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

May 8, 2026

Company name: OCHI Holdings Co., Ltd.
 Listing: Tokyo Stock Exchange and Fukuoka Stock Exchange
 Securities code: 3166
 URL: <https://www.ochiholdings.co.jp/english/>
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 Scheduled date of Annual General Meeting of Shareholders: June 24, 2026
 Scheduled date to commence dividend payments: June 2, 2026
 Scheduled date to file annual securities report: June 22, 2026
 Preparation of supplementary materials on annual financial results: Yes
 Holding of annual financial results briefing: None

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 – March 31, 2026)

(1) Consolidated Operating Results (Percentages indicate changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	120,432	2.9	1,669	13.5	2,242	16.2	1,309	25.9
March 31, 2025	117,084	3.3	1,471	(31.8)	1,929	(29.4)	1,040	(50.3)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥1,752 million [108.7%]
 For the fiscal year ended March 31, 2025: ¥839 million [(65.5)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	100.56	–	5.4	3.2	1.4
March 31, 2025	80.17	–	4.4	2.8	1.3

Reference: Equity in earnings of affiliates For the fiscal year ended March 31, 2026: ¥– million
 For the fiscal year ended March 31, 2025: ¥– million

- With the introduction of the Board Benefit Trust (BBT) and the introduction of the Trust-type Employee Shareholding Incentive Plan, the Company's shares held by the respective trusts, which are recorded as treasury shares in shareholders' equity, are included in treasury shares that are deducted in the calculation of the average number of shares outstanding during the period for the purpose of calculating basic earnings per share.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	69,181	24,628	35.6	1,885.89
As of March 31, 2025	70,043	23,531	33.6	1,807.61

Reference: Equity As of March 31, 2026: ¥24,595 million
 As of March 31, 2025: ¥23,500 million

- With the introduction of the Board Benefit Trust (BBT) and the introduction of the Trust-type Employee Shareholding Incentive Plan, the Company's shares held by the respective trusts, which are recorded as treasury shares in shareholders' equity, are included

in treasury shares that are deducted in the calculation of the total number of shares issued at the end of the period for the purpose of calculating net assets per share.

(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
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2026	4,542	(278)	(2,639)	16,561
March 31, 2025	1,878	(1,224)	(278)	14,936

2. Cash Dividends

	Annual dividends per share					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2025	–	27.00	–	27.00	54.00	709	67.4	3.0
Fiscal year ended March 31, 2026	–	27.00	–	27.00	54.00	709	53.7	2.9
Fiscal year ending March 31, 2027 (forecast)	–	27.00	–	28.00	55.00		54.8	

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	62,000	5.9	600	(11.2)	800	(17.6)	400	(26.6)	30.67
Full year	125,000	3.8	1,850	10.8	2,350	4.8	1,310	0.0	100.45

* Notes:

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

Newly included: 1 company (Japan System Solution Co., Ltd.), Excluded: – ()

(2) Changes in accounting policies, changes in accounting estimates, and restatements:

- 1) Changes in accounting policies due to revisions of accounting standards and other regulations: None
- 2) Changes in accounting policies other than 1): None
- 3) Changes in accounting estimates: None
- 4) Restatements: None

(3) Number of issued shares (common shares):

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

As of March 31, 2026: 13,610,970 shares

As of March 31, 2025: 13,610,970 shares

2) Total number of treasury shares at the end of the period:

As of March 31, 2026: 569,086 shares

As of March 31, 2025: 610,386 shares

3) Average number of shares outstanding during the period:

Fiscal year ended March 31, 2026: 13,022,255 shares

Fiscal year ended March 31, 2025: 12,979,427 shares

- The total number of treasury shares at the end of the period includes the number of shares of the Company held by the Board Benefit Trust (BBT) as trust assets (93,700 shares as of March 31, 2026, and 93,700 shares as of March 31, 2025). The number of treasury shares deducted in the calculation of the average number of shares outstanding during the period includes the number of the Company's shares held by the

trust (93,700 shares for the fiscal year ended March 31, 2026, and 93,700 shares for the fiscal year ended March 31, 2025).

- The total number of treasury shares at the end of the period includes the number of shares of the Company held by a trust established exclusively for the OCHI Holdings Employee Shareholding Association (E-Ship Trust) as trust assets (1,200 shares as of March 31, 2026, and 42,500 shares as of March 31, 2025). The number of treasury shares deducted in the calculation of the average number of shares outstanding during the period includes the number of the Company's shares held by the trust (20,829 shares for the fiscal year ended March 31, 2026, and 63,657 shares for the fiscal year ended March 31, 2025).

