Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [Japanese GAAP]

May 13, 2025

Company name: MIRAIT One Corporation
Stock exchange listing: TSE
Code number: 1417
URL: https://www.mirait-one.com/english/
Representative: Toshiki Nakayama, President and CEO
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Scheduled date of Ordinary General Meeting of Shareholders: June 25, 2025
Scheduled date of commencing dividend payments: June 26, 2025
Scheduled date of filing annual securities report: June 23, 2025
Availability of supplementary briefing material on annual results: Available
Schedule of annual results briefing session: Scheduled (for analysts and institutional investors)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended March 31, 2025	578,599	11.6	27,985	57.0	27,470	47.0	17,179	37.0
Fiscal year ended March 31, 2024	518,384	7.1	17,830	(18.2)	18,690	(16.5)	12,535	(15.2)

(Note) Comprehensive income: Fiscal year ended March 31, 2025: 21,475 million yen [16.0%]
Fiscal year ended March 31, 2024: 18,515 million yen [12.1%]

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
	yen	yen	%	%	%
Fiscal year ended March 31, 2025	189.40	–	6.7	5.2	4.8
Fiscal year ended March 31, 2024	133.34	–	5.0	3.9	3.4

(Reference)
Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: (621) million yen
Fiscal year ended March 31, 2024: (169) million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2025	537,739	269,877	48.6	2,914.94
As of March 31, 2024	519,960	260,088	48.5	2,735.90

(Reference)
Equity: As of March 31, 2025: 261,501 million yen
As of March 31, 2024: 251,978 million yen

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Fiscal year ended March 31, 2025	18,049	(9,370)	(6,412)	51,350
Fiscal year ended March 31, 2024	33,625	(55,545)	38,816	48,017

2. Dividends

	Annual dividends per share					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Fiscal year ended March 31, 2024	–	30.00	–	35.00	65.00	6,084	48.7	2.4
Fiscal year ended March 31, 2025	–	35.00	–	40.00	75.00	6,800	39.6	2.7
Fiscal year ending March 31, 2026 (Forecast)	–	40.00	–	45.00	85.00		35.7	

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	620,000	7.2	34,000	21.5	34,000	23.8	21,000	22.2	236.73

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimates and corrections of errors

1) Changes in accounting policies due to the revision of accounting standards, etc.: Yes

2) Any changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Corrections of errors: None

(Note) For details, see Attached Materials 15 page “Changes in accounting policies.”

(3) Total number of issued shares (common stock)

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

March 31, 2025	91,325,329 shares	March 31, 2024	94,325,329 shares

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

March 31, 2025	1,614,653 shares	March 31, 2024	2,224,417 shares

3) Average number of shares outstanding during the period:

March 31, 2025	90,702,310 shares	March 31, 2024	94,012,071 shares

(Note) Total number of treasury stock includes the Company’s stock held by the Board Incentive Plan trust under the Company’s performance-linked stock remuneration program for directors who are not Audit and Supervisory Committee members and executive officers.

*Status of execution of the audit of financial statements

- This consolidated financial report is not subject to the audit of the financial statements under the Financial Instruments and Exchange Act.

*Explanation for the appropriate use of financial forecasts and other special notes

- While descriptions in this report regarding financial prospects and other future events are based on the information available at the time this report was prepared and certain assumptions considered to be reasonable, and are not intended to guarantee that the Company will achieve these forecasts. In addition, our actual business performance may differ significantly from the prospects due to a number of factors.

○ Table of Contents: Supplementary Materials

1. Overview of Operating Results and Financial Position

(1) Overview of Operating Results for the Period under Review

During the fiscal year ended March 31, 2025, the Japanese economy continued its moderate recovery as the employment and income environment improved. On the other hand, the outlook remains uncertain due to the impact of rising prices, future policy trends in the U.S., such as with trade policy, the prolonged situations in Ukraine and the Middle East, and other issues.

The business environment surrounding the MIRAIT ONE Group ("the Group") has seen an increase in demand for cloud services and data centers due to the spread of digital transformation (DX) and AI, and in recent years, progress in disaster prevention, disaster mitigation, and national land resilience in the face of increasingly severe natural disasters, as well as progress in the government's regional infrastructure redevelopment strategy that addresses roads, water and sewage systems in a wide area as a group. Moreover, there is an expectation that the following will be attained: promotion of regional decarbonization, the use of renewable energy and hydrogen that fit well with regional characteristics and climates, and realization of green transformation (GX), toward achieving carbon neutrality in 2050.

Against this backdrop, the Group aims to evolve into a corporate group that continues to contribute more than ever before to the resolution of social issues across a wide range of social infrastructure areas under its purpose and mission redefined. The Group has formulated the MIRAIT ONE Group Vision 2030 as its business vision toward 2030 and the fifth Medium-term Management Plan for the five-year period started in the fiscal year ended March 31, 2023 or FY 2022. The Group has identified its growth areas, which are urban and regional development/corporate DX and GX, green energy business, software business, and global business as the "MIRAI (future) Domains" that it will focus on in the future.

