

**Consolidated Financial Results for the
First Three Quarters of the Fiscal Year Ending March 31, 2026
[Japanese GAAP]**

Company: Hibiya Engineering, Ltd.

Stock exchange listing: Tokyo Stock Exchange (Prime Market)

Stock code: 1982

URL: <https://www.hibiya-eng.co.jp/English>

Representative Director: Hidetaka Nakagita, President and CEO

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Scheduled date to commence dividend payments: —

Preparation of supplementary explanatory documents: Yes

Holding of earnings presentation: No

(Yen in millions, rounded down, figures in parentheses indicate negative amounts or percentages.)

1. Consolidated financial results for the first three quarters of the fiscal year ending March 31, 2026 (April 1, 2025–December 31, 2025)

(1) Consolidated result of operations (Year-to-date) (Percentage figures represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
First three quarters ended December 31, 2025	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2025	64,336	13.3	6,539	85.3	7,230	76.3	5,144	65.6
December 31, 2024	56,799	5.0	3,529	78.2	4,100	55.1	3,106	65.8

Note: Comprehensive income: First three quarters of FY3/26: 9,109 million yen [374.8%]
First three quarters of FY3/25: 1,918 million yen [(50.0)%]

	Basic earnings per share	Diluted earnings per share
First three quarters ended December 31, 2025	Yen	Yen
December 31, 2025	236.86	235.94
December 31, 2024	138.91	138.32

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of December 31, 2025	Million yen	Million yen	%	Yen
December 31, 2025	104,158	76,691	72.4	3,498.79
March 31, 2025	99,915	71,684	70.6	3,202.02

Reference: Equity (Shareholders equity + Accumulated other comprehensive income):

As of December 31, 2025: 75,443 million yen

As of March 31, 2025: 70,500 million yen

2. Dividends

	Annual dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
Fiscal year ended March 31, 2025	Yen —	Yen 44.00	Yen —	Yen 50.00	Yen 94.00
Fiscal year ending March 31, 2026	—	50.00	—		
Fiscal year ending March 31, 2026 (forecast)				40.00	—

Note: Change in the forecast of dividends from the latest announcement: Yes

At the Board of Directors' meeting held today (February 10, 2026), Hibiya Engineering, Ltd. (the "Company") resolved to conduct a two-for-one stock split of its common shares, with April 1, 2026 as the effective date.

Regarding the year-end dividend per share for the fiscal year ending March 31, 2026, assuming the stock split is not taken into account, the Company plans to pay 80 yen per share, an increase of 30 yen from the previous forecast of 50 yen per share announced on May 13, 2025. This will result in an annual dividend of 130 yen.

The year-end dividend per share for the fiscal year ending March 31, 2026 (forecast) shown in the table above reflects the impact of the stock split, and the total annual dividend is indicated as “—”.

For details, please refer to “Notice of Revision to Financial Results Forecast and Dividend Forecast (Dividend Increase) for Fiscal Year Ending March 31, 2026, and Stock Split” announced today (February 10, 2026).

3. Consolidated forecast for the fiscal year ending March 31, 2026 (April 1, 2025–March 31, 2026)

(Percentage figures represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	94,300	5.0	9,400	26.1	10,200	25.3	7,300	23.6	160.00

Note: Change in the forecast from the latest announcement: Yes

Basic earnings per share in the consolidated forecasts for the fiscal year ending March 31, 2026 is calculated assuming that the two-for-one stock split of common shares with April 1, 2026 as the effective date was conducted at the beginning of the fiscal year ending March 31, 2026. If the stock split were not taken into account, basic earnings per share would be 320.00 yen.

For details, please refer to “Notice of Revision to Financial Results Forecast and Dividend Forecast (Dividend Increase) for Fiscal Year Ending March 31, 2026, and Stock Split” announced today (February 10, 2026).

* Notes

- (1) Significant changes in the scope of consolidation during the period: No
- (2) Use of accounting methods specifically for the preparation of the quarterly consolidated financial statements: No
- (3) Changes in accounting policies, accounting estimates, and restatement
 - (a) Changes in accounting policies due to revisions of accounting standards and other regulations: No
 - (b) Changes in accounting policies due to reasons other than (a): No
 - (c) Changes in accounting estimates: No
 - (d) Restatement: No
- (4) Number of shares issued (common shares)
 - (a) Total number of shares issued at the end of the period (including treasury shares)

As of December 31, 2025: 23,756,321	As of March 31, 2025: 23,756,321
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 - (b) Number of treasury shares at the end of the period

As of December 31, 2025: 2,193,717	As of March 31, 2025: 1,738,774
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 - (c) Average number of shares outstanding during the period

Period ended December 31, 2025: 21,718,668	Period ended December 31, 2024: 22,365,482
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Review of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

Forward-looking statements, important notes, etc.

The forward-looking statements such as the forecasts of financial results stated in this report are based on the information currently available to the Company and certain assumptions that the Company judges as rational. These statements are not guarantees of future performance. Actual results may be materially different from the above forecasts for a number of reasons. For more information about these assumptions and other conditions that form the basis of these forecasts, please see page 2 of the Supplementary Information, “1. Results of Operations etc., (3) Forecast for the fiscal year ending March 31, 2026.”

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1. Results of Operations etc.

(1) Overview of quarterly consolidated business performance

During the first three quarters of the fiscal year ending March 31, 2026 ("the fiscal year under review"), although the economic outlook appears uncertain due to continued price increases, the potential impact on the domestic economy of U.S. trade policy and fluctuations in the financial and capital markets, the Japanese economy showed gradual recovery due to the improved employment and income environment and the effects of government policies.

In the domestic construction industry, demand remained generally solid, supported by public investment such as infrastructure replacement, as well as private-sector investment in urban redevelopment, data centers, and semiconductors. Meanwhile, it is necessary to continue carefully watching situations such as persistently high material and equipment prices, rising labor costs, and the difficulty of securing human resources.

Under these circumstances, the Hibiya Engineering Group (the "Group"), as set forth in its 8th Medium-term Management Plan, marketed data center construction and urban redevelopment, among other offerings; drove the carbon neutrality business including ZEB renovations and energy-saving solutions; sought enhancement of construction efficiency through BIM, front-loading, and off-site construction; strengthened partnerships by revising payment methods to business partners; improved human capital value by enhancing recruiting activities and promoting women's participation; and also promoted group-wide digital transformation (DX) by utilizing generative AI.

As a result of these initiatives, orders received amounted to 85,952 million yen (up 48.4% year on year), reflecting the continued strategic implementation of marketing activities.

Net sales were 64,336 million yen (up 13.3% year on year) partly due to steady progress in order backlogs.

On the profit front, as a result of initiatives to improve productivity and profitability based on the construction technologies cultivated to date, