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May 12, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)



Company name: TOKYO ENERGY & SYSTEMS INC.
Listing: Tokyo Stock Exchange
Securities code: 1945
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Scheduled date of annual general meeting of shareholders: June 27, 2025
Scheduled date to commence dividend payments: June 30, 2025
Scheduled date to file annual securities report: June 25, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(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	%
Fiscal year ended March 31, 2025	67,722	(23.5)	2,665	(32.7)	3,342	(35.9)	2,900	(2.0)
March 31, 2024	88,467	11.9	3,959	14.5	5,212	88.1	2,960	39.6

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥1,773 million [(63.0)%]
For the fiscal year ended March 31, 2024: ¥4,789 million [80.9%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	86.65	-	4.2	3.1	3.9
March 31, 2024	86.70	-	4.4	4.8	4.5

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended March 31, 2025: ¥- million
For the fiscal year ended March 31, 2024: ¥- million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	108,081	68,427	63.3	2,054.31
March 31, 2024	107,471	68,548	63.8	2,047.26

Reference: Equity
As of March 31, 2025: ¥68,427 million
As of March 31, 2024: ¥68,548 million

(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	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	(15,229)	(90)	10,655	7,648
March 31, 2024	8,503	(5,126)	(4,446)	12,158

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	20.00	-	25.00	45.00	1,522	51.9	2.3
Fiscal year ended March 31, 2025	-	26.00	-	26.00	52.00	1,737	60.0	2.5
Fiscal year ending March 31, 2026 (Forecast)	-	28.00	-	29.00	57.00		55.8	

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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	82,000	21.1	3,900	46.3	4,100	22.7	3,400	17.2	102.07

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (Tokyo Enesys Vietnam Co., Ltd.)
- (2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2025	34,973,752 shares
As of March 31, 2024	34,973,752 shares

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

As of March 31, 2025	1,664,412 shares
As of March 31, 2024	1,490,807 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	33,470,079 shares
Fiscal year ended March 31, 2024	34,144,070 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	63,033	(25.6)	2,318	(38.3)	3,043	(40.5)	2,741	(3.2)
March 31, 2024	84,756	6.4	3,759	(6.6)	5,115	48.8	2,832	1.7

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	81.92	-
March 31, 2024	82.96	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	104,272	65,961	63.3	1,980.26
March 31, 2024	103,907	66,355	63.9	1,981.76

Reference: Equity

As of March 31, 2025: ¥65,961 million
As of March 31, 2024: ¥66,355 million

2. Forecast of non-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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	77,000	22.2	3,400	46.6	3,600	18.3	3,000	9.4	90.06

* Financial result reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts and other special matters

The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company considers reasonable, but they are not intended to be a commitment by the Company. Actual results may differ significantly due to various factors. Please refer to “1. Overview of Operating Results, etc. (1) Overview of Operating Results for the Fiscal Year under Review” on page 2 of the attached materials for the assumptions of earnings forecasts.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

1) Operating Results for the Fiscal Year under Review

Although the upward trend of capital investment continued driven by buoyant corporate earnings, the outlook of the Japanese economy remained uncertain because of risks, including exchange rate fluctuations and increasing interest rates, among others, in addition to rising demand for labor and price increases.

The business environment in which the Group operates was extremely challenging. This is because of a gradual decrease in the volume of construction at conventional power stations, which has been the Company's core business for many years, the cost impact of prices of materials and equipment, and soaring labor costs, as well as chronic labor shortages, despite the expectation of brisk capital investment in decarbonized power sources amid the growing need for investment in decarbonization.

In these circumstances, the Group has judged that it is important to pursue a business strategy of diversifying revenue streams by expanding our presence in the general industry and other market, as well as in the renewable energy-related market, in view of the fact that our business has been overly dependent on the electric power market, and we launched the FY2024 mid-term management plan (FY2024-FY2026) in April 2024, which focuses on strengthening human capital.

