Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2025 (Based on Japanese GAAP)

November 11, 2025

Company name: KAWADA TECHNOLOGIES,INC.
Stock exchange listing: Tokyo
Stock code: 3443 URL: https://www.kawada.jp/
Representative: Representative Director and President Tadahiro Kawada
Inquiries: Managing Director Satoru Watanabe TEL: +81-3-3915-7722

Scheduled date to file semi-annual securities report: November 12, 2025
Scheduled date to commence dividend payments: December 5, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	55,346	(16.7)	3,172	(33.9)	3,958	(38.6)	3,142	(37.4)
Six months ended September 30, 2024	66,430	3.3	4,801	55.0	6,443	74.4	5,017	93.4

Note: Comprehensive income Six months ended September 30, 2025: ¥3,014 million [(45.2)%]
Six months ended September 30, 2024: ¥5,498 million [65.3%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	180.53	–
Six months ended September 30, 2024	290.82	290.08

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	162,503	93,055	57.0
As of March 31, 2025	165,511	91,569	55.0

Reference: Equity As of September 30, 2025: ¥92,555 million
As of March 31, 2025: ¥91,062 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	–	45.00	–	100.00	145.00
Fiscal year ending March 31, 2026	–	65.00			
Fiscal year ending March 31, 2026 (Forecast)			–	65.00	130.00

Note: Revisions to the cash dividend forecasts most recently announced: No

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	115,000	(13.5)	7,800	(19.5)	9,600	(23.9)	7,500	(32.5)	430.05

Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

4. Notes

(1) Significant changes in the scope of consolidation during the period: No

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No
Changes in accounting policies due to other reasons: No
Changes in accounting estimates: No
Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2025	17,474,210 shares	As of March 31, 2025	17,474,210 shares

Number of treasury shares at the end of the period

As of September 30, 2025	34,191 shares	As of March 31, 2025	89,873 shares

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

Six months ended September 30, 2025	17,405,037 shares	Six months ended September 30, 2024	17,251,406 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

- Forward-looking statements, including the consolidated forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Results may differ materially from the consolidated forecasts due to various factors.
- We are scheduled to hold a financial results presentation meeting for institutional investors and analysts. The materials on financial results to be used at and the video of the meeting will be available on our website.

Semi-annual consolidated financial statements and significant notes thereto

Semi-annual consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	14,363	18,874
Notes receivable, accounts receivable from completed construction contracts and other	68,169	58,989
Costs on construction contracts in progress	126	130
Other inventories	1,406	1,761
Other	3,181	4,764
Allowance for doubtful accounts	(6)	(5)
Total current assets	87,241	84,514
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,893	5,877
Machinery, vehicles, tools, furniture and fixtures, net	2,973	2,908
Aircraft, net	1,379	1,488
Land	14,953	14,953
Leased assets, net	2,131	1,997
Construction in progress	45	40
Total property, plant and equipment	27,375	27,265
Intangible assets	1,236	1,230
Investments and other assets		
Investment securities	4,074	3,981
Shares of subsidiaries and associates	40,757	40,328
Deferred tax assets	3,955	4,069
Other	885	1,128
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	49,657	49,492
Total non-current assets	78,269	77,989
Total assets	165,511	162,503

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	17,838	14,812
Short-term borrowings	6,345	7,500
Current portion of long-term borrowings	4,281	4,749
Current portion of bonds payable	1,085	1,150
Lease liabilities	452	467
Income taxes payable	1,700	1,469
Advances received on construction contracts in progress	7,403	9,154
Unearned revenue	2,513	2,312
Provision for bonuses	2,405	2,248
Provision for warranties for completed construction	66	50
Provision for loss on construction contracts	2,908	3,661
Other	9,700	3,786
Total current liabilities	56,700	51,363
Non-current liabilities		
Bonds payable	2,065	2,120
Long-term borrowings	9,552	10,476
Lease liabilities	1,917	1,758
Deferred tax liabilities	–	19
Deferred tax liabilities for land revaluation	1,516	1,516
Provision for retirement benefits for directors (and other officers)	663	669
Retirement benefit liability	1,320	1,337
Asset retirement obligations	133	133
Negative goodwill	34	25
Other	37	27
Total non-current liabilities	17,241	18,084
Total liabilities	73,942	69,448
Net assets		
Shareholders' equity		
Share capital	5,374	5,374
Capital surplus	9,922	10,032
Retained earnings	69,665	71,068
Treasury shares	(169)	(64)
Total shareholders' equity	84,793	86,411
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,561	2,649
Revaluation reserve for land	928	925
Foreign currency translation adjustment	1,962	1,807
Remeasurements of defined benefit plans	817	761
Total accumulated other comprehensive income	6,269	6,143
Non-controlling interests	506	499
Total net assets	91,569	93,055
Total liabilities and net assets	165,511	162,503