In FY 2024, the Business Risk Management, newly established in April, has been regularly monitoring to prevent the recurrence of unprofitable projects through thorough risk checks on individual projects and optimal risk management in tackling challenges in new business areas. In addition, we have been fully engaged as a group in expanding our business in Japan and in carrying out full value type projects, in addition to cabling business in Asia and the provision of self-managed services in response to the increased demand for data centers in Japan and overseas.

Furthermore, we will accelerate the promotion of business synergies in the fields of "Zero Carbon City Business" and "Public Utility Infrastructure Management Business" through the trinity approach with SEIBU CONSTRUCTION CO., LTD. and Kokusai Kogyo Co., Ltd. Also, as our growth strategy for human resources, we continued to promote a flexible system for human resources that supports strategic personnel development and challenges while advancing MIRAIT ONE Smart Work/Life reforms.

In the Environmental and Social Innovation business, in addition to increases in renewable energy-related work, electrical and air conditioning work, civil engineering and water-related work, as well as construction and renovation work by SEIBU CONSTRUCTION CO., LTD. planning and consultation by Kokusai Kogyo Co., Ltd. also contributed to an increase in net sales, etc.

In the ICT Solutions business, the reactionary decline in large-scale projects for LAN and other work in the previous fiscal year and the decrease in sales of goods were offset by increases in DC and cloud work, global business, and software business. Moreover, we endeavored to expand net sales by consolidating and strengthening the ICT business through the collaboration of the three companies located in the Tohoku, Chugoku and Shikoku regions.

In the NTT business, in addition to net sales having turned to an increase on the back of access and mobile construction work, we strived to improve profit margins by enhancing operational efficiency in the facility operation business. Moreover, we merged five access-related group companies in January 2025, aiming to improve productivity and expand into new business areas.

In the Multi-carrier business, although sales fell on account of the ongoing restraint in capital investment and other factors, we worked to consolidate operations and optimize the division of operations in concerted efforts to boost profit margins. We also endeavored to secure profits by sharing and consolidating assets among the regional companies and MIRAIT ONE Corporation branches.

Furthermore, the Company flexibly repurchased its own shares (2.42 million shares, 5,000 million yen) to enhance shareholder returns, based on its flexible capital policy to respond to changes in the management environment. Meanwhile, treasury shares not intended for use were partially cancelled (3 million shares).

Consolidated financial results for the fiscal year ended March 31, 2025 amounted to the following:

- Orders received of 629,190 million yen (+14.6% year-on-year)
- Net sales of 578,599 million yen (+11.6% year-on-year)
- Operating profit of 27,985 million yen (+57.0% year-on-year)
- Ordinary profit of 27,470 million yen (+47.0% year-on-year)
- Profit attributable to owners of parent of 17,179 million yen (+37.0% year-on-year)

While posting extraordinary income from the sale of strategic-shareholdings and idle real estate carried out for the purpose of promoting the growth strategy from the balance sheet perspective and strengthening of the business portfolio, the Group also posted extraordinary losses from liquidation of global-related companies and will steadily reform its business structure toward "Beyond a Telecommunications Construction Company."

In addition, operating profit ratio came in at 4.8%, and ROE at 6.7%.

Business results by reporting segment are as mentioned below.

[Business Results of MIRAIT ONE]
MIRAIT ONE has made concerted efforts to expand electrical and air conditioning work as well as its green energy business in line with growing demand from data centers in Japan, in addition to firm sales in its NTT business, and despite the impact of continued capital investment constraint in the Multi-carrier business. The Company has also strived to streamline its business management structure by strengthening risk management to prevent the recurrence of large-scale unprofitable projects and by having merged five Group companies, among other measures. Consequently, orders received increased by 3.4% year-on-year to 309,368 million yen, net sales increased by 2.6% year-on-year to 305,113 million yen and operating profit rose by 128.6% year-on-year to 15,260 million yen.

[Business Results of Lantrovision]
In Lantrovision(S)Ltd Group ("Lantrovision"), the impact of data center demand growth in Singapore, Malaysia, Hong Kong, Taiwan and Indonesia, as well as yen depreciation, lifted orders received and net sales, although rising prices and labor shortages in these countries pushed labor costs higher. In the main market of Singapore, heated competition resulted in orders received of 43,420 million yen, up by 43.4% year-on-year, net sales of 34,317 million yen, up 24.6% year-on-year, and operating profit decreased by 6.9% year-on-year to 1,411 million yen.

[Business Results of TTK]

In TTK Co., Ltd. (“TTK”), although owing to area expansion for high-speed optical communication service and an increase in mobile work processes in the carrier business, TTK was buffeted by temporary suspensions and process extensions of large-scale public works projects in the non-carrier business. As a result, orders received decreased by 5.6% year-on-year, to 39,602 million yen, net sales were up by 0.8% year-on-year, to 37,934 million yen, and operating profit decreased by 12.0% year-on-year to 2,416 million yen.