<Reference> Summary of Non-consolidated Financial Results

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

(1) Non-consolidated Operating Results (Percentages indicate changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	2,815	27.6	1,775	34.3	1,725	34.5	1,705	31.7
March 31, 2025	2,205	(15.6)	1,322	(29.8)	1,282	(31.1)	1,295	(31.1)

Fiscal year ended	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
March 31, 2026	130.96		–	
March 31, 2025	99.80		–	

- With the introduction of the Board Benefit Trust (BBT) and the introduction of the Trust-type Employee Shareholding Incentive Plan, the Company's shares held by the respective trusts, which are recorded as treasury shares in shareholders' equity, are included in treasury shares that are deducted in the calculation of the average number of shares outstanding during the period for the purpose of calculating basic earnings per share.

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2026	22,463	13,520	60.2	1,036.70
As of March 31, 2025	21,954	12,470	56.8	959.20

Reference: Equity As of March 31, 2026: ¥13,520 million
As of March 31, 2025: ¥12,470 million

- With the introduction of the Board Benefit Trust (BBT) and the introduction of the Trust-type Employee Shareholding Incentive Plan, the Company's shares held by the respective trusts, which are recorded as treasury shares in shareholders' equity, are included in treasury shares that are deducted in the calculation of the total number of shares issued at the end of the period for the purpose of calculating net assets per share.

* These consolidated financial results are outside the scope of review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

(Cautions on forward-looking statements)

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable as of the date of publication of this document. The Company makes no warranty as to the feasibility of its projections. Actual results may differ significantly from these forecasts due to a wide range of factors. For assumptions underlying the financial results forecast and precautions regarding their use, please refer to “(4) Future Outlook” under “1. Overview of Results of Operations” on page 4 of the attachment.

(How to obtain supplementary materials on annual financial results)

The Company plans to post the materials on the Company's website around mid-June 2026.

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1. Overview of Results of Operations

(1) Overview of Results of Operations for the Current Fiscal Year

During the fiscal year ended March 31, 2026, the Japanese economy indicated a modest recovery trend, on the back of the improvement of the employment and income environment. However, the economic outlook remains uncertain for such reasons as weak personal consumption growth due to higher prices, the prolonged war in Ukraine, the deterioration of Japan-China relations, and what is more, concerns over tightening supply and soaring prices of crude oil due to the escalating tensions in the Middle East.

In the housing industry, we faced challenges such as housing construction prices staying high, a rise in mortgage rates, and the impact of the April 2025 revision of the Building Standards Act. As a result, new housing starts for the fiscal year ended March 31, 2026 decreased by 12.9% year on year to 711,000 units. In addition, the number of housing starts for owner-occupied houses and built-for-sale detached houses, which represent the main targets for the Group, registered a 10.2% year-on-year decline.

Against this backdrop, the Group pursued business opportunities with a focus on growth fields by winning orders for non-housing projects and capturing remodeling/renovation demand, among other efforts.

In addition, in July 2025, we acquired Japan System Solution Co., Ltd. (Chuo-ku, Tokyo), which mainly develops CAD systems for building construction and civil engineering businesses, and made it a new subsidiary.

As a result, in the fiscal year ended March 31, 2026, net sales increased by 2.9% year on year to 120,432 million yen due in part to the effect of corporate acquisitions that took place in the previous fiscal year. Operating profit increased by 13.5% year on year to 1,669 million yen, ordinary profit increased by 16.2% year on year to 2,242 million yen, and profit attributable to owners of parent increased by 25.9% year on year to 1,309 million yen.

Results by segment were as follows:

<Construction Materials Business>

The Group focused on such efforts as increasing sales in non-housing fields, capturing remodeling/renovation demand, promoting sales of products aimed at achieving carbon neutrality, and strengthening the construction function. In addition, in June 2025, Ochi Sangyo Co., Ltd. newly established the Kumamoto Center by merging two branches in Kumamoto City to improve efficiency in both sales and logistics.

However, net sales of this business decreased by 2.9% year on year to 70,806 million yen due to the impact of the decline in new construction starts for owner-occupied houses and built-for-sale detached houses. Operating profit also decreased by 34.5% year on year to 546 million yen due to the expenses related to the new establishment of the Kumamoto Center and other factors.

<Air-conditioning, Heating and Cooling, and Household Products Business>

Net sales decreased by 1.8% year on year to 17,237 million yen and operating profit decreased by 1.9% year on year to 303 million yen, due to decreased sales in the northern Tohoku region for this business, which operates primarily in Eastern Japan.

<Pre-cut Lumber Business>

We made greater efforts to win orders for non-housing projects, including nursing homes, nursery schools, and other facilities, in addition to detached houses, our mainstay.

As a result, net sales of this business increased by 6.3% year on year to 15,046 million yen. However, operating profit decreased by 17.0% year on year to 528 million yen due to a decline in gross profit margin resulting from competition with other companies and other factors, and to an increase in logistics costs.

<Engineering Business>

Net sales of this business increased by 48.7% year on year to 14,190 million yen and operating profit increased by 159.4% year on year to 1,152 million yen, aided by the results of Yumita Construction Co., Ltd., which became our subsidiary in October 2024, in addition to other factors such as completed construction of large properties.

