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August 12, 2026

Consolidated Financial Results for the Six Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: NJS Co.,Ltd.
Listing: Tokyo Stock Exchange
Securities code: 2325
URL: https://www.njs.co.jp/
Representative: Masaaki Murakami, President & Chief Executive Officer
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Telephone: +81-3-6324-4355
Scheduled date to file semi-annual securities report: August 12, 2026
Scheduled date to commence dividend payments: September 10, 2026
Preparation of supplementary material on financial results: None
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	16,790	17.5	4,966	27.0	5,085	28.4	3,620	34.9
June 30, 2025	14,293	7.1	3,909	20.5	3,959	18.1	2,684	17.6

Note: Comprehensive income
For the six months ended June 30, 2026: ¥ 2,897 million [(6.8) %]
For the six months ended June 30, 2025: ¥ 3,107 million [18.3%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	380.17	-
June 30, 2025	282.04	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	39,161	30,947	78.8	3,242.40
December 31, 2025	35,095	28,576	81.2	2,993.41

Reference: Equity
As of June 30, 2026: ¥ 30,877 million
As of December 31, 2025: ¥ 28,506 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	-	50.00	-	55.00	105.00
Fiscal year ending December 31, 2026	-	55.00			
Fiscal year ending December 31, 2026 (Forecast)			-	55.00	110.00

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

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	28,000	12.7	3,600	10.2	3,700	9.3	2,450	12.3	257.27

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

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

Newly included: - companies( )

Excluded: 1 companies(Suido Asset Service.Co.,Ltd.)

(2) Adoption of accounting treatment specific to the preparation of semi-annual 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 shares)

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

As of June 30, 2026	10,048,000 shares
As of December 31, 2025	10,048,000 shares

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

As of June 30, 2026	524,888 shares
As of December 31, 2025	524,888 shares

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

Six months ended June 30, 2026	9,523,112 shares
Six months ended June 30, 2025	9,517,996 shares

* This semi-annual financial results report is not subject to review by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

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1. Qualitative Information on Semi-annual Financial Results

(1) Explanation of Operating Results

During the six months ended June 30, 2026, the global economy was affected by rising crude oil prices associated with a deterioration in the situation in the Middle East, while higher energy prices intensified inflationary pressures. On the other hand, expanding capital investment related to generative AI and data centers helped support economic activity. The Japanese economy was underpinned by generally firm corporate earnings and capital investment. However, the impact of rising food and energy prices limited the strength of the economic recovery.

The business environment surrounding water infrastructure is facing increasingly significant challenges as the population declines and infrastructure continues to age, while the need to respond to increasingly severe natural disasters is becoming more important. Subsequent to the end of the period, in July 2026, the amended Sewerage Act was enacted. In light of the road cave-in accident that occurred in Yashio City, Saitama Prefecture, in January 2025, the amended Act introduced institutional measures to promote initiatives such as the consolidation of service areas, with the aim of strengthening infrastructure management and the operational foundations of sewerage services. In addition, the introduction of "Public-Private Partnerships in the Water Sector," a form of PPP designed to make effective use of private-sector resources, is being promoted.

In response to these developments, the Group worked to: (i) strengthen integrated management technologies for PPP projects; (ii) strengthen regional offices, with an emphasis on activities rooted in their respective regions; and (iii) enhance customer services for residents, users, and other customers.
To enhance infrastructure management, FINDi Co., Ltd., a Group company, introduced "ASIO X," a high-performance drone for infrastructure inspections and surveys, from FLYBOTIX SA of Switzerland and entered into an exclusive distribution agreement for the Japanese market.
To establish an integrated management framework for PPP projects, the Group also worked to develop "SmartPPP," which provides integrated management of operation services. SmartPPP consists of Collabo, which facilitates collaboration among PPP team members; SkyScraper, which serves as a software platform; Inspection, which provides inspection and survey systems; Customer Service, which supports regional services; and Knowledge Hub, which supports planning and the use of AI. Through these components, SmartPPP promotes process management, asset management, sustainability, resilience, and Aqua Smile initiatives for co-creation with local communities.

Through these initiatives, the Group aims to become an "Operation Company" that serves as a platform for the water sector, expanding beyond the traditional scope of consulting while building on the technologies and business expertise it has cultivated as a consultant.

As a result, consolidated work orders received for the six months ended June 30, 2026 were ¥14,080 million, up 15.3% year on year, and consolidated net sales were ¥16,790 million, up 17.5%.
In terms of profit, reflecting an increase in gross profit attributable primarily to higher net sales, operating profit was ¥4,966 million, up 27.0% year on year, ordinary profit was ¥5,085 million, up 28.4%, and profit attributable to owners of parent was ¥3,620 million, up 34.9%.

Operating results by segment are as follows:

(Domestic operations)

In domestic operations, the Group carried out survey and design services for infrastructure reconstruction, disaster prevention and mitigation services, inspection services designed to improve the efficiency of infrastructure inspections and surveys, PPP services promoting public-private partnership projects, and operation services.

