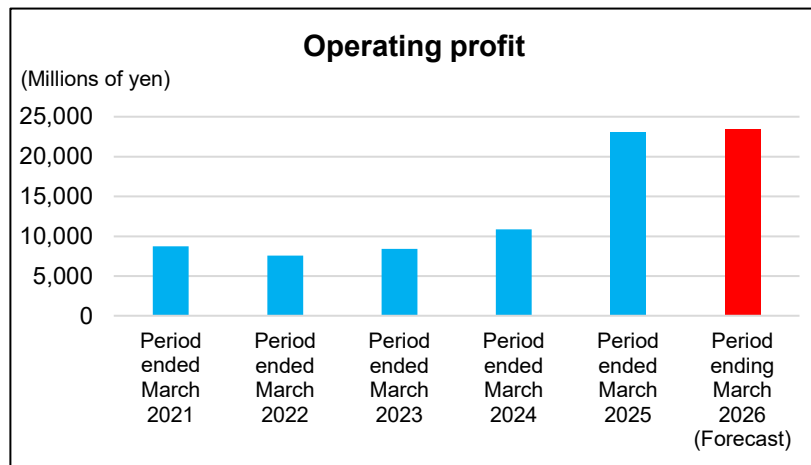
	Period ended March 2021	Period ended March 2022	Period ended March 2023	Period ended March 2024	Period ended March 2025
East Japan Division	58.3%	54.8%	56.0%	53.7%	56.2%
West Japan Division	37.7%	38.8%	34.8%	36.6%	36.3%
International Division & HQ	4.1%	6.4%	9.3%	9.6%	7.5%



Consolidated operating/ordinary/net profits (Full year)

(Millions of yen)

	Period ended March 2021	Period ended March 2022	Period ended March 2023	Period ended March 2024	Period ended March 2025	Period ending March 2026 (Forecast)
Operating profit	8,754	7,584	8,428	10,877	23,037	23,500
Ordinary profit	9,262	8,095	9,288	11,918	23,479	23,800
Net profit	6,318	5,778	6,626	9,087	17,443	17,600



Disclaimer

The forecast concerning future business results, including future plans and strategies, disclosed by the Company is based on assumptions deemed reasonable at the time of announcement. Therefore, actual business results may differ from the forecast due to various factors.

IR-related inquiries:

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