<Other>

The businesses of Taihei Shoko Co., Ltd., which sells industrial materials, Hit-il Co., Ltd., which engages in the worker dispatching business, and Japan System Solution Co., Ltd., which develops software, are classified into the Other Business that is not included in any reportable segment.

Net sales of this business increased by 18.3% year on year to 4,265 million yen and operating profit increased by 53.7% year on year to 188 million yen, aided by the results of Hit-il Co., Ltd., which became our subsidiary in May 2024, as well as a strong performance of automotive-related sales.

(2) Overview of Financial Position for the Current Fiscal Year

(Assets)

Current assets decreased by 869 million yen, or 1.9%, from the previous fiscal year-end to 45,273 million yen. This was mainly attributable to a decrease of 3,536 million yen in notes and accounts receivable - trade, and contract assets, with increases of 1,473 million yen in cash and deposits, 614 million yen in electronically recorded monetary claims - operating, 339 million yen in costs on construction contracts in progress, and 217 million yen in other under current assets.

Non-current assets increased by 6 million yen, or 0.0%, from the previous fiscal year-end to 23,907 million yen. This was mainly attributable to increases of 795 million yen in buildings and structures, net, 580 million yen in investment securities, and 252 million yen in investment property, net, with decreases of 712 million yen in construction in progress, 458 million yen in goodwill, 185 million yen in machinery, equipment and vehicles, net, 185 million yen in land, and 88 million yen in other under intangible assets.

(Liabilities)

Current liabilities decreased by 903 million yen, or 2.3%, from the previous fiscal year-end to 38,452 million yen. This was mainly attributable to decreases of 1,247 million yen in notes and accounts payable - trade, 409 million yen in short-term borrowings, and 150 million yen in current portion of bonds payable, with increases of 455 million yen in other under current liabilities, 275 million yen in income taxes payable, and 97 million yen in accrued consumption taxes.

Non-current liabilities decreased by 1,056 million yen, or 14.8%, from the previous fiscal year-end to 6,099 million yen. This was mainly attributable to a decrease of 1,376 million yen in long-term borrowings, with an increase of 292 million yen in deferred tax liabilities.

(Net assets)

Net assets increased by 1,097 million yen, or 4.7%, from the previous fiscal year-end to 24,628 million yen. This was mainly attributable to increases of 600 million yen in retained earnings and 407 million yen in valuation difference on available-for-sale securities.

(3) Overview of Cash Flows for the Current Fiscal Year

Cash and cash equivalents at the end of the fiscal year ended March 31, 2026 increased by 1,624 million yen, or 10.9%, from the previous fiscal year-end to 16,561 million yen.

(Cash flows from operating activities)

Net cash provided by operating activities for the fiscal year ended March 31, 2026 was 4,542 million yen (compared with 1,878 million yen provided in the previous fiscal year). This was mainly attributable to a decrease in trade receivables of 2,985 million yen, profit before income taxes of 2,362 million yen, and depreciation of 917 million yen, with a decrease in trade payables of 1,231 million yen and income taxes paid of 747 million yen.

(Cash flows from investing activities)

Net cash used in investing activities for the fiscal year ended March 31, 2026 was 278 million yen (compared with 1,224 million yen used in the previous fiscal year). This was mainly attributable to purchase of property, plant and equipment of 871 million yen, with proceeds from sale of property, plant and equipment of 563 million yen.

(Cash flows from financing activities)

Net cash used in financing activities for the fiscal year ended March 31, 2026 was 2,639 million yen (compared with 278 million yen used in the previous fiscal year). This was mainly attributable to repayments of long-term borrowings of 1,736 million yen and dividends paid of 707 million yen.

<Reference> Historical changes in cash flow-related indicators

	Fiscal year ended Mar. 31, 2022	Fiscal year ended Mar. 31, 2023	Fiscal year ended Mar. 31, 2024	Fiscal year ended Mar. 31, 2025	Fiscal year ended Mar. 31, 2026
Equity ratio (%)	31.5	33.4	35.1	33.6	35.6
Equity ratio based on market value (%)	26.2	24.6	33.0	25.1	27.3
Interest-bearing debt to cash flow ratio (annual)	1.6	3.3	1.9	4.3	1.3
Interest coverage ratio (times)	156.0	82.4	169.2	46.7	77.0

Equity ratio: Equity/Total assets

Equity ratio based on market value: Market capitalization/Total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt/Cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities/Interest expenses

- (Notes)
1. All these indicators are calculated on the basis of consolidated figures.
 2. Market capitalization is calculated by multiplying the closing stock price at the end of the period by the number of shares issued at the end of the period (excluding treasury shares).
 3. Cash flow above refers to cash flows from operating activities recorded on the consolidated statement of cash flows.
 4. Interest-bearing debt includes all interest-bearing liabilities that are recorded on the consolidated balance sheet. Interest expenses represent the amount of Interest expenses recorded on the statement of cash flows.

(4) Future Outlook

With respect to future outlook, improvements in employment and income environments as well as a pick-up in consumer spending are expected. However, the economic outlook remains highly uncertain, given such factors as concerns over tightening supply and soaring prices of crude oil due to the escalating tensions in the Middle East.

