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Consolidated Financial Results for the Six Months Ended September 30, 2025 [Japanese GAAP]



November 11, 2025

Company name: Totech Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Securities code: 9960
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 Scheduled date of filing semi-annual securities report: November 14, 2025
 Scheduled date of commencing dividend payments: December 8, 2025
 Availability of supplementary explanatory materials on financial results: Available
 Schedule of financial results briefing session: Scheduled (for institutional investors and analysts)

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (April 1, 2025 - September 30, 2025)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2025	78,491	14.8	7,284	24.4	7,739	21.2	5,218	15.2
September 30, 2024	68,343	7.3	5,856	61.9	6,385	56.6	4,531	70.2

(Note) Comprehensive income: Six months ended September 30, 2025: ¥8,081 million [65.3%]

Six months ended September 30, 2024: ¥4,888 million [23.9%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	126.75	—
September 30, 2024	110.14	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2025	108,427	65,540	60.4	1,591.46
As of March 31, 2025	105,229	61,228	58.2	1,487.75

(Reference) Equity: As of September 30, 2025: ¥65,540 million

As of March 31, 2025: ¥61,228 million

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	24.00	—	92.00	116.00
Fiscal year ending March 31, 2026	—	35.00			
Fiscal year ending March 31, 2026 (Forecast)			—	82.00	117.00

(Note) Revision to the forecast for dividends announced most recently: Yes

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 - March 31, 2026)

(% indicates changes from the previous corresponding period.)

	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
Full year	166,000	6.4	16,000	8.9	16,800	7.9	12,000	7.2
								291.44

(Note) Revision to the financial results forecast announced most recently: Yes

*** Notes:**

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

Newly included: 1 company (SANNOU KIKOU CO., LTD.)

Excluded: 2 companies (Totech Denko Corporation, Quantum Security System Pte.Ltd.)

(2) Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements:
None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards and other regulations: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued shares (common shares)

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

As of September 30, 2025: 41,964,000 shares

As of March 31, 2025: 41,964,000 shares

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

As of September 30, 2025: 781,699 shares

As of March 31, 2025: 808,875 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2025: 41,168,878 shares

Six months ended September 30, 2024: 41,140,941 shares

(Note) The total number of treasury shares at the end of the period includes the shares of the Company (148,260 shares as of September 30, 2025) held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets of Board Benefit Trust (J-ESOP). The shares of the Company (154,712 shares as of September 30, 2025) held by Custody Bank of Japan, Ltd. (Trust Account E) are included in the treasury shares that are deducted in the calculation of the average number of shares outstanding during the period.

* These semi-annual 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

The forward-looking statements such as financial results forecast included in this document are based on the information currently available to the Company and certain assumptions deemed reasonable, and the Company does not in any way guarantee the achievement of these projections. Actual results may differ significantly due to various factors. For the assumptions underlying the financial forecasts and notes on the use of the financial forecasts, please refer to “Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the attached document.

(Access to supplementary explanatory materials on financial results)

Supplementary explanatory materials on financial results will be posted on the Company’s website on Tuesday, November 11, 2025.

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1. Qualitative Information on Semi-Annual Financial Results

(1) Explanation of Operating Results

In the Japanese economy during the six months ended September 30, 2025, domestic demand has underpinned economic recovery as consumer spending tended to recover with factors such as increases mainly in service-related expenses amid continuous improvements in employment and wages conditions, despite a rise in consumer prices. On the other hand, the world economy remained uncertain while on a recovery trend with regional disparities, and fluctuations in exchange rates and resource prices may have impacts on corporate business performance overseas.

Against the backdrop of strong corporate earnings, capital investment has been gradually recovering including investments in new areas such as datacenters and renewable energy-related projects. Public investments have also been steadily growing in response to implementation of relevant budgets.

Under such circumstances, the Company has consistently worked on acquisition of demand for urban redevelopment and new establishment of datacenters and renewable energy-related facilities. As a result, the Totech Group's business results for the six months ended September 30, 2025 were higher year on year in both net sales and operating profit in each segment.

Meanwhile, as construction material prices tend to hover high and a sense of labor shortage has remained at high level, we will proceed with management pursuing both profitability and sustainable growth by efficiently maintaining and improving sales and execution systems, as paying close attention to changes in external environment.