Specifically, in accordance with the basic policy of "creating a strong and flexible Q'd with people at the core," we are addressing the following key issues: "strengthen human capital by investing in human resources," "refine 'Q'd' so as to be chosen by customers," and "strengthen ties with all people and organizations involved in our company."

Especially, in order to strengthen sales capabilities and competitiveness, we reorganized our operations by function, including sales, construction cost estimating, and construction, and established new branches that serve as sales bases rooted in each region. By integrating previously dispersed information, knowledge, and skills, we have improved efficiency in securing orders from new customers and fields, generating a steady flow of successful results. In a bid to further expand the order flow, we forged ahead with a variety of initiatives, such as early determination of specification through design support for customers, development of a construction cost estimation database incorporating the latest insights, enhanced procurement of materials and equipment by diversifying domestic and international procurement channels, and joint simulation of securing workers by sharing construction work information early with key partner businesses.

As a result, total orders received were ¥91,466 million (up 42.5% year-on-year), owing mainly to the receiving of orders concerning the installation of additional facilities and the upgrading of plants, maintenance and repair work for oil refineries, air conditioning work and electrical work at public facilities, construction and upgrading of waste incineration plants, repair work of public hydroelectric power plants, installation of new and additional facilities for substations in response to increasing electricity demand at data centers, new projects for decarbonization of thermal power plants through synergy with the components manufacturing business of an overseas subsidiary, preparation for resumption of operation of nuclear power plants, etc.

Meanwhile, net sales were ¥67,722 million (down 23.5% year-on-year), because the implementation of safety measures at nuclear power plants and construction of thermal and biomass power plants ran their course and projects related to treated water at the Fukushima Daiichi Nuclear Power Plant were completed in the previous fiscal year, despite the progress of air conditioning work and electrical work at public facilities, solar power facilities for on-site power purchase agreements (PPA), implementation of business continuity planning (BCP) measures, work for recovery from torrential rain, commencement of the operation and maintenance (O&M) business for biomass power plants, installation of new and additional facilities for substations, etc.

The amount carried forward to the next period was ¥121,421 million (up 24.3% year-on-year).

As for profits, operating profit was ¥2,665 million (down 32.7% year-on-year), and ordinary profit was ¥3,342 million (down 35.9% year-on-year) due mainly to a decrease in net sales despite the recording of actuarial differences in cost reduction and retirement benefit accounting as decreases in cost of sales and selling, general and administrative expenses. Profit attributable to owners of parent amounted to ¥2,900 million (down 2.0%

year-on-year), reflecting a gain on sale of investment securities. They were sold in order to improve asset efficiency.

Business results by segment were as follows.

(Facilities Construction)

Total orders received were ¥85,464 million (up 46.0% year-on-year) due to increases in the Energy Division and the Nuclear Power Division.

Net sales were ¥61,672 million (down 25.7% year-on-year) due to decreases in the Energy Division and the Nuclear Power Division.

Segment profit was ¥4,180 million (down 58.2% year-on-year).

(Other Businesses)

Total orders received were ¥6,065 million (up 7.9% year-on-year).

Net sales were ¥6,112 million (up 12.8% year-on-year).

Segment profit was ¥113 million (compared to segment loss of ¥45 million for the previous fiscal year).

Reference: Names of divisions, etc. corresponding to the segments

Segment name	Division, etc.
Facilities Construction	Green Energy Business Division, Energy Division, Nuclear Power Division, Welding and Inspection Engineering Center, Overseas Division
Other Businesses	Power generation business, real estate business, leasing and rental business, insurance agency, manufacture and sale, wholesale

Note: Following the reorganization in the first quarter of the fiscal year under review, the “Energy and Industry Division” and the “Electric Power Division” of the “Facilities Construction” segment were integrated and the “Energy Division” was established.

2) Future Prospects

The Group expects the business environment to remain challenging, as the energy and infrastructure business in which it operates is exposed to the growing risk of an economic slowdown due to the U.S. government’s tariff policy, along with rising labor demand, increasing prices, exchange rate fluctuations, and increasing interest rates.