[Business Results of SOLCOM]

In addition to growth in solar power and power storage station works, SOLCOM Co., Ltd. (“SOLCOM”) received orders for large-scale road information infrastructure works, significantly expanding orders in the non-carrier business. However, the impact of ongoing curbs to capital investment in the Multi-carrier business led to a decline in sales and an increase in large-scale works carried forward. As a result, orders received rose by 15.6% year-on-year, to 40,661 million yen, net sales were 33,397 million yen, down 0.4% year-on-year, and operating profit increased by 0.6% year-on-year to 1,407 million yen.

[Business Results of Shikokutsuken]

Shikokutsuken Co., Ltd. (“Shikokutsuken”) faced a decrease in orders for public works projects and private demand works for construction projects, etc., although it participated in PFI projects for common-use cable tunnels, saw increased optical equipment works and induction countermeasure works in the telecommunications business, and an increase in orders for terminal sales, etc., and also made efforts to enhance productivity. As a result, orders received were up by 9.5% year-on-year, to 27,551 million yen, net sales rose 8.6% year-on-year, to 25,097 million yen, and operating profit increased by 23.0% year-on-year to 3,039 million yen.

[Business Results of SEIBU CONSTRUCTION]

SEIBU CONSTRUCTION Co., Ltd. (“SEIBU CONSTRUCTION”) faced an increasingly difficult business environment due to an industry-wide shortage of workers, the application of overtime work caps, and rising prices, including labor costs. However, in addition to focusing on winning large orders from the public and private sectors amid a solid order environment, it made steady progress in private-sector construction projects. As a result, orders received were up by 52.9% year-on-year, to 98,973 million yen, net sales were 71,584 million yen, up by 6.9% year-on-year, and operating profit decreased by 11.4% year-on-year to 1,323 million yen.

[Business Results of MIRAIT ONE SYSTEMS]

MIRAIT ONE SYSTEMS Corporation (“MIRAIT ONE SYSTEMS”) focused its efforts on expanding business by strengthening the software business, developing software, and building and maintaining system infrastructure. In particular, MIRAIT ONE SYSTEMS endeavored to obtain orders for large new projects and for renewal projects. It also reduced costs through enhanced productivity and strengthened project management to manage risks. Consequently, orders received were up by 6.5% year-on-year, to 30,388 million yen, net sales were 29,989 million yen, up 11.2% year-on-year, and operating profit increased by 7.3% year-on-year to 2,033 million yen.

[Business Results of Kokusai Kogyo]

Kokusai Kogyo Co., Ltd. (“Kokusai Kogyo”) mainly engages in surveying, research, planning, and designing and will be responsible for upstream processes to realize “vertical integration” aimed at accelerating the Group’s full-value model. To promote Group synergies in the “Zero Carbon City Business” and “Public Utility Infrastructure Management Business,” Kokusai Kogyo focuses on the fields of decarbonization and national land resilience based on spatial information technology, and infrastructure maintenance and management DX, and actively engages in advanced technologies. Consequently, orders received amounted to 47,950 million yen, net sales were 49,529 million yen, and operating profit was 1,541 million yen.

(2) Overview of Financial Position for the Fiscal Year Ended March 31, 2025

Total assets at the end of the fiscal year ended March 31, 2025 amounted to 537,739 million yen, an increase of 17,779 million yen from the end of the previous fiscal year. This consisted of an increase in current assets of 16,543 million yen and an increase in non-current assets of 1,235 million yen. This was mainly due to an increase in notes receivable, accounts receivable from completed construction contracts and other, etc. in line with an increase in completed construction in current assets, and a decrease in deferred tax assets, despite an increase in buildings and structures and lease assets in non-current assets.

Total liabilities increased by 7,990 million yen to 267,862 million yen. This consisted of a decrease in current liabilities of 31,689 million yen and an increase in non-current liabilities of 39,679 million yen. This was mainly due to a decrease in short-term borrowings in current liabilities, and an increase of bonds payable in non-current liabilities.

Net assets increased by 9,788 million yen to 269,877 million yen. Although the Company paid dividends and repurchased its own shares, retained earnings increased by 10,677 million yen due to profit attributable to owners of parent of 17,179 million yen recorded during the fiscal year under review.

As a result of the above, the equity ratio at the end of the fiscal year ended March 31, 2025 was 48.6% (compared to 48.5% at the end of the previous fiscal year), and net assets per share was 2,914.94 yen.

(3) Overview of Cash Flows for the Fiscal Year Ended March 31, 2025

In the fiscal year ended March 31, 2025, cash and cash equivalents (hereinafter referred to as “funds”) increased by 3,333 million yen from the previous fiscal year to 51,350 million yen.

Cash flows by business activity and the underlying factors are described below.

1) Cash flow from operating activities

Net cash inflow from operating activities was 18,049 million yen (inflow of 33,625 million yen in the previous fiscal year). This was mainly attributable to income before income taxes of 27,961 million yen.