<Product sales business>

The product sales business primarily sells equipment with a focus on air conditioners, controllers, and electric facilities equipment, and provides maintenance service. Owing to steady order intake including redevelopment projects especially in urban areas, net sales and gross profit amounted to ¥45,785 million (up 14.5% year on year) and ¥10,061 million (up 13.0% year on year), respectively.

<Construction business>

The construction business engages in design and execution of instrumentation work, plumbing and electric work, etc., as well as provision of regular and spot maintenance. Thanks to brisk construction demand and sales with proposals in the field of regular maintenance, net sales and gross profit amounted to ¥33,808 million (up 14.7% year on year) and ¥11,653 million (up 18.6% year on year), respectively.

(2) Explanation of Financial Position

(Assets)

Total assets as of September 30, 2025 amounted to ¥108,427 million, an increase of ¥3,197 million from the end of the previous fiscal year. This was primarily attributable to an increase of ¥4,558 million in investment securities mainly due to a rise in the market value of held securities and an increase of ¥4,461 million in land, despite net decreases of ¥5,535 million in trade receivable and inventories.

(Liabilities)

Total liabilities as of September 30, 2025 amounted to ¥42,886 million, a decrease of ¥1,113 million from the end of the previous fiscal year. This was primarily attributable to a decrease of ¥2,947 million in current liabilities mainly due to decreases in notes and accounts payable - trade, electronically recorded obligations - operating, and income taxes payable, despite an increase of ¥1,768 million in deferred tax liabilities.

(Net assets)

Total net assets as of September 30, 2025 amounted to ¥65,540 million, an increase of ¥4,310 million from the end of the previous fiscal year. This was primarily attributable to a net increase of ¥1,416 million in

retained earnings in which dividends paid and other items were deducted from the recording of profit attributable to owners of parent, as well as an increase of ¥3,079 million in valuation difference on available-for-sale securities resulting from a rise in the market value of held securities.

As a result, equity ratio as of September 30, 2025 stood at 60.4%, a 2.3% increase from the end of the previous fiscal year.

(Cash flows)

Cash and cash equivalents (hereinafter “Funds”) at the end of the period under review amounted to ¥11,787 million, a decrease of ¥1,259 million from the end of the previous fiscal year.

The cash flows at the end of the period under review and their contributing factors are as follows.

(Cash flows from operating activities)

Funds provided from operating activities at the end of the period under review amounted to ¥5,701 million (the previous fiscal year saw income of ¥4,309 million). This was primarily attributable to an increase in Funds due to recording ¥7,683 million in profit before income taxes against the backdrop of strong business performance, a decrease of ¥5,086 million in trade receivables, and ¥798 million in depreciation, despite a decrease in Funds due to a decrease of ¥4,540 million in trade payables and ¥3,203 million in income taxes paid.

(Cash flows from investing activities)

Funds used in investing activities at the end of the period under review amounted to ¥6,142 million (the previous fiscal year saw income of ¥69 million). This was primarily due to ¥5,092 million in purchase of property, plant and equipment, as well as ¥1,151 million in purchase of shares of subsidiaries resulting in change in scope of consolidation.

(Cash flows from financing activities)

Funds used in financing activities at the end of the period under review amounted to ¥765 million (the previous fiscal year saw expenditures of ¥4,284 million). This was primarily due to ¥3,799 million in dividends paid, despite net increase of ¥3,193 million in long-term and short-term borrowings.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The Company has revised the consolidated financial results forecast it announced on May 15, 2025 as part of its financial results. Please refer to the “Notice Concerning Revision of Full-year Consolidated Earnings Forecast, Dividends of Surplus (Interim Dividend), and Revision of Dividend Forecast” announced today for details.