On the other hand, with the Japanese government’s cabinet decisions on the Seventh Strategic Energy Plan and the GX2040 Vision, it has been announced that electricity demand is expected to grow over the medium to long term in parallel with the progress of digital transformation (DX) and green transformation (GX). Furthermore, the government’s policy to maximize the use of power sources that contribute to energy security and have a high decarbonization effect, such as renewable energy and nuclear power, presents the Group with opportunities to expand its business domains.

In view of such situation, the Group has reassessed the market and decided to optimize its business portfolio by increasing its focus on the substation market, where construction of new and additional substation facilities is expected to grow alongside rising electricity demand, and the nuclear power market, where construction activity is expected to increase in preparation for the resumption of nuclear power plant operations. Meanwhile, in the renewable energy-related market, a market of enormous scale, the Group will continue to pursue selective order taking in segments that offer higher profitability. As these initiatives progress, the Group will strengthen its human capital, the single most important element laid out in the FY2024 mid-term management plan (FY2024-FY2026), by expanding development efforts to include not only the Company’s employees but also human resources at partner businesses in order to achieve the goals set for the final year (FY2026).

In these circumstances, our forecast of consolidated financial results for the fiscal year ending March 31, 2026 is as follows:

Consolidated Earnings	
Net sales	¥82,000 million
Operating profit	¥3,900 million
Ordinary profit	¥4,100 million
Profit attributable to owners of parent	¥3,400 million

(2) Overview of Financial Position for the Fiscal Year under Review

1) Assets, liabilities, and net assets

The financial position of the Group fluctuates mainly due to notes and accounts receivable, inventories, notes and accounts payable, and advances received on construction contracts in progress. Regarding fixed assets, the Group owns land and buildings for business sites, company housing and dormitories for single employees, etc. Other assets include biomass power generation facilities, solar power generation facilities, and construction machinery and equipment.

a. Assets

Total assets amounted to ¥108,081 million at the end of the fiscal year under review, an increase of ¥609 million from the end of the previous fiscal year. This was mainly due to an increase in notes receivable, accounts receivable from completed construction contracts and contract assets.

b. Liabilities

Total liabilities amounted to ¥39,654 million at the end of the fiscal year under review, an increase of ¥730 million from the end of the previous fiscal year. This was mainly due to an increase in short-term borrowings.

c. Net assets

Net assets amounted to ¥68,427 million at the end of the fiscal year under review, a decrease of ¥120 million from the end of the previous fiscal year. This was mainly due to a decrease in valuation difference on available-for-sale securities.

2) Cash flows

Cash and cash equivalents at the end of the fiscal year under review amounted to ¥7,648 million, a decrease of ¥4,510 million from the end of the previous fiscal year.

The status of cash flows from operating, investing and financing activities and major contributing factors were as follows.

(Cash Flows from Operating Activities)

Net cash used in operating activities amounted to ¥15,229 million (net cash provided by operating activities amounting to ¥8,503 million in the previous fiscal year). This was mainly due to an increase in trade receivables and contract asset.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to ¥90 million (net cash used in investing activities amounting to ¥5,126 million in the previous fiscal year). This was mainly due to purchase of property, plant and equipment.

(Cash Flows from Financing Activities)

Net cash provided by financing activities amounted to ¥10,655 million (net cash used in financing activities amounting to ¥4,446 million in the previous fiscal year). This was mainly due to short-term borrowings.