Semi-annual consolidated statements of income (cumulative) and semi-annual consolidated statements of comprehensive income (cumulative)

Semi-annual consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	66,430	55,346
Cost of sales	55,848	46,017
Gross profit	10,581	9,328
Selling, general and administrative expenses	5,780	6,156
Operating profit	4,801	3,172
Non-operating income		
Interest and dividend income	116	93
Rental income	79	81
Amortization of negative goodwill	10	10
Share of profit of entities accounted for using equity method	1,605	661
Subsidy income	336	325
Other	33	121
Total non-operating income	2,181	1,294
Non-operating expenses		
Interest expenses	191	180
Rental expenses	259	252
Other	88	75
Total non-operating expenses	539	508
Ordinary profit	6,443	3,958
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	50	–
Gain on sale of investment securities	–	375
Total extraordinary income	50	375
Profit before income taxes	6,493	4,334
Income taxes - current	1,301	1,265
Income taxes - deferred	136	(72)
Total income taxes	1,437	1,193
Profit	5,055	3,140
Profit (loss) attributable to non-controlling interests	38	(1)
Profit attributable to owners of parent	5,017	3,142

Semi-annual consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	5,055	3,140
Other comprehensive income		
Valuation difference on available-for-sale securities	(124)	12
Remeasurements of defined benefit plans, net of tax	(44)	(31)
Share of other comprehensive income of entities accounted for using equity method	612	(106)
Total other comprehensive income	443	(125)
Comprehensive income	5,498	3,014
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,460	3,016
Comprehensive income attributable to non-controlling interests	38	(1)

Semi-annual consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	6,493	4,334
Depreciation	1,489	1,481
Amortization of negative goodwill	(9)	(9)
Increase (decrease) in allowance for doubtful accounts	1	(0)
Increase (decrease) in provision for bonuses	(52)	(157)
Increase (decrease) in provision for warranties for completed construction	(7)	(15)
Increase (decrease) in provision for loss on construction contracts	(197)	752
Increase (decrease) in provision for retirement benefits for directors (and other officers)	22	6
Increase (decrease) in other provisions	(0)	(1)
Increase (decrease) in retirement benefit liability	(84)	(29)
Interest and dividend income	(116)	(93)
Interest expenses	191	180
Share of loss (profit) of entities accounted for using equity method	(1,605)	(661)
Loss (gain) on sale of investment securities	(5)	(375)
Loss (gain) on sale of non-current assets	(1)	(17)
Loss on retirement of non-current assets	2	19
Subsidy income	(420)	(416)
Decrease (increase) in trade receivables	(3,139)	9,179
Decrease (increase) in costs on construction contracts in progress	(161)	(3)
Decrease (increase) in inventories	(295)	(354)
Increase (decrease) in trade payables	(2,231)	(3,025)
Increase (decrease) in advances received on construction contracts in progress	(1,265)	1,751
Other, net	(1,232)	(7,526)
Subtotal	(2,624)	5,015
Proceeds from insurance income	2	20
Subsidies received	688	522
Income taxes paid	(3,106)	(1,497)
Net cash provided by (used in) operating activities	(5,038)	4,061
Cash flows from investing activities		
Payments into time deposits	(10)	(10)
Proceeds from withdrawal of time deposits	12	10
Purchase of property, plant and equipment	(1,340)	(1,114)
Proceeds from sale of property, plant and equipment	13	32
Purchase of intangible assets	(236)	(278)
Purchase of investment securities	(253)	(2)
Proceeds from sale of investment securities	5	480
Proceeds from collection of loans receivable	20	50
Interest and dividends received	544	1,070
Other, net	47	(277)
Net cash provided by (used in) investing activities	(1,197)	(39)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	6,500	1,155
Proceeds from long-term borrowings	3,740	3,700
Repayments of long-term borrowings	(2,327)	(2,307)
Proceeds from issuance of bonds	989	692
Redemption of bonds	(480)	(580)
Interest paid	(201)	(178)
Repayments of lease liabilities	(285)	(235)
Dividends paid	(2,237)	(1,730)
Other, net	(916)	(26)
Net cash provided by (used in) financing activities	4,781	489
Effect of exchange rate change on cash and cash equivalents	(28)	(2)
Net increase (decrease) in cash and cash equivalents	(1,482)	4,509
Cash and cash equivalents at beginning of period	16,102	14,279
Cash and cash equivalents at end of period	14,619	18,788