As a result, domestic operations reported work orders received of ¥13,224 million, up 16.7% year on year, net sales of ¥15,815 million, up 18.3%, and operating profit of ¥5,034 million, up 26.7%.

(Overseas operations)

In overseas operations, the Group promoted water infrastructure development projects in emerging countries in Asia, the Middle East, Africa and other regions.

As a result, overseas operations reported work orders received of ¥855 million, down 2.2% year on year, net sales of ¥975 million, up 6.0%, and an operating loss of ¥68 million, compared with an operating loss of ¥63 million in the same period of the previous fiscal year.

(2) Explanation of Financial Position

1) Assets, Liabilities and Net Assets

Total assets as of June 30, 2026 increased by ¥4,066 million from the end of the previous fiscal year to ¥39,161 million. The main factors were increases of ¥8,481 million in cash and deposits and ¥115 million in deferred tax assets, partially offset by decreases of ¥3,730 million in notes, accounts receivable-completed operation and contract assets and ¥953 million in investment securities.

Total liabilities as of June 30, 2026 increased by ¥1,695 million from the end of the previous fiscal year to ¥8,213 million. The main factors were increases of ¥1,472 million in contract liabilities and ¥977 million in income taxes payable, partially offset by a decrease of ¥414 million in accounts payable-operating.

Total net assets as of June 30, 2026 increased by ¥2,371 million from the end of the previous fiscal year to ¥30,947 million. The main factors were an increase of ¥3,094 million in retained earnings, partially offset by a decrease of ¥652 million in valuation difference on available-for-sale securities. As a result, the equity-to-asset ratio was 78.8%.

2) Cash Flows

Cash and cash equivalents as of June 30, 2026 increased by ¥5,481 million from the end of the previous fiscal year to ¥23,308 million.

The status of each category of cash flows and the main factors affecting cash flows during the six months ended June 30, 2026 are as follows:

(Cash Flows from Operating activities)

Net cash provided by operating activities was ¥9,398 million, compared with ¥7,233 million provided in the same period of the previous fiscal year.

The main cash inflows included profit before income taxes of ¥5,084 million, a decrease in notes, accounts receivable-completed operation and contract assets of ¥3,724 million, an increase in contract liabilities of ¥1,472 million, and an increase in accrued consumption taxes of ¥464 million. The main cash outflows included a decrease in accounts payable-operating of ¥413 million and income taxes paid of ¥426 million.

(Cash Flows from Investing activities)

Net cash used in investing activities was ¥3,356 million, compared with ¥360 million used in the same period of the previous fiscal year.

The main cash outflows included payments into time deposits of ¥3,150 million, purchases of intangible assets of ¥130 million, and purchases of property, plant and equipment of ¥110 million. The main cash inflow was proceeds from the withdrawal of time deposits of ¥42 million.

(Cash Flows from Financing activities)

Net cash used in financing activities was ¥536 million, compared with ¥482 million used in the same period of the previous fiscal year.

The main cash outflow was dividends paid of ¥525 million.

(3) Explanation of Forward-looking Information

There have been no changes to the consolidated financial results forecasts for the fiscal year ending December 31, 2026 announced in the financial results dated February 13, 2026.

2.Semi-annual Consolidated Financial Statements

(1)Semi-annual Consolidated Balance Sheet

(Thousands of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	17,827,341	26,308,915
Notes, accounts receivable-completed operation and contract assets	7,754,824	4,024,776
Costs on service contracts in progress	1,043,392	961,222
Other	561,631	682,267
Allowance for doubtful accounts	(44,080)	(19,626)
Total current assets	27,143,109	31,957,556
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	799,910	776,543
Land	293,652	293,652
Other, net	310,095	356,753
Total property, plant and equipment	1,403,658	1,426,948
Intangible assets		
Goodwill	503,679	466,724
Other	772,991	718,967
Total intangible assets	1,276,670	1,185,692
Investments and other assets		
Investment securities	3,907,679	2,954,603
Long-term loans receivable	150,000	143,432
Deferred tax assets	22,410	137,860
Other	1,251,389	1,406,613
Allowance for doubtful accounts	(59,699)	(51,209)
Total investments and other assets	5,271,779	4,591,301
Total non-current assets	7,952,108	7,203,942
Total assets	35,095,218	39,161,498

(Thousands of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - operating	826,063	411,441
Income taxes payable	573,346	1,550,785
Contract liabilities	518,707	1,990,785
Provision for bonuses	846,889	688,305
Provision for loss on orders received	75,620	40,021
Provision for shareholder benefit program	30,370	30,770
Other	2,676,150	2,663,852
Total current liabilities	5,547,149	7,375,961
Non-current liabilities		
Deferred tax liabilities	122,752	-
Provision for retirement benefits for directors (and other officers)	7,090	2,600
Provision for share awards for directors (and other officers)	61,172	66,305
Retirement benefit liability	619,676	602,683
Asset retirement obligations	113,624	114,391
Other	47,326	52,033
Total non-current liabilities	971,642	838,014
Total liabilities	6,518,791	8,213,976
Net assets		
Shareholders' equity		
Share capital	520,000	520,000
Capital surplus	276,555	276,555
Retained earnings	26,186,884	29,281,324
Treasury shares	(854,510)	(854,510)
Total shareholders' equity	26,128,929	29,223,370
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,252,743	1,600,401
Foreign currency translation adjustment	30,717	7,295
Remeasurements of defined benefit plans	94,166	46,686
Total accumulated other comprehensive income	2,377,628	1,654,384
Non-controlling interests	69,868	69,768
Total net assets	28,576,426	30,947,522
Total liabilities and net assets	35,095,218	39,161,498