(Reference) Cash Flow Indicator Trend

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Equity-to-asset ratio (%)	72.4	62.8	61.1	63.8	63.3
Equity-to-asset ratio at market value (%)	35.0	32.3	28.2	38.9	33.6
Ratio of interest-bearing debt to cash flows (%)	17.0	-	112.9	81.7	-
Interest coverage ratio (times)	191.4	-	57.1	44.7	-

Note: Equity-to-asset ratio: Shareholders' equity / Total assets

Equity-to-asset ratio at market value: Market capitalization / Total assets

Ratio of interest-bearing debt to cash flows: Interest-bearing debt / Cash flows

Interest coverage ratio: Cash flows / Interest expenses

1. The consolidated financial figures constitute the basis for calculating these indicators.
2. Market capitalization is calculated by multiplying the closing stock price at the end of the period by the total number of issued shares at the end of the period (excluding treasury shares).
3. Cash flows used for calculation are cash flows from operating activities in the consolidated statements of cash flows.
Interest-bearing debt includes all debts recorded on the consolidated balance sheets on which interest is paid.
The amount of interest expenses is the amount of interest paid in the consolidated statements of cash flows.
4. The ratio of interest-bearing debt to cash flows and the interest coverage ratio are not indicated for the period in which cash flows from operating activities were negative.

(3) Basic Policy on Profit Distribution and Dividends for the Current and Next Fiscal Years

The Company's policy on profit distribution is to maintain stable dividends from a medium- to long-term perspective, and to aim for a gradual increase in dividend payments in line with profit growth, taking into consideration such factors as financial performance, internal reserve, and preparation for future business development. The Company intends to utilize internal reserve for implementation of various measures, such as capital investment and business investment, to strengthen the management foundation and for future business expansion.

Based on the above policy and from the viewpoint of emphasizing the return of profits to shareholders, the Company plans to pay a year-end dividend of ¥26 per share for the fiscal year under review, resulting in annual dividends of ¥52 per share, including an interim dividend of ¥26 per share.

For the next fiscal year (fiscal year ending March 31, 2026), the Company plans to pay dividends of ¥57 per share (an interim dividend of ¥28 and a year-end dividend of ¥29).

2. Basic Policy on Selection of Accounting Standards

Most of the Group's stakeholders are shareholders in Japan, creditors, and business partners, and there is little need to raise funds from overseas. Therefore, for accounting standards, the Group applies Japanese GAAP.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	8,180	7,648
Notes receivable, accounts receivable from completed construction contracts and contract assets	36,820	42,969
Electronically recorded monetary claims - operating	495	960
Securities	4,116	120
Costs on construction contracts in progress	1,436	1,038
Raw materials and supplies	792	1,090
Other	3,876	4,190
Total current assets	55,719	58,018
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,696	10,522
Machinery and vehicles, net	8,119	7,870
Tools, furniture and fixtures, net	559	489
Land	8,463	8,620
Leased assets, net	6	9
Construction in progress	498	226
Total property, plant and equipment	28,343	27,739
Intangible assets		
Goodwill	161	89
Customer related assets	1,562	1,306
Other	720	676
Total intangible assets	2,444	2,072
Investments and other assets		
Investment securities	16,882	15,427
Long-term loans receivable	1,970	2,631
Retirement benefit asset	-	775
Deferred tax assets	1,717	763
Other	413	671
Allowance for doubtful accounts	(17)	(17)
Total investments and other assets	20,965	20,252
Total non-current assets	51,752	50,063
Total assets	107,471	108,081

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	8,400	7,828
Electronically recorded obligations - operating	1,741	102
Short-term borrowings	992	14,468
Income taxes payable	998	243
Accrued consumption taxes	5,830	169
Contract liabilities	1,855	2,235
Provision for warranties for completed construction	743	221
Provision for loss on disaster	0	-
Provision for loss on construction contracts	1,682	345
Other	4,011	2,733
Total current liabilities	26,256	28,347
Non-current liabilities		
Long-term borrowings	5,952	5,134
Deferred tax liabilities	145	139
Retirement benefit liability	5,269	4,518
Asset retirement obligations	842	857
Other	455	656
Total non-current liabilities	12,666	11,306
Total liabilities	38,923	39,654
Net assets		
Shareholders' equity		
Share capital	2,881	2,881
Capital surplus	3,723	3,741
Retained earnings	59,214	60,406
Treasury shares	(1,083)	(1,287)
Total shareholders' equity	64,736	65,741
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,855	2,613
Foreign currency translation adjustment	(43)	72
Total accumulated other comprehensive income	3,812	2,685
Total net assets	68,548	68,427
Total liabilities and net assets	107,471	108,081