2) Cash flow from investment activities

Net cash outflow from investment activities was 9,370 million yen (outflow of 55,545 million yen in the previous fiscal year). This was mainly attributable to the decrease in funds of 5,694 million yen due to purchases of property, plant and equipment, and in funds of 2,070 million yen due to purchases of intangible assets and the payment of 5,094 million yen for the acquisition of subsidiaries shares with changes in the scope of consolidation.

3) Cash flow from financing activities

Net cash outflow from financing activities was 6,412 million yen (inflow of 38,816 million yen in the previous year). This was mainly attributable to the decrease in funds of share repurchases of 4,987 million yen and in funds of dividend payments of 6,422 million yen.

(Reference) Trends in the Group's cash flow indicators

	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 ratio	63.1	55.6	56.5	48.5	48.6
Marked-to-market equity ratio	51.6	44.5	36.2	33.8	36.3
Ratio of cash flow to interest-bearing debt	24.5	462.4	1,149.6	348.2	706.4
Interest coverage ratio	844.3	321.6	29.5	159.2	27.2

(Notes) 1. Calculation methods for each indicator are as follows:
Equity ratio: Equity / Total assets
Marked-to-market equity ratio: Total market capitalization / Total assets
Ratio of cash flow to interest-bearing debt: Interest-bearing debt / Cash flows
Interest coverage ratio: Cash flows / Interest payment
2. All indicators are calculated based on consolidated financial data.
3. Total market capitalization is calculated by multiplying the closing share price as at the end of the fiscal year by the number of shares outstanding as at the end of the fiscal year (after deducting treasury stock).
4. Cash flow used for the purposes of the calculation is the cash flow from operating activities as reported in the Consolidated Statement of Cash Flows.
5. Interest-bearing debt includes all liabilities reported in the Consolidated Balance Sheets for which interest is paid. Interest payment is the amount of interest paid as reported in the Consolidated Statement of Cash Flows.

(4) Future Outlook

As for the consolidated financial performance in the fiscal year ending March 31, 2026, the outlook is uncertain due to the impact of trends in U.S. policy, such as with trade policy, and the prolonged situations in Ukraine and the Middle East. However, as a year to establish a foundation for the Group's growth toward achieving the Medium-term Management Plan, we will promote strategic personnel development that underpins business growth and conduct a sustained strengthening of our management foundation, led by risk management, and in this way, will further expand the data center-related business and seize upon business synergies gained from the trinity formed with SEIBU CONSTRUCTION CO., LTD. and Kokusai Kogyo Co., Ltd. Based on these efforts, including top-line expansion and the promotion of data insight-driven management that will further raise productivity, for the consolidated financial performance in the fiscal year ending March 31, 2026, we forecast the following:

- Orders received of 630.0 billion yen (+0.1% year-on-year);
- Net sales of 620.0 billion yen (+7.2% year-on-year);
- Operating profit of 34.0 billion yen (+21.5% year-on-year);
- Ordinary profit of 34.0 billion yen (+23.8% year-on-year) and
- Profit attributable to owners of parent of 21.0 billion yen (+22.2% year-on-year).

2. Basic Approach Concerning the Selection of Accounting Policies

The MIRAIT Group operates its businesses primarily in Japan. Hence, the policy of the Company is to prepare its consolidated financial statements based on Japanese accounting standards for the time being.

The Company will respond appropriately based on developments of its overseas businesses and the situation with other Japanese companies in applying IFRS (International Financial Reporting Standards).

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	50,036	53,475
Notes receivable, accounts receivable from completed construction contracts and other	205,212	222,859
Investments in leases	5,416	6,383
Costs on construction contracts in progress	31,097	29,174
Prepaid expenses	1,626	1,784
Accounts receivable - other	3,803	3,485
Other	7,696	4,279
Allowance for doubtful accounts	(237)	(247)
Total current assets	304,651	321,194
Non-current assets		
Property, plant and equipment		
Buildings and structures	72,412	74,432
Machinery, vehicles, tools, furniture and fixtures	27,538	26,237
Land	36,114	36,762
Leased assets	11,592	14,211
Construction in progress	1,620	2,519
Accumulated depreciation	(49,168)	(53,054)
Total property, plant and equipment	100,110	101,109
Intangible assets		
Customer related assets	29,900	32,105
Goodwill	38,570	37,585
Software	1,412	5,631
Software in progress	5,612	1,042
Other	169	217
Total intangible assets	75,666	76,582
Investments and other assets		
Investment securities	19,454	19,397
Retirement benefit asset	11,241	12,159
Deferred tax assets	3,396	270
Leasehold and guarantee deposits	2,655	3,272
Other	3,142	4,125
Allowance for doubtful accounts	(357)	(372)
Total investments and other assets	39,532	38,852
Total non-current assets	215,309	216,544
Total assets	519,960	537,739

(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	64,011	66,481
Short-term borrowings	75,148	42,596
Lease obligations	3,539	4,463
Accounts payable - other	6,110	5,639
Income taxes payable	5,347	6,675
Advances received on construction contracts in progress	11,261	6,713
Provision for loss on construction contracts	1,490	1,636
Provision for loss on orders received	125	118
Provision for bonuses	10,920	10,962
Provision for bonuses for directors (and other officers)	152	121
Provision for warranties for completed construction	1,074	161
Provision for loss on closing subsidiaries and affiliates	–	681
Other	13,490	14,731
Total current liabilities	192,672	160,983
Non-current liabilities		
Bonds payable	–	30,000
Long-term borrowings	31,003	40,495
Lease obligations	7,402	9,937
Deferred tax liabilities	7,593	5,706
Deferred tax liabilities for land revaluation	28	28
Provision for retirement benefits for directors (and other officers)	97	53
Provision for share-based payments	437	529
Retirement benefit liability	18,686	17,594
Asset retirement obligations	1,450	1,681
Other	500	852
Total non-current liabilities	67,199	106,879
Total liabilities	259,872	267,862
Net assets		
Shareholders' equity		
Share capital	7,000	7,000
Capital surplus	45,775	40,155
Retained earnings	190,849	201,526
Treasury shares	(3,793)	(2,934)
Total shareholders' equity	239,832	245,748
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,674	3,604
Revaluation reserve for land	(85)	(85)
Foreign currency translation adjustment	4,256	6,927
Remeasurements of defined benefit plans	4,301	5,305
Total accumulated other comprehensive income	12,146	15,753
Non-controlling interests	8,109	8,375
Total net assets	260,088	269,877
Total liabilities and net assets	519,960	537,739

(2) Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	518,384	578,599
Cost of sales	456,601	493,748
Gross profit	61,782	84,851
Selling, general and administrative expenses	43,952	56,866
Operating profit	17,830	27,985
Non-operating income		
Interest income	328	320
Dividend income	377	412
Foreign exchange gains	379	–
Rental income from real estate	174	187
Surrender value of insurance policies	138	153
Other	334	535
Total non-operating income	1,734	1,610
Non-operating expenses		
Interest expenses	208	662
Share of loss of entities accounted for using equity method	169	621
Foreign exchange losses	–	446
Commission expenses	119	33
Fair value adjustment of contingent consideration	181	–
Other	194	361
Total non-operating expenses	874	2,124
Ordinary profit	18,690	27,470
Extraordinary income		
Gain on sale of non-current assets	190	1,157
Gain on sale of investment securities	1,957	892
Other	108	65
Total extraordinary income	2,255	2,115
Extraordinary losses		
Loss on sale of non-current assets	11	222
Loss on retirement of non-current assets	166	144
Loss on valuation of investment securities	202	88
Loss on liquidation of subsidiaries and associates	–	811
Other	77	357
Total extraordinary losses	457	1,624
Profit before income taxes	20,488	27,961

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Income taxes - current	7,749	10,707
Income taxes - deferred	(402)	(622)
Total income taxes	7,347	10,085
Profit	13,141	17,876
Profit attributable to		
Profit attributable to non-controlling interests	606	696
Profit attributable to owners of parent	12,535	17,179
Other comprehensive income		
Valuation difference on available-for-sale securities	969	(60)
Revaluation reserve for land	13	–
Foreign currency translation adjustment	1,357	2,404
Remeasurements of defined benefit plans, net of tax	2,714	989
Share of other comprehensive income of entities accounted for using equity method	318	265
Total other comprehensive income	5,374	3,598
Comprehensive income	18,515	21,475
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	17,857	20,786
Comprehensive income attributable to non-controlling interests	658	688

(3) Consolidated Statement of Changes in Net Assets

Fiscal year ended March 31, 2024 (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	7,000	61,280	184,041	(12,329)	239,993
Changes during period					
Dividends of surplus			(5,727)		(5,727)
Profit attributable to owners of parent			12,535		12,535
Purchase of treasury shares				(7,537)	(7,537)
Disposal of treasury shares		9		561	571
Cancellation of treasury shares		(15,512)		15,512	—
Change in scope of consolidation					—
Change in ownership interest of parent due to transactions with non-controlling interests		(2)			(2)
Net changes in items other than shareholders' equity					
Total changes during period	—	(15,505)	6,807	8,536	(161)
Balance at end of period	7,000	45,775	190,849	(3,793)	239,832

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,729	(98)	2,555	1,638	6,824	7,487	254,305
Changes during period							
Dividends of surplus							(5,727)
Profit attributable to owners of parent							12,535
Purchase of treasury shares							(7,537)
Disposal of treasury shares							571
Cancellation of treasury shares							—
Change in scope of consolidation							—
Change in ownership interest of parent due to transactions with non-controlling interests							(2)
Net changes in items other than shareholders' equity	944	13	1,700	2,662	5,322	621	5,944
Total changes during period	944	13	1,700	2,662	5,322	621	5,782
Balance at end of period	3,674	(85)	4,256	4,301	12,146	8,109	260,088