(2)Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Thousands of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Net sales	14,293,002	16,790,771
Cost of sales	7,011,821	8,198,316
Gross profit	7,281,180	8,592,454
Selling, general and administrative expenses	3,372,097	3,626,183
Operating profit	3,909,082	4,966,270
Non-operating income		
Interest income	17,270	46,256
Dividend income	31,705	38,772
Reversal of allowance for doubtful accounts	-	23,623
Other	18,730	18,998
Total non-operating income	67,707	127,650
Non-operating expenses		
Interest expenses	14	453
Foreign exchange losses	17,544	8,219
Other	142	74
Total non-operating expenses	17,701	8,747
Ordinary profit	3,959,088	5,085,173
Extraordinary income		
Gain on sale of non-current assets	312	5
Gain on redemption of investment securities	91	-
Gain on reversal of asset retirement obligations	35,831	-
Total extraordinary income	36,234	5
Extraordinary losses		
Loss on sale and retirement of non-current assets	2,909	436
Provision for loss compensation	35,000	-
Total extraordinary losses	37,909	436
Profit before income taxes	3,957,413	5,084,742
Income taxes - current	1,172,865	1,380,501
Income taxes - deferred	99,867	83,547
Total income taxes	1,272,733	1,464,048
Profit	2,684,680	3,620,694
Profit attributable to non-controlling interests	181	267
Profit attributable to owners of parent	2,684,498	3,620,427

Semi-annual Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Profit	2,684,680	3,620,694
Other comprehensive income		
Valuation difference on available-for-sale securities	584,092	(652,342)
Foreign currency translation adjustment	(121,305)	(23,421)
Remeasurements of defined benefit plans, net of tax	(39,867)	(47,480)
Total other comprehensive income	422,919	(723,244)
Comprehensive income	3,107,599	2,897,450
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,107,418	2,897,183
Comprehensive income attributable to non-controlling interests	181	267

(3)Semi-annual Consolidated Statement of Cash Flows

(Thousands of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	3,957,413	5,084,742
Depreciation	189,068	232,582
Amortization of goodwill	28,226	36,954
Interest and dividend income	(48,976)	(85,028)
Interest expenses	14	453
Foreign exchange losses (gains)	43,004	7,448
Loss (gain) on sale and retirement of non-current assets	2,597	431
Decrease (increase) in notes, accounts receivable-completed operation and contract assets	2,775,227	3,724,114
Decrease (increase) in costs on uncompleted services	(115,677)	75,214
Decrease (increase) in accounts payable-operating	(370,983)	(413,226)
Increase (decrease) in contract liabilities	1,548,591	1,472,077
Increase (decrease) in accrued consumption taxes	77,655	464,594
Increase (decrease) in allowance for doubtful accounts	423	(32,113)
Increase (decrease) in provision for bonuses	(135,899)	(158,584)
Increase (decrease) in retirement benefit liability	(16,961)	(16,992)
Other, net	(173,168)	(647,467)
Subtotal	7,760,556	9,745,199
Interest and dividends received	47,725	80,265
Interest paid	(14)	(453)
Income taxes paid	(574,945)	(426,945)
Net cash provided by (used in) operating activities	7,233,322	9,398,066
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	180,771	42,655
Payments into time deposits	(135,607)	(3,150,155)
Purchase of property, plant and equipment	(89,968)	(110,369)
Purchase of intangible assets	(130,802)	(130,774)
Proceeds from redemption of securities	10,000	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(207,350)	-
Proceeds from refund of leasehold and guarantee deposits	42,373	17,405
Payments of leasehold and guarantee deposits	(66,695)	(15,986)
Other, net	36,872	(9,006)
Net cash provided by (used in) investing activities	(360,406)	(3,356,232)
Cash flows from financing activities		
Purchase of treasury shares	(435)	-
Repayments of long-term borrowings	(1,668)	(691)
Dividends paid	(476,484)	(525,407)
Other, net	(3,440)	(10,076)
Net cash provided by (used in) financing activities	(482,029)	(536,174)
Effect of exchange rate change on cash and cash equivalents	(43,532)	(24,085)
Net increase (decrease) in cash and cash equivalents	6,347,353	5,481,574
Cash and cash equivalents at beginning of period	17,681,274	17,827,341
Cash and cash equivalents at end of period	24,028,627	23,308,915