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales		
Net sales of completed construction contracts	88,467	67,722
Cost of sales		
Cost of sales of completed construction contracts	77,871	58,716
Gross profit		
Gross profit on completed construction contracts	10,596	9,005
Selling, general and administrative expenses	6,637	6,339
Operating profit	3,959	2,665
Non-operating income		
Interest income	23	48
Dividend income	207	210
Foreign exchange gains	297	419
Gain on investments in silent partnerships	377	162
Gain on valuation of derivatives	511	34
Other	31	56
Total non-operating income	1,448	931
Non-operating expenses		
Interest expenses	190	222
Commission expenses	3	8
Other	2	23
Total non-operating expenses	195	254
Ordinary profit	5,212	3,342
Extraordinary income		
Gain on sale of non-current assets	26	43
Gain on sale of investment securities	178	1,521
Other	0	0
Total extraordinary income	205	1,565
Extraordinary losses		
Loss on retirement of non-current assets	49	17
Other	-	0
Total extraordinary losses	49	17
Profit before income taxes	5,367	4,890
Income taxes - current	1,685	554
Income taxes - deferred	411	1,436
Total income taxes	2,097	1,990
Profit	3,270	2,900
Profit attributable to non-controlling interests	310	-
Profit attributable to owners of parent	2,960	2,900

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	3,270	2,900
Other comprehensive income		
Valuation difference on available-for-sale securities	1,476	(1,241)
Foreign currency translation adjustment	42	115
Total other comprehensive income	1,518	(1,126)
Comprehensive income	4,789	1,773
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,468	1,773
Comprehensive income attributable to non-controlling interests	320	-

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,881	3,978	59,025	(1,929)	63,955
Changes during period					
Dividends of surplus			(1,370)		(1,370)
Profit attributable to owners of parent			2,960		2,960
Purchase of treasury shares				(827)	(827)
Disposal of treasury shares		6		12	18
Cancellation of treasury shares		(261)	(1,400)	1,662	-
Net changes in items other than shareholders' equity					
Total changes during period	-	(255)	189	846	780
Balance at end of period	2,881	3,723	59,214	(1,083)	64,736

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	2,379	(75)	2,303	(320)	65,938
Changes during period					
Dividends of surplus					(1,370)
Profit attributable to owners of parent					2,960
Purchase of treasury shares					(827)
Disposal of treasury shares					18
Cancellation of treasury shares					-
Net changes in items other than shareholders' equity	1,476	32	1,508	320	1,828
Total changes during period	1,476	32	1,508	320	2,609
Balance at end of period	3,855	(43)	3,812	-	68,548

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,881	3,723	59,214	(1,083)	64,736
Changes during period					
Dividends of surplus			(1,708)		(1,708)
Profit attributable to owners of parent			2,900		2,900
Purchase of treasury shares				(223)	(223)
Disposal of treasury shares		18		18	36
Cancellation of treasury shares					-
Net changes in items other than shareholders' equity					
Total changes during period	-	18	1,191	(204)	1,005
Balance at end of period	2,881	3,741	60,406	(1,287)	65,741

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	3,855	(43)	3,812	-	68,548
Changes during period					
Dividends of surplus					(1,708)
Profit attributable to owners of parent					2,900
Purchase of treasury shares					(223)
Disposal of treasury shares					36
Cancellation of treasury shares					-
Net changes in items other than shareholders' equity	(1,241)	115	(1,126)	-	(1,126)
Total changes during period	(1,241)	115	(1,126)	-	(120)
Balance at end of period	2,613	72	2,685	-	68,427