Fiscal year ended March 31, 2025 (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	7,000	45,775	190,849	(3,793)	239,832
Changes during period					
Dividends of surplus			(6,433)		(6,433)
Profit attributable to owners of parent			17,179		17,179
Purchase of treasury shares				(4,987)	(4,987)
Disposal of treasury shares		0		50	50
Cancellation of treasury shares		(5,795)		5,795	—
Change in scope of consolidation			(68)		(68)
Change in ownership interest of parent due to transactions with non-controlling interests		175			175
Net changes in items other than shareholders' equity					
Total changes during period	—	(5,619)	10,677	858	5,916
Balance at end of period	7,000	40,155	201,526	(2,934)	245,748

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	3,674	(85)	4,256	4,301	12,146	8,109	260,088
Changes during period							
Dividends of surplus							(6,433)
Profit attributable to owners of parent							17,179
Purchase of treasury shares							(4,987)
Disposal of treasury shares							50
Cancellation of treasury shares							—
Change in scope of consolidation							(68)
Change in ownership interest of parent due to transactions with non-controlling interests							175
Net changes in items other than shareholders' equity	(69)	—	2,671	1,004	3,606	266	3,872
Total changes during period	(69)	—	2,671	1,004	3,606	266	9,788
Balance at end of period	3,604	(85)	6,927	5,305	15,753	8,375	269,877

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	20,488	27,961
Depreciation	8,511	11,264
Amortization of goodwill	1,750	2,488
Share of loss (profit) of entities accounted for using equity method	169	621
Increase (decrease) in allowance for doubtful accounts	220	25
Increase (decrease) in provision for bonuses	1,401	41
Increase (decrease) in provision for loss on construction contracts	757	79
Increase (decrease) in other provisions	998	276
Remeasurements of defined benefit plans	2,662	1,004
Increase (decrease) in net defined benefit asset and liability	(3,850)	(2,010)
Interest and dividend income	(706)	(733)
Interest expenses	208	662
Foreign exchange losses (gains)	(349)	442
Loss (gain) on sale of investment securities	(1,957)	(892)
Loss (gain) on sale and retirement of non-current assets	(12)	(790)
Decrease (increase) in trade receivables	5,789	(15,614)
Decrease (increase) in costs on construction contracts in progress	799	2,104
Increase (decrease) in trade payables	(7,141)	1,614
Increase (decrease) in advances received on construction contracts in progress	5,950	(5,322)
Increase (decrease) in accrued consumption taxes	(7)	2,336
Decrease (increase) in consumption taxes refund receivable	134	1,541
Increase/decrease in other assets/liabilities	2,912	(1,021)
Other, net	754	(40)
Subtotal	39,485	26,040
Interest and dividends received	730	762
Interest paid	(211)	(664)
Income taxes paid	(6,379)	(8,088)
Net cash provided by (used in) operating activities	33,625	18,049

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Payments into time deposits	(994)	(1,385)
Proceeds from withdrawal of time deposits	1,294	1,137
Purchase of property, plant and equipment	(6,009)	(5,694)
Proceeds from sale of property, plant and equipment	386	3,070
Purchase of intangible assets	(2,484)	(2,070)
Purchase of investment securities	(58)	(170)
Proceeds from sale of investment securities	2,592	1,249
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(49,863)	(5,094)
Net decrease (increase) in short-term loans receivable	(261)	297
Proceeds from cancellation of insurance funds	161	233
Other, net	(307)	(942)
Net cash provided by (used in) investing activities	(55,545)	(9,370)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	53,496	(32,540)
Proceeds from long-term borrowings	–	10,000
Repayments of long-term borrowings	(50)	(644)
Proceeds from issuance of bonds	–	30,000
Purchase of treasury shares	(7,537)	(4,987)
Decrease (increase) in deposits for purchase of treasury shares	17	985
Dividends paid	(5,725)	(6,422)
Dividends paid to non-controlling interests	(155)	(100)
Repayments of finance lease obligations	(1,747)	(2,280)
Other, net	518	(423)
Net cash provided by (used in) financing activities	38,816	(6,412)
Effect of exchange rate change on cash and cash equivalents	720	1,066
Net increase (decrease) in cash and cash equivalents	17,617	3,333
Cash and cash equivalents at beginning of period	30,399	48,017
Cash and cash equivalents at end of period	48,017	51,350

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27; October 28, 2022; hereinafter, "2022 Revised Accounting Standard"), etc. from the beginning of the consolidated fiscal year under review.

Revisions concerning the recognition classification of income taxes (imposed on other comprehensive income) follow the transitional treatment set forth in the proviso of paragraph 20-3 of the 2022 Revised Accounting Standard and in the proviso of paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28; October 28, 2022; hereinafter, "2022 Revised Guidance").

Regarding the revisions related to the review of treatment in consolidated financial statements when conducting a tax deferral of gains or losses on sales arising from the sale of subsidiary shares, etc. between consolidated companies, the Company has applied 2022 Revised Guidance from the beginning of the consolidated fiscal year under review.

This change in accounting policy has no impact on the consolidated financial statements.

(Segment information)

[Segment information]

1. Description of reportable segments

(1) Method of determining reportable segments

The reportable segments of the Company are individual units for which separate financial information is available, and that are subject to a periodic review by the Board of Directors for the purposes of determining the allocation of management resources and evaluating performance.