Notes regarding segment information, etc.

I For the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

1. Information on the amounts of net sales and profit or loss for each reportable segment and information on disaggregation of revenue

(Millions of yen)

	Reportable segments					Others (Note)	Total
	Steel Construction	Civil Engineering	Architecture	Solution	Total		
Net sales							
Goods transferred at a point in time	79	23	44	358	505	2,620	3,125
Goods transferred over time	30,970	20,758	6,563	3,146	61,438	1,778	63,217
Revenues from contracts with customers	31,049	20,782	6,607	3,505	61,944	4,398	66,343
Other income	15	14	–	–	29	57	87
Revenues from external customers	31,064	20,797	6,607	3,505	61,974	4,455	66,430
Transactions with other segments	533	155	2	137	828	110	939
Total	31,597	20,952	6,610	3,643	62,803	4,566	67,369
Segment profit (loss)	2,695	1,828	393	1,440	6,357	(87)	6,269

Note: The "Others" category is a segment containing the businesses not included in the reportable segments, and it includes businesses related to aviation, real estate transaction and leasing, etc.

2. Difference between the total amount of profit or loss of the reportable segments and the amount recorded in semi-annual consolidated statements of income, and description of said difference (comparability adjustment)

(Millions of yen)

Profit	Amount
Reportable segments total	6,357
Loss from "Others"	(87)
Elimination of intersegment transactions	(188)
Company-wide expenses (Note)	(1,606)
Other adjustments	327
Operating profit in the semi-annual consolidated statements of income	4,801

Note: Company-wide expenses are mainly general and administrative expenses, which are not attributable to the reportable segments.

3. Information about impairment losses of non-current assets or goodwill, etc. for each reportable segment

Not applicable.

II For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

1. Information on the amounts of net sales and profit or loss for each reportable segment and information on disaggregation of revenue

(Millions of yen)

	Reportable segments					Others (Note)	Total
	Steel Construction	Civil Engineering	Architecture	Solution	Total		
Net sales							
Goods transferred at a point in time	62	11	32	347	453	2,466	2,920
Goods transferred over time	23,200	15,688	8,383	3,232	50,505	1,832	52,337
Revenues from contracts with customers	23,262	15,700	8,416	3,580	50,959	4,298	55,258
Other income	15	9	–	–	24	63	88
Revenues from external customers	23,277	15,709	8,416	3,580	50,983	4,362	55,346
Transactions with other segments	880	154	109	86	1,230	105	1,336
Total	24,158	15,863	8,525	3,666	52,214	4,468	56,682
Segment profit (loss)	2,975	48	598	1,411	5,033	(220)	4,812

Note: The "Others" category is a segment containing the businesses not included in the reportable segments, and it includes businesses related to aviation, real estate transaction and leasing, etc.

2. Difference between the total amount of profit or loss of the reportable segments and the amount recorded in semi-annual consolidated statements of income, and description of said difference (comparability adjustment)

(Millions of yen)

Profit	Amount
Reportable segments total	5,033
Loss from "Others"	(220)
Elimination of intersegment transactions	(207)
Company-wide expenses (Note)	(1,758)
Other adjustments	325
Operating profit in the semi-annual consolidated statements of income	3,172

Note: Company-wide expenses are mainly general and administrative expenses, which are not attributable to the reportable segments.

3. Information about impairment losses of non-current assets or goodwill, etc. for each reportable segment

Not applicable.