2. Semi-Annual Consolidated Financial Statements and Principal Notes

(1) Semi-Annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	13,078	12,107
Notes and accounts receivable - trade, and contract assets	33,414	30,426
Electronically recorded monetary claims - operating	7,448	5,649
Inventories	4,632	3,884
Accounts receivable - other	1,321	655
Other	391	460
Allowance for doubtful accounts	(0)	(0)
Total current assets	60,285	53,182
Non-current assets		
Property, plant and equipment		
Buildings and structures	14,327	14,452
Land	8,386	12,847
Leased assets	1,210	1,891
Construction in progress	523	393
Other	1,241	1,295
Accumulated depreciation	(4,750)	(5,031)
Total property, plant and equipment	20,938	25,848
Intangible assets		
Goodwill	1,058	1,787
Software	658	403
Software in progress	184	493
Other	1,005	981
Total intangible assets	2,906	3,665
Investments and other assets		
Investment securities	15,055	19,613
Deferred tax assets	463	277
Retirement benefit asset	717	947
Other	4,937	5,021
Allowance for doubtful accounts	(75)	(129)
Total investments and other assets	21,098	25,729
Total non-current assets	44,943	55,244
Total assets	105,229	108,427

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,561	13,201
Electronically recorded obligations - operating	6,716	5,716
Short-term borrowings	2,998	7,003
Income taxes payable	3,274	2,010
Provision for bonuses	3,960	2,815
Provision for bonuses for directors (and other officers)	15	17
Other	5,706	5,522
Total current liabilities	39,235	36,288
Non-current liabilities		
Long-term borrowings	819	126
Deferred tax liabilities	1,966	3,734
Provision for retirement benefits for directors (and other officers)	179	197
Retirement benefit liability	137	210
Other	1,662	2,330
Total non-current liabilities	4,764	6,598
Total liabilities	44,000	42,886
Net assets		
Shareholders' equity		
Share capital	1,857	1,857
Capital surplus	2,319	2,335
Retained earnings	48,660	50,077
Treasury shares	(210)	(196)
Total shareholders' equity	52,626	54,073
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,065	10,144
Foreign currency translation adjustment	1,285	1,132
Remeasurements of defined benefit plans	250	189
Total accumulated other comprehensive income	8,601	11,466
Non-controlling interests	0	-
Total net assets	61,229	65,540
Total liabilities and net assets	105,229	108,427

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

Semi-Annual Consolidated Statements of Income

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	68,343	78,491
Cost of sales	49,587	56,760
Gross profit	18,755	21,731
Selling, general and administrative expenses	12,899	14,446
Operating profit	5,856	7,284
Non-operating income		
Interest income	26	37
Dividend income	208	259
Purchase discounts	188	218
Miscellaneous income	206	168
Total non-operating income	630	683
Non-operating expenses		
Interest expenses	32	59
Provision of allowance for doubtful accounts	-	8
Guarantee commission	41	41
Foreign exchange losses	11	-
Miscellaneous losses	15	119
Total non-operating expenses	100	228
Ordinary profit	6,385	7,739
Extraordinary income		
Gain on sale of investment securities	262	-
Total extraordinary income	262	-
Extraordinary losses		
Loss on retirement of non-current assets	-	56
Total extraordinary losses	-	56
Profit before income taxes	6,648	7,683
Income taxes - current	1,805	1,848
Income taxes - deferred	314	618
Total income taxes	2,120	2,466
Profit	4,528	5,217
Loss attributable to non-controlling interests	(2)	(1)
Profit attributable to owners of parent	4,531	5,218

Semi-Annual Consolidated Statements of Comprehensive Income

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	4,528	5,217
Other comprehensive income		
Valuation difference on available-for-sale securities	(104)	3,079
Foreign currency translation adjustment	547	(153)
Remeasurements of defined benefit plans, net of tax	(82)	(60)
Total other comprehensive income	360	2,864
Comprehensive income	4,888	8,081
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,891	8,082
Comprehensive income attributable to non-controlling interests	(2)	(1)