The MIRAIT ONE Group, the business groups, which are centered on the business companies, form comprehensive strategies and engage in activities for their respective businesses.

Hence, the eight reportable segments of the Company are "MIRAIT ONE", "Lantrovision", "TTK", "SOLCOM", "Shikokutsuken", "SEIBU CONSTRUCTION", "MIRAIT ONE SYSTEMS" and "Kokusai Kogyo"

(2) Types of products and services attributable to each reportable segment

"MIRAIT ONE," "TTK," "SOLCOM" and "Shikokutsuken" engage in the Environmental and Social Innovation business, ICT solutions business and Telecommunications infrastructure business. "Lantrovision" and "MIRAIT ONE SYSTEMS" engage in the ICT solutions business. "SEIBU CONSTRUCTION" and "Kokusai Kogyo" engage in the Environmental and Social Innovation business.

2. Method of calculating sales, income, assets and other items for each reportable segment

Accounting methods applied to the reportable business segments are generally in line with those applied to the consolidated financial statements.

Segment income reflects the operating income for each reportable segment. Internal revenue and transfers between segments are based on actual market prices.

3. Sales and income, assets and other items by reportable segment
Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(million yen)

	Reportable segment							
	MIRAIT ONE	Lantrovision	TTK	SOLCOM	Shikoku tsuken	SEIBU CONSTRUCTION	MIRAIT ONE SYSTEMS	Kokusai Kogyo
Net sales								
Net sales to external customers	295,861	27,512	37,306	33,327	23,044	65,283	23,011	13,037
Inter-segment sales or transfers	1,619	30	344	219	62	1,679	3,958	—
Total	297,481	27,542	37,650	33,547	23,107	66,962	26,970	13,037
Segment income	6,676	1,517	2,745	1,399	2,471	1,493	1,894	604
Segment assets	266,040	33,656	34,698	41,812	24,201	89,395	11,013	78,160
Other items								
Depreciation and amortization	4,732	865	738	645	181	712	135	500
Increase in property, plant and equipment and intangible assets	6,211	1,065	1,298	1,077	186	141	102	375

	Total	Adjustments (Note 1)	Amount in Consolidated Financial Statements (Note 2)
Net sales			
Net sales to external customers	518,384	—	518,384
Inter-segment sales or transfers	7,915	(7,915)	—
Total	526,300	(7,915)	518,384
Segment income	18,801	(970)	17,830
Segment assets	578,979	(59,018)	519,960
Other items			
Depreciation and amortization	8,511	—	8,511
Increase in property, plant and equipment and intangible assets	10,459	—	10,459

(Notes) 1. The amounts adjusted are as follows:

(1) Adjustments for segment income in the amount of (970) million yen include adjustments for retirement benefits in the amount of (484) million yen, respectively.

(2) Adjustments for segment assets in the amount of (59,018) million yen include the netting of receivables in the amount of (51,035) million yen.

2. Segment income is adjusted to the operating income reported in the Consolidated Statement of Income and Comprehensive Income.

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

(million yen)

	Reportable segment							
	MIRAIT ONE	Lantrovision	TTK	SOLCOM	Shikoku tsuken	SEIBU CONSTRUCTION	MIRAIT ONE SYSTEMS	Kokusai Kogyo
Net sales								
Net sales to external customers	302,152	34,317	37,657	33,340	25,079	71,203	25,325	49,522
Inter-segment sales or transfers	2,961	—	276	57	17	380	4,664	6
Total	305,113	34,317	37,934	33,397	25,097	71,584	29,989	49,529
Segment income	15,260	1,411	2,416	1,407	3,039	1,323	2,033	1,541
Segment assets	278,055	36,443	36,056	42,722	25,414	88,607	12,069	79,164
Other items								
Depreciation and amortization	6,035	897	650	653	191	717	158	1,961
Increase in property, plant and equipment and intangible assets	4,390	1,124	1,409	2,064	146	151	192	821

	Total	Adjustments (Note 1)	Amount in Consolidated Financial Statements (Note 2)
Net sales			
Net sales to external customers	578,599	—	578,599
Inter-segment sales or transfers	8,363	(8,363)	—
Total	586,963	(8,363)	578,599
Segment income	28,434	(448)	27,985
Segment assets	598,532	(60,793)	537,739
Other items			
Depreciation and amortization	11,264	—	11,264
Increase in property, plant and equipment and intangible assets	10,301	—	10,301

(Notes) 1. The amounts adjusted are as follows:

(1) Adjustments for segment income in the amount of (448) million yen include adjustments for retirement benefits in the amount of (460) million yen, respectively.

(2) Adjustments for segment assets in the amount of (60,793) million yen include the netting of receivables in the amount of (49,857) million yen.

2. Segment income is adjusted to the operating income reported in the Consolidated Statement of Income and Comprehensive Income.