In the housing industry, the number of housing starts for owner-occupied houses and built-for-sale detached houses, which are the main targets for the Group, could decline going forward depending on the impact of the situation in the Middle East, despite our expectation of an increase with recovery from the sharp decline during the current fiscal year.

Against this backdrop, we are committed to achieving sustainable growth under our vision of being a “construction engineering trading company” to build a corporate structure invulnerable to fluctuations in housing demand by transforming our business portfolio. Specifically, we will promote further corporate acquisitions in the Engineering Business, as well as strengthen the construction function in the Construction Materials Business, Pre-cut Lumber Business, and Air-conditioning, Heating and Cooling, and Household Products Business, thereby capturing remodeling/renovation demand and reaching out to non-housing markets. Furthermore, we will focus on a growth in productivity through DX (digital transformation) promotion and developing talents.

As a result, for the next fiscal year, we expect to record net sales of 125,000 million yen (up 3.8% year on year), operating profit of 1,850 million yen (up 10.8% year on year), ordinary profit of 2,350 million yen (up 4.8% year on year), and profit attributable to owners of parent of 1,310 million yen (up 0.0% year on year).

2. Basic Approach to the Selection of Accounting Standards

Considering the comparability of consolidated financial statements between periods and between companies, the Group has determined to prepare its consolidated financial statements based on Japanese accounting standards for the time being.

The Company will examine the possibility of adopting the International Financial Reporting Standards (IFRS) in the future based on trends in accounting standards both in Japan and abroad.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	15,564	17,038
Notes and accounts receivable - trade, and contract assets	20,215	16,679
Electronically recorded monetary claims - operating	3,224	3,838
Merchandise	4,652	4,717
Costs on construction contracts in progress	1,753	2,092
Other	829	1,046
Allowance for doubtful accounts	(96)	(140)
Total current assets	46,142	45,273
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,249	5,045
Machinery, equipment and vehicles, net	613	428
Land	10,098	9,912
Leased assets, net	103	78
Construction in progress	732	19
Other, net	103	106
Total property, plant and equipment	15,900	15,591
Intangible assets		
Goodwill	1,573	1,114
Leased assets	36	14
Other	315	227
Total intangible assets	1,925	1,357
Investments and other assets		
Investment securities	1,954	2,534
Deferred tax assets	461	454
Retirement benefit asset	325	385
Guarantee deposits	637	659
Investment property, net	1,842	2,095
Other	900	843
Allowance for doubtful accounts	(48)	(14)
Total investments and other assets	6,074	6,958
Total non-current assets	23,900	23,907
Total assets	70,043	69,181

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,794	13,547
Electronically recorded obligations - operating	16,866	16,922
Short-term borrowings	3,799	3,389
Current portion of bonds payable	150	–
Lease liabilities	53	40
Income taxes payable	350	625
Accrued consumption taxes	432	529
Provision for bonuses	655	688
Other	2,253	2,709
Total current liabilities	39,356	38,452
Non-current liabilities		
Bonds payable	150	150
Long-term borrowings	3,852	2,476
Lease liabilities	90	59
Deferred tax liabilities	860	1,153
Provision for retirement benefits for directors (and other officers)	903	912
Provision for share awards for directors (and other officers)	64	76
Retirement benefit liability	649	656
Other	583	615
Total non-current liabilities	7,155	6,099
Total liabilities	46,511	44,552
Net assets		
Shareholders' equity		
Share capital	400	400
Capital surplus	997	997
Retained earnings	22,198	22,798
Treasury shares	(612)	(558)
Total shareholders' equity	22,983	23,638
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	490	898
Remeasurements of defined benefit plans	25	59
Total accumulated other comprehensive income	516	957
Non-controlling interests	31	33
Total net assets	23,531	24,628
Total liabilities and net assets	70,043	69,181

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	117,084	120,432
Cost of sales	100,831	103,271
Gross profit	16,253	17,160
Selling, general and administrative expenses		
Freight-out	2,100	2,141
Salaries and allowances	5,208	5,451
Bonuses	573	557
Provision for bonuses	478	526
Retirement benefit expenses	184	187
Provision for retirement benefits for directors (and other officers)	18	19
Provision for share awards for directors (and other officers)	10	11
Provision of allowance for doubtful accounts	–	39
Depreciation	475	550
Amortization of goodwill	358	439
Other	5,373	5,567
Total selling, general and administrative expenses	14,781	15,491
Operating profit	1,471	1,669
Non-operating income		
Interest income	6	17
Dividend income	56	66
Purchase discounts	183	187
Rental income from real estate	132	144
Sunlight selling income	73	79
Sponsorship money income	3	9
Miscellaneous income	199	220
Total non-operating income	655	726
Non-operating expenses		
Interest expenses	41	59
Provision of allowance for doubtful accounts	48	–
Rental expenses on real estate	30	34
Depreciation	25	27
Miscellaneous losses	51	32
Total non-operating expenses	196	153
Ordinary profit	1,929	2,242
Extraordinary income		
Gain on sale of non-current assets	180	258
Gain on sale of investment securities	7	6
Gain on sale of golf club membership	–	1
Total extraordinary income	187	266
Extraordinary losses		
Loss on sale of non-current assets	1	0
Loss on retirement of non-current assets	2	16
Loss on sale of investment securities	0	–
Loss on valuation of investment securities	4	0
Impairment losses	103	129
Loss on sale of golf club membership	–	0
Total extraordinary losses	111	145
Profit before income taxes	2,005	2,362
Income taxes - current	1,163	989
Income taxes - deferred	(200)	62
Total income taxes	963	1,051
Profit	1,042	1,311
Profit attributable to non-controlling interests	1	1
Profit attributable to owners of parent	1,040	1,309

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	1,042	1,311
Other comprehensive income		
Valuation difference on available-for-sale securities	(193)	407
Remeasurements of defined benefit plans, net of tax	(9)	33
Total other comprehensive income	(202)	441
Comprehensive income	839	1,752
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	837	1,750
Comprehensive income attributable to non-controlling interests	1	1

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	400	997	21,867	(669)	22,596
Changes during period					
Dividends of surplus			(709)		(709)
Profit attributable to owners of parent			1,040		1,040
Disposal of treasury shares				56	56
Net changes in items other than shareholders' equity					
Total changes during period	–	–	331	56	387
Balance at end of period	400	997	22,198	(612)	22,983

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	684	34	719	29	23,345
Changes during period					
Dividends of surplus					(709)
Profit attributable to owners of parent					1,040
Disposal of treasury shares					56
Net changes in items other than shareholders' equity	(193)	(9)	(202)	1	(200)
Total changes during period	(193)	(9)	(202)	1	186
Balance at end of period	490	25	516	31	23,531

For the fiscal year ended March 31, 2026 (April 1, 2025–March 31, 2026)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	400	997	22,198	(612)	22,983
Changes during period					
Dividends of surplus			(709)		(709)
Profit attributable to owners of parent			1,309		1,309
Disposal of treasury shares				54	54
Net changes in items other than shareholders' equity					
Total changes during period	–	–	600	54	654
Balance at end of period	400	997	22,798	(558)	23,638

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	490	25	516	31	23,531
Changes during period					
Dividends of surplus					(709)
Profit attributable to owners of parent					1,309
Disposal of treasury shares					54
Net changes in items other than shareholders' equity	407	33	441	1	442
Total changes during period	407	33	441	1	1,097
Balance at end of period	898	59	957	33	24,628

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	2,005	2,362
Depreciation	862	917
Impairment losses	103	129
Amortization of goodwill	358	439
Increase (decrease) in allowance for doubtful accounts	38	9
Increase (decrease) in provision for bonuses	(52)	31
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(254)	8
Increase (decrease) in provision for share awards for directors (and other officers)	10	11
Increase (decrease) in retirement benefit liability	19	6
Interest and dividend income	(62)	(84)
Interest expenses	41	59
Loss (gain) on sale of non-current assets	(178)	(258)
Loss on retirement of non-current assets	2	16
Loss (gain) on sale of investment securities	(7)	(6)
Loss (gain) on valuation of investment securities	4	0
Loss (gain) on sale of golf club membership	-	(0)
Decrease (increase) in trade receivables	372	2,985
Decrease (increase) in inventories	288	(405)
Decrease (increase) in other current assets	(33)	(195)
Decrease (increase) in other non-current assets	(17)	(51)
Increase (decrease) in trade payables	(416)	(1,231)
Increase (decrease) in accrued consumption taxes	106	96
Increase (decrease) in other current liabilities	(352)	437
Increase (decrease) in other non-current liabilities	12	(11)
Other, net	(1)	(2)
Subtotal	2,848	5,265
Interest and dividends received	62	84
Interest paid	(40)	(58)
Income taxes paid	(992)	(747)
Net cash provided by (used in) operating activities	1,878	4,542

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(250)	(655)
Proceeds from withdrawal of time deposits	262	806
Decrease (increase) in short-term loans receivable	0	10
Purchase of property, plant and equipment	(881)	(871)
Payments for retirement of property, plant and equipment	(1)	(11)
Proceeds from sale of property, plant and equipment	421	563
Purchase of intangible assets	(58)	(113)
Purchase of investment securities	(37)	(48)
Proceeds from sale and redemption of investment securities	36	113
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,447)	(95)
Proceeds from cancellation of insurance funds	553	44
Long-term loan advances	(3)	(0)
Proceeds from collection of long-term loans receivable	0	10
Purchase of investment property	(11)	(21)
Proceeds from sale of investment property	192	-
Other, net	0	(9)
Net cash provided by (used in) investing activities	(1,224)	(278)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,050)	(50)
Proceeds from long-term borrowings	3,500	-
Repayments of long-term borrowings	(1,754)	(1,736)
Redemption of bonds	(177)	(150)
Repayments of lease liabilities	(143)	(50)
Proceeds from sale of treasury shares	56	54
Dividends paid	(709)	(707)
Net cash provided by (used in) financing activities	(278)	(2,639)
Net increase (decrease) in cash and cash equivalents	376	1,624
Cash and cash equivalents at beginning of period	14,560	14,936
Cash and cash equivalents at end of period	14,936	16,561