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	5,367	4,890
Depreciation	2,058	1,947
Amortization of goodwill	71	71
Interest and dividend income	(230)	(258)
Interest expenses	190	222
Decrease (increase) in trade receivables and contract asset	273	(6,632)
Decrease (increase) in inventories	1,042	(283)
Increase (decrease) in contract liabilities	(4,222)	206
Decrease (increase) in costs on construction contracts in progress	262	432
Increase (decrease) in trade payables	(1,234)	(2,217)
Increase (decrease) in accrued consumption taxes	4,847	(5,660)
Decrease (increase) in retirement benefit asset	-	(775)
Increase (decrease) in retirement benefit liability	(662)	(753)
Increase (decrease) in provision for loss on construction contracts	(579)	(1,336)
Increase (decrease) in provision for compensation losses	(1,043)	-
Loss (gain) on sale of investment securities	(178)	(1,521)
Loss (gain) on sale of non-current assets	(26)	(43)
Loss on retirement of non-current assets	49	17
Other, net	4,307	(1,910)
Subtotal	10,295	(13,606)
Interest and dividends received	213	279
Interest paid	(190)	(230)
Income taxes paid	(1,817)	(1,674)
Income taxes refund	1	1
Net cash provided by (used in) operating activities	8,503	(15,229)
Cash flows from investing activities		
Purchase of property, plant and equipment	(935)	(758)
Purchase of investment securities	(3,593)	(663)
Proceeds from sale and redemption of securities	-	114
Proceeds from sale and redemption of investment securities	302	1,900
Proceeds from withdrawal of time deposits	60	20
Other, net	(959)	(703)
Net cash provided by (used in) investing activities	(5,126)	(90)
Cash flows from financing activities		
Proceeds from short-term borrowings	11,821	20,580
Repayments of short-term borrowings	(13,200)	(7,107)
Repayments of long-term borrowings	(868)	(868)
Purchase of treasury shares	(827)	(223)
Dividends paid	(1,365)	(1,704)
Other, net	(6)	(20)
Net cash provided by (used in) financing activities	(4,446)	10,655
Effect of exchange rate change on cash and cash equivalents	52	154
Net increase (decrease) in cash and cash equivalents	(1,016)	(4,510)
Cash and cash equivalents at beginning of period	13,175	12,158
Cash and cash equivalents at end of period	12,158	7,648

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Segment information, etc.)

1. Overview of reportable segments

The Company's reportable segments are components of the Company for which separate financial information is available and which are periodically reviewed by the Board of Directors for the purpose of deciding the allocation of management resources and evaluating financial results.

The Group's main business is design and construction of electric power-related facilities, general electrical facilities, etc., and "Facilities Construction" is the reportable segment.

"Facilities Construction" includes construction and maintenance of thermal, nuclear, hydroelectric, cogeneration, solar and biomass power generation facilities, as well as design and construction of substation, general electric, information and communication, and air conditioning facilities.

2. Calculation method of the amounts of net sales, profit or loss, assets and other items by reportable segment

The accounting treatment method used for the reported business segment is generally the same as that used in the preparation of the consolidated financial statements, except for valuation of inventories.

Inventories are valued at the amount before devaluation of book value based on decline in profitability. Profit of the reportable segment is based on operating profit. Inter-segment revenues and transfers are based on prevailing market prices.

3. Information on net sales, profit (loss), assets and other items by reportable segment and breakdown of revenue
For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment	Other Businesses	Total
	Facilities Construction		
Net sales			
Net sales to outside customers	83,049	5,418	88,467
Inter-segment net sales or transfers	2,550	3,201	5,751
Total	85,599	8,619	94,219
Net sales (by Division)			
Green Energy Business Division	11,390	-	11,390
Energy Division	48,817	-	48,817
Nuclear Power Division	24,961	-	24,961
Other	429	8,619	9,049
Total	85,599	8,619	94,219
Timing of transfer of goods or services			
A point in time	12,073	8,619	20,693
Over time	73,525	-	73,525
Total	85,599	8,619	94,219
Segment profit (loss)	9,999	(45)	9,954
Other items			
Depreciation	367	1,196	1,563

Notes: 1. "Other Businesses" is a business segment not included in the reportable segments and includes power generation, real estate, leasing and rental, insurance agency, manufacture and sale, and wholesale.