(3) Semi-Annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	6,648	7,683
Depreciation	765	798
Loss on retirement of non-current assets	-	56
Amortization of goodwill	102	197
Loss (gain) on sale of investment securities	(262)	-
Interest and dividend income	(235)	(296)
Interest expenses	19	37
Increase (decrease) in provision for bonuses	(234)	(1,169)
Decrease (increase) in trade receivables	2,056	5,086
Decrease (increase) in accounts receivable - other	303	610
Decrease (increase) in inventories	(844)	758
Increase (decrease) in trade payables	(1,424)	(4,540)
Increase (decrease) in accrued consumption taxes	(246)	(648)
Other, net	(425)	76
Subtotal	6,223	8,648
Interest and dividend income received	234	296
Interest expenses paid	(19)	(39)
Income taxes paid	(2,129)	(3,203)
Net cash provided by (used in) operating activities	4,309	5,701
Cash flows from investing activities		
Payments into time deposits	(112)	(269)
Proceeds from withdrawal of time deposits	118	159
Purchase of property, plant and equipment	(408)	(4,666)
Purchase of intangible assets	(98)	(426)
Purchase of investment securities	(19)	(67)
Proceeds from sale and redemption of investment securities	932	82
Payments of leasehold and guarantee deposits	(356)	(53)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(1,151)
Other, net	13	251
Net cash provided by (used in) investing activities	69	(6,142)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	690	4,960
Repayments of long-term borrowings	(2,825)	(1,766)
Dividends paid	(1,981)	(3,799)
Other, net	(167)	(159)
Net cash provided by (used in) financing activities	(4,284)	(765)
Effect of exchange rate change on cash and cash equivalents	156	(52)
Net increase (decrease) in cash and cash equivalents	250	(1,259)
Cash and cash equivalents at beginning of period	8,524	13,046
Cash and cash equivalents at end of period	8,775	11,787

(4) Notes to Semi-Annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Additional information)

(Changes in presentation method)

(Semi-annual consolidated statements of cash flows)

“Proceeds from sales of property, plant and equipment” which was separately presented under “Cash flows from investing activities” for the six months ended September 30, 2024, have been included in “Other, net” from the period under review as the amount was no longer material. The semi-annual consolidated financial statements for the six months ended September 30, 2024 have been reclassified in order to reflect this change in presentation.

As a result, ¥0 million shown as “Proceeds from sales of property, plant and equipment” under “Cash flows from investing activities” in the semi-annual consolidated statements of cash flows for the six months ended September 30, 2024 was reclassified as “Other, net.”

(Notes to segment information, etc.)

[Segment Information]

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

1. Information on net sales and profit or loss by reportable segment

(Million yen)

	Reportable segment			Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Semi-Annual Consolidated Statements of Income (Note 3)
	Product Sales Business	Construction Business	Total				
Net sales							
Net sales to outside customers	38,870	29,450	68,320	22	68,343	-	68,343
Inter-segment net sales or transfers	1,128	16	1,144	-	1,144	(1,144)	-
Total	39,998	29,467	69,465	22	69,488	(1,144)	68,343
Segment profit	8,900	9,824	18,725	14	18,739	16	18,755

(Notes) 1. The category of “Others” represents an operating segment not included in reportable segments, which operates a solar power business.

2. The adjustment of segment profit of ¥16 million mainly represents elimination of inter-segment transactions.

3. Segment profit is adjusted against gross profit in semi-annual consolidated statements of income.

2. Information on impairment loss on non-current assets or goodwill, etc. by reportable segment

Not applicable.

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

1. Information on net sales and profit or loss by reportable segment

(Million yen)

	Reportable segment			Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Semi-Annual Consolidated Statements of Income (Note 3)
	Product Sales Business	Construction Business	Total				
Net sales							
Net sales to outside customers	44,742	33,732	78,474	17	78,491	-	78,491
Inter-segment net sales or transfers	1,042	76	1,119	-	1,119	(1,119)	-
Total	45,785	33,808	79,593	17	79,611	(1,119)	78,491
Segment profit	10,061	11,653	21,715	8	21,723	7	21,731

(Notes) 1. The category of “Others” represents an operating segment not included in reportable segments, which operates a solar power business.

2. The adjustment of segment profit of ¥7 million mainly represents elimination of inter-segment transactions.

3. Segment profit is adjusted against gross profit in semi-annual consolidated statements of income.

2. Information on impairment loss on non-current assets or goodwill, etc. by reportable segment

(Significant change in amount of goodwill)

In the construction business, SANNOU KIKOU CO., LTD., which became a wholly owned subsidiary, has been included in the scope of consolidation from the period under review. Goodwill increased by ¥954 million arising from this event for the six months ended September 30, 2025. Since the allocation of acquisition cost has not been completed as of September 30, 2025, the amount of goodwill was provisionally calculated.