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Business combinations)

(Business combination via share acquisition)

On June 18, 2025, the Company passed a resolution to acquire all of the issued shares of Japan System Solution Co., Ltd. (hereinafter “Japan System Solution”) and make it a consolidated subsidiary of the Company. The Company concluded a share transfer agreement on the same day and acquired the shares of Japan System Solution on July 18, 2025.

1. Outline of the business combination

(1) Name of acquired company and its business outline

Name of acquired company: Japan System Solution Co., Ltd.

Business outline: development of CAD systems for building construction and civil engineering businesses, software including in-house packages, etc.

(2) Main reason for business combination

Japan System Solution, whose shares the Company recently acquired, was established in Chuo-ku, Tokyo in 2003 and engages in development of a wide range of software, including CAD systems for building construction and civil engineering businesses, and in-house packages.

By making Japan System Solution a subsidiary, we aim to enter the software development business, foster collaboration with existing business divisions in the Group, and develop specialized human resources in a bid to adapt to changes in the social environment and realize sustainable growth.

(3) Date of business combination

July 18, 2025

(4) Legal form of business combination

Share acquisition in consideration for cash

(5) Name of company after the combination

No change

(6) Percentage of voting rights acquired

100%

(7) Major basis for determining the acquirer

It is based on the fact that the Company acquired shares in consideration for cash.

2. Period of the financial results of the acquired company included in the consolidated financial statements
From October 1, 2025 to March 31, 2026

3. Acquisition cost of the acquired company and related details of each class of consideration

Consideration for acquisition	Cash and deposits	300 million yen
<hr/>		
Acquisition cost		300 million yen

4. Main acquisition-related expenses and their amount

Advisory fees, etc. 30 million yen

5. Amount of goodwill incurred, reasons for the goodwill incurred, and the method and period of amortization

(1) Amount of goodwill incurred

94 million yen

(2) Reasons for the goodwill incurred

Goodwill was incurred in connection with the future excess earning potential expected from future business development.

(3) Method and period of amortization

Straight-line method over five years

6. The amount of assets accepted and liabilities assumed on the date of the business combination, and their major breakdown

Current assets	247 million yen
Non-current assets	9 million yen
<hr/>	
Total assets	257 million yen
<hr/>	
Current liabilities	51 million yen
<hr/>	
Total liabilities	51 million yen

(Revenue recognition)

Information on the disaggregation of revenue from contracts with customers is presented in “(5) Notes to Consolidated Financial Statements (Notes on segment information, etc.)” under “3. Consolidated Financial Statements and Primary Notes.”

(Notes on segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Group's reportable segments are those of its constituent units for which separate financial information is available and which are subject to periodic review by the Board of Directors to determine the allocation of management resources and to assess performance.

The Group is engaged in five businesses within Japan: Construction Materials Business; Air-Conditioning, Heating and Cooling, and Household Products Business; Pre-Cut Lumber Business; Engineering Business; and Other Business. We have the following four reportable business segments.

The Construction Materials Business, our core business unit, accounts for the majority of the Group's business results. In this segment, we purchase housing equipment principally from domestic building materials manufacturers, distributors, and trading companies and sell it to domestic buyers, such as building materials and lumber dealers, house builders, general contractors, construction companies, and home centers.

The Air-conditioning, Heating and Cooling, and Household Products Business is a wholesale and sales business that covers products aimed at creating a comfortable environment. The products including commercial and household air-conditioning and heating equipment are purchased primarily from domestic manufacturers and distributors.

The Pre-cut Lumber Business refers to the business of processing, assembling, and selling structural frames, mostly for wooden houses. Materials such as lumber are mainly purchased from domestic manufacturers, distributors, and trading companies. This segment seeks to differentiate itself from other companies.

The Engineering Business is composed of the construction of commercial facilities, civil engineering works for public projects, interior work for condominiums and office buildings, and diagnosis and inspection for civil structures. This segment includes the nursing care business, which provides rental housing exclusively for senior citizens, and other services offered by the group company that belongs to the Engineering Business.

2. Method for calculating net sales, profit (loss), assets, liabilities, and other items for each reportable segment

The accounting treatment and methods for the reportable segments are the same as those used in the consolidated financial statements.

Intersegment sales or transfers are based on prevailing market price.