2. Net sales are mainly revenue generated from contracts with customers, and the amount of revenue generated from other sources is not material.

3. Segment assets and segment liabilities are not allocated to business segments.

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

(Millions of yen)

	Reportable segment	Other Businesses	Total
	Facilities Construction		
Net sales			
Net sales to outside customers	61,672	6,112	67,784
Inter-segment net sales or transfers	2,611	2,225	4,836
Total	64,283	8,338	72,621
Net sales (by Division)			
Green Energy Business Division	11,535	-	11,535
Energy Division	37,409	-	37,409
Nuclear Power Division	15,106	-	15,106
Other	232	8,338	8,570
Total	64,283	8,338	72,621
Timing of transfer of goods or services			
A point in time	12,570	8,338	20,908
Over time	51,713	-	51,713
Total	64,283	8,338	72,621
Segment profit	4,180	113	4,293
Other items			
Depreciation	372	1,220	1,592

- Notes: 1. “Other Businesses” is a business segment not included in the reportable segments and includes power generation, real estate, leasing and rental, insurance agency, manufacture and sale, and wholesale.
2. Net sales are mainly revenue generated from contracts with customers, and the amount of revenue generated from other sources is not material.
3. Segment assets and segment liabilities are not allocated to business segments.
4. Following the reorganization in the first quarter of the fiscal year under review, the “Energy and Industry Division” and the “Electric Power Division” of the “Facilities Construction” segment were integrated and the “Energy Division” was established. For the fiscal year ended March 31, 2024, information prepared based on the classification after the reorganization is presented.

4. Difference between reportable segment total and consolidated financial statement amounts, and main details of differences (matters related to adjustment of difference)

(Millions of yen)

Net sales	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Reportable segment total	85,599	64,283
Net sales in the “Other Businesses” segment	8,619	8,338
Inter-segment eliminations	(5,751)	(4,836)
Other adjustments	0	(62)
Net sales in consolidated financial statements	88,467	67,722

(Millions of yen)

Profit (loss)	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Reportable segment total	9,999	4,180
Profit (loss) in the “Other Businesses” segment	(45)	113
Inter-segment eliminations	37	19
Amortization of goodwill	(71)	(71)
Corporate expenses	(4,692)	(4,045)
Other adjustments	(1,267)	2,468
Operating profit in consolidated financial statements	3,959	2,665

Note: Corporate expenses are mainly general and administrative expenses that do not belong to any reportable segment.

(Millions of yen)

Other items	Reportable segment total		Other Businesses		Adjustments		Consolidated financial statement amount	
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Depreciation	367	372	1,196	1,220	494	354	2,058	1,947

(Per share information)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net assets per share	¥2,047.26	¥2,054.31
Basic earnings per share	¥86.70	¥86.65

Notes 1. Diluted earnings per share is not presented because no dilutive shares exist.

2. The basis for calculation of net assets per share is as follows:

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Total net assets (Millions of yen)	68,548	68,427
Amount to be deducted from total net assets (Millions of yen)	-	-
Net assets at end of period pertaining to shares of common stock (Millions of yen)	68,548	68,427
Number of shares of common stock at end of period used for calculation of net assets per share (Shares)	33,482,945	33,309,340

3. The basis for calculation of basic earnings per share is as follows:

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit attributable to owners of parent (Millions of yen)	2,960	2,900
Amount not attributable to common shareholders (Millions of yen)	-	-
Profit attributable to owners of parent relating to common shares (Millions of yen)	2,960	2,900
Average number of common shares outstanding during the period (Shares)	34,144,070	33,470,079

(Significant subsequent events)

Not applicable.