(Associated information)

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

1. Information for individual products and services

(million yen)

	Environmental and social innovation business	ICT solutions business	Telecommunications infrastructure business	Total
Net sales to external customers	143,806	143,133	231,445	518,384

2. Information for individual regions

(1) Net sales

Information on net sales for individual regions is omitted given that sales to domestic external customers account for more than 90% of net sales reported in the Consolidated Statement of Income and Comprehensive Income.

(2) Property, plant and equipment

Information on property, plant and equipment for individual regions is omitted given that domestic assets represent more than 90% of property, plant and equipment as reported in the Consolidated Balance Sheet.

3. Information regarding major customers

(million yen)

Name of customer	Net sales	Associated business segments
Nippon Telegraph and Telephone East Corporation	86,791	MIRAIT ONE TTK
Nippon Telegraph and Telephone West Corporation	58,685	MIRAIT ONE SOLCOM Shikokutsuken MIRAIT ONE SYSTEMS
NTT DOCOMO, INC.	25,976	MIRAIT ONE TTK SOLCOM Shikokutsuken MIRAIT ONE SYSTEMS

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

1. Information for individual products and services

(million yen)

	Environmental and social innovation business	ICT solutions business	Telecommunications infrastructure business	Total
Net sales to external customers	203,771	143,274	231,554	578,599

2. Information for individual regions

(1) Net sales

Information on net sales for individual regions is omitted given that sales to domestic external customers account for more than 90% of net sales reported in the Consolidated Statement of Income and Comprehensive Income.

(2) Property, plant and equipment

Information on property, plant and equipment for individual regions is omitted given that domestic assets represent more than 90% of property, plant and equipment as reported in the Consolidated Balance Sheet.

3. Information regarding major customers

(million yen)

Name of customer	Net sales	Associated business segments
Nippon Telegraph and Telephone East Corporation	86,964	MIRAIT ONE TTK MIRAIT ONE SYSTEMS Kokusai Kogyo
Nippon Telegraph and Telephone West Corporation	60,149	MIRAIT ONE SOLCOM Shikokutsuken MIRAIT ONE SYSTEMS Kokusai Kogyo
NTT DOCOMO, INC.	33,517	MIRAIT ONE TTK SOLCOM Shikokutsuken MIRAIT ONE SYSTEMS Kokusai Kogyo

(Segment information for impairment of non-current assets)

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

Omitted due to immateriality.

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

Omitted due to immateriality.

(Segment information for amortized and outstanding amounts of goodwill)

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

(million yen)

	Reportable segment								
	MIRAIT ONE	Lantrovision	TTK	SOLCOM	Shikoku tsuken	SEIBU CONSTRUCTION	MIRAIT ONE SYSTEMS	Kokusai Kogyo	Total
(Goodwill) Amortized amount	116	416	13	—	72	888	—	242	1,750
Balance at end of current period	1,070	2,312	14	—	—	15,993	—	19,179	38,570

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

(million yen)

	Reportable segment								
	MIRAIT ONE	Lantrovision	TTK	SOLCOM	Shikoku tsuken	SEIBU CONSTRUCTION	MIRAIT ONE SYSTEMS	Kokusai Kogyo	Total
(Goodwill) Amortized amount	165	451	11	—	—	888	—	971	2,488
Balance at end of current period	2,225	2,042	2	—	—	15,105	—	18,208	37,585

(Per share information)

	Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)
Net assets per share	2,735.90 yen	2,914.94 yen
Net income per share	133.34 yen	189.40 yen

(Note) The basis for calculating net income per share and diluted net income per share is as follows:

	Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)
Net income per share		
Net income attributable to owners of parent (million yen)	12,535	17,179
Net income not attributable to common shareholders (million yen)	-	-
Net income attributable to owners of parent attributable to common stock (million yen)	12,535	17,179
Average number of outstanding shares of common stock during the fiscal year (thousand shares)	94,012	90,702

(Note) 1. The diluted net income per share for the consolidated fiscal year under review is not stated because there are no dilutive shares outstanding.

2. In calculating net income per share, treasury shares held in trust accounted for in shareholder's equity are included in the number of own shares which is deducted from the average number of outstanding shares of common stock for the fiscal year. For the fiscal year ended March 31, 2025, the average number of own shares outstanding deducted for the purposes of calculating net income per share was 550,539. The average number of own shares at the end of the fiscal year ended March 31, 2024 was 533,286.

(Significant subsequent events)

On May 13, 2025, the Board of Directors of the Company resolved to repurchase its own shares pursuant to Article 156 of the Companies Act of Japan, applied pursuant to Paragraph 3, Article 165 of the Companies Act.

1. Reasons for share repurchase
   To enhance shareholder return and to facilitate flexible implementation of capital policy in response to changes in the business environment.
2. Type of shares to be repurchased
   Common stock
3. Total number of shares to be repurchased
   Up to 2,000,000 shares (2.2% of outstanding shares excluding treasury stock)
4. Total repurchase amount
   Up to 3.0 billion yen
5. Repurchase period
   May 14, 2025 to September 30, 2025
6. Repurchase method
   Market purchases on the Tokyo Stock Exchange