3. Information on net sales and profit (loss), assets, liabilities and other item, and information on disaggregation of revenue, by reportable segments

For the fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

(Million yen)

	Reportable segments					Other (Note 1)	Adjustments (Note 2)	Amount recorded in the consolidated financial statements (Note 3)
	Construction Materials Business	Air- conditioning, Heating and Cooling, and Household Products Business	Pre-cut Lumber Business	Engineering Business	Total			
Net sales								
Revenue from sale of merchandise	60,255	15,709	13,049	378	89,392	3,164	–	92,557
Revenue from construction work	12,221	1,838	840	8,512	23,413	–	–	23,413
Other revenue	29	0	–	649	679	433	–	1,113
Revenue from contracts with customers	72,506	17,547	13,890	9,541	113,486	3,598	–	117,084
Sales to external customers	72,506	17,547	13,890	9,541	113,486	3,598	–	117,084
Intersegment sales or transfers	428	4	262	–	694	7	(702)	–
Total	72,934	17,551	14,152	9,541	114,180	3,605	(702)	117,084
Segment profit	835	309	637	444	2,225	122	(877)	1,471
Segment assets	33,477	10,677	8,611	13,479	66,246	2,017	1,779	70,043
Other items								
Depreciation	263	100	321	115	801	13	13	828
Increase in property, plant and equipment and intangible assets	830	39	97	1,117	2,084	25	11	2,121

- (Notes)
1. “Other” comprises business segments not included in reportable segments and contains sales of industrial materials, etc.
 2. Adjustments are as follows:
 - 1) Adjustments for segment profit of (877) million yen include corporate expenses of (880) million yen that are not allocated to reportable segments. Corporate expenses primarily consist of general and administrative expenses that are not attributable to any reportable segments.
 - 2) Adjustments for segment assets of 1,779 million yen include investment property of 1,842 million yen not allocated to each reportable segment, assets of the owners of parent of 210 million yen, and other adjustments of (273) million yen.
 - 3) Adjustments for increase in property, plant and equipment and intangible assets of 11 million yen is an increase in investment property that are not allocated to reportable segments.
 3. Segment profit is reconciled with operating profit in the consolidated statements of income.

For the fiscal year ended March 31, 2026 (April 1, 2025–March 31, 2026)

(Million yen)

	Reportable segments					Other (Note 1)	Adjustments (Note 2)	Amount recorded in the consolidated financial statements (Note 3)
	Construction Materials Business	Air- conditioning, Heating and Cooling, and Household Products Business	Pre-cut Lumber Business	Engineering Business	Total			
Net sales								
Revenue from sale of merchandise	58,046	15,715	13,813	380	87,956	3,308	–	91,265
Revenue from construction work	11,932	1,510	934	12,851	27,228	–	–	27,228
Other revenue	28	0	–	958	986	951	–	1,938
Revenue from contracts with customers	70,007	17,226	14,747	14,190	116,172	4,259	–	120,432
Sales to external customers	70,007	17,226	14,747	14,190	116,172	4,259	–	120,432
Intersegment sales or transfers	798	11	298	–	1,108	5	(1,113)	–
Total	70,806	17,237	15,046	14,190	117,280	4,265	(1,113)	120,432
Segment profit	546	303	528	1,152	2,532	188	(1,050)	1,669
Segment assets	32,222	10,686	8,317	13,109	64,335	2,600	2,245	69,181
Other items								
Depreciation	247	99	280	236	863	10	4	878
Increase in property, plant and equipment and intangible assets	795	84	134	35	1,049	108	65	1,222

- (Notes)
1. “Other” comprises business segments not included in reportable segments and contains sales of industrial materials, etc.
 2. Adjustments are as follows:
 - 1) Adjustments for segment profit of (1,050) million yen include corporate expenses of (1,063) million yen that are not allocated to reportable segments. Corporate expenses primarily consist of general and administrative expenses that are not attributable to any reportable segments.
 - 2) Adjustments for segment assets of 2,245 million yen include investment property of 2,095 million yen not allocated to each reportable segment, assets of the owners of parent of 415 million yen, and other adjustments of (265) million yen.
 - 3) Adjustments for increase in property, plant and equipment and intangible assets of 65 million yen is an increase in investment property that are not allocated to reportable segments.
 3. Segment profit is reconciled with operating profit in the consolidated statements of income.

[Related information]

For the fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

1. Information by products and services

This information is omitted since similar information is disclosed in segment information.

2. Information by geographic areas

(1) Net sales

Not applicable since there is no sales amount to external customers outside Japan.

(2) Property, plant and equipment

Not applicable since there are no property, plant and equipment located outside Japan.

3. Information by major customers

Not applicable since there is no sales amount of specific customers within the external customers that accounts for 10% or more of sales amount recorded in the consolidated statements of income.

For the fiscal year ended March 31, 2026 (April 1, 2025–March 31, 2026)

1. Information by products and services

This information is omitted since similar information is disclosed in segment information.

2. Information by geographic areas

(1) Net sales

Not applicable since there is no sales amount to external customers outside Japan.

(2) Property, plant and equipment

Not applicable since there are no property, plant and equipment located outside Japan.