4. Supplementary Information

(1) Orders Received, Construction Completed, and Amount Carried Forward to the Next Period by Segment and Division

Segment / Division			Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		Year-on-year increase (decrease)	
			Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Change (%)
Orders Received		Green Energy Business Division	10,815	16.8	9,034	10.0	(1,781)	(16.5)
		Energy Division	34,706	54.1	58,745	64.2	24,039	69.3
		Nuclear Power Division	12,864	20.0	17,290	18.9	4,426	34.4
		Other	159	0.2	393	0.4	233	146.3
		Facilities Construction	58,545	91.1	85,464	93.5	26,918	46.0
		Other Businesses	5,622	8.8	6,065	6.6	442	7.9
		Segment total	64,168	99.9	91,529	100.1	27,361	42.6
		Adjustments	0	0.1	(62)	(0.1)	(63)	-
		Total	64,168	100.0	91,466	100.0	27,297	42.5
Construction Completed		Green Energy Business Division	8,902	10.0	8,937	13.3	34	0.4
		Energy Division	48,817	55.2	37,396	55.2	(11,421)	(23.4)
		Nuclear Power Division	24,961	28.2	15,106	22.3	(9,855)	(39.5)
		Other	367	0.4	232	0.3	(134)	(36.6)
		Facilities Construction	83,049	93.8	61,672	91.1	(21,376)	(25.7)
		Other Businesses	5,418	6.1	6,112	9.0	694	12.8
		Segment total	88,467	99.9	67,784	100.1	(20,682)	(23.4)
		Adjustments	0	0.1	(62)	(0.1)	(63)	-
		Total	88,467	100.0	67,722	100.0	(20,745)	(23.5)
Amount Carried Forward to the Next Period		Green Energy Business Division	13,425	13.7	13,523	11.1	97	0.7
		Energy Division	68,452	70.1	89,801	74.0	21,349	31.2
		Nuclear Power Division	14,933	15.3	17,118	14.1	2,184	14.6
		Other	153	0.2	314	0.3	160	105.0
		Facilities Construction	96,965	99.3	120,757	99.5	23,791	24.5
		Other Businesses	712	0.7	664	0.5	(47)	(6.7)
		Segment total	97,677	100.0	121,421	100.0	23,744	24.3
		Adjustments	-	-	-	-	-	-
		Total	97,677	100.0	121,421	100.0	23,744	24.3

(2) Orders Received, Construction Completed, and Amount Carried Forward to the Next Period by Market

Market		Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		Year-on-year increase (decrease)	
		Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Change (%)
Orders Received	Electric Power Market	38,383	59.7	52,004	56.8	13,621	35.5
	General Industry and Other Market	11,026	17.2	26,295	28.8	15,268	138.5
	Renewable Energy-Related Market	14,758	23.0	13,229	14.5	(1,528)	(10.4)
	Adjustments	0	0.1	(62)	(0.1)	(63)	-
	Total	64,168	100.0	91,466	100.0	27,297	42.5
Construction Completed	Electric Power Market	61,844	69.8	35,207	52.0	(26,637)	(43.1)
	General Industry and Other Market	13,713	15.5	18,629	27.5	4,916	35.9
	Renewable Energy-Related Market	12,909	14.6	13,947	20.6	1,037	8.0
	Adjustments	0	0.1	(62)	(0.1)	(63)	-
	Total	88,467	100.0	67,722	100.0	(20,745)	(23.5)
Amount Carried Forward to the Next Period	Electric Power Market	37,003	37.9	51,942	42.7	14,939	40.4
	General Industry and Other Market	9,907	10.1	19,380	16.0	9,473	95.6
	Renewable Energy-Related Market	50,766	52.0	50,098	41.3	(668)	(1.3)
	Adjustments	-	-	-	-	-	-
	Total	97,677	100.0	121,421	100.0	23,744	24.3