3. Information by major customers

Not applicable since there is no sales amount of specific customers within the external customers that accounts for 10% or more of sales amount recorded in the consolidated statements of income.

[Information on impairment loss on non-current assets by reportable segments]

For the fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

(Million yen)

	Reportable segments					Other (Note)	Corporate/ Eliminations	Total
	Construction Materials Business	Air- conditioning, Heating and Cooling, and Household Products Business	Pre-cut Lumber Business	Engineering Business	Total			
Impairment losses	103	0	–	–	103	–	–	103

(Note) “Other” comprises business segments not included in reportable segments and contains sales of industrial materials, etc.

For the fiscal year ended March 31, 2026 (April 1, 2025–March 31, 2026)

(Million yen)

	Reportable segments					Other (Note)	Corporate/ Eliminations	Total
	Construction Materials Business	Air- conditioning, Heating and Cooling, and Household Products Business	Pre-cut Lumber Business	Engineering Business	Total			
Impairment losses	116	0	–	11	129	–	–	129

(Note) “Other” comprises business segments not included in reportable segments and contains sales of industrial materials, etc.

[Information on amortization and outstanding balance of goodwill by reportable segments]

For the fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

(Million yen)

	Reportable segments					Others (Note)	Corporate/ Eliminations	Total
	Construction Materials Business	Air- conditioning, Heating and Cooling, and Household Products Business	Pre-cut Lumber Business	Engineering Business	Total			
(Goodwill)								
Amortization for the period	52	51	–	252	355	3	–	358
Balance at the end of the period	151	166	–	1,239	1,556	17	–	1,573

(Note) “Other” comprises business segments not included in reportable segments and contains sales of industrial materials, etc.

For the fiscal year ended March 31, 2026 (April 1, 2025–March 31, 2026)

(Million yen)

	Reportable segments					Others (Note)	Corporate/ Eliminations	Total
	Construction Materials Business	Air- conditioning, Heating and Cooling, and Household Products Business	Pre-cut Lumber Business	Engineering Business	Total			
(Goodwill)								
Amortization for the period	37	51	–	337	426	13	–	439
Balance at the end of the period	–	115	–	901	1,016	98	–	1,114

(Note) “Other” comprises business segments not included in reportable segments and contains sales of industrial materials, etc.

[Information on gain on bargain purchase by reportable segments]

For the fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

Not applicable.

For the fiscal year ended March 31, 2026 (April 1, 2025–March 31, 2026)

Not applicable.

(Per share information)

Items	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net assets per share	1,807.61 yen	1,885.89 yen
Basic earnings per share	80.17 yen	100.56 yen

- (Notes)
- Diluted earnings per share are not provided as there are no potential shares with dilutive effect.
 - The Company's shares held by the Board Benefit Trust (BBT) as trust assets, which are recorded as treasury shares in shareholders' equity, are included in the number of treasury shares that are deducted in the calculation of the average number of shares outstanding during the period for the purpose of calculating basic earnings per share, and in the number of treasury shares that are deducted from the total number of shares issued at the end of the period to calculate the net assets per share. The average number of treasury shares during the period that was deducted to calculate basic earnings per share was 93,700 for the previous fiscal year, and 93,700 for the fiscal year ended March 31, 2026. The number of treasury shares at the end of the period that was deducted to calculate net assets per share was 93,700 for the previous fiscal year, and 93,700 for the fiscal year ended March 31, 2026.
 - The Company's shares held by a trust established exclusively for the OCHI Holdings Employee Shareholding Association (E-Ship Trust) as trust assets, which are recorded as treasury shares in shareholders' equity, are included in the number of treasury shares that are deducted in the calculation of the average number of shares outstanding during the period for the purpose of calculating basic earnings per share, and in the number of treasury shares that are deducted from the total number of shares issued at the end of the period to calculate the net assets per share. The average number of treasury shares during the period that was deducted to calculate basic earnings per share was 63,657 for the previous fiscal year, and 20,829 for the fiscal year ended March 31, 2026. The number of treasury shares at the end of the period that was deducted to calculate net assets per share was 42,500 for the previous fiscal year, and 1,200 for the fiscal year ended March 31, 2026.
 - The basis for calculating net assets per share is as follows.

Items	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Total net assets (million yen)	23,531	24,628
Amount excluded from total net assets Non-controlling interests (million yen)	31	33
Net Assets attributable to common shares (million yen)	23,500	24,595
Number of common shares issued (shares)	13,610,970	13,610,970
Number of treasury shares outstanding (shares)	610,386	569,086
Number of common shares outstanding calculated under net assets per share (share)	13,000,584	13,041,884

- The basis for calculating basic earnings per share is as follows.

Items	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit attributable to owners of parent (million yen)	1,040	1,309
Amount not attributable to common shareholders (million yen)	–	–
Profit attributable to owners of parent relating to common shares (million yen)	1,040	1,309
Average number of common shares outstanding during the period (shares)	12,979,427	13,022,255

(Significant subsequent events)

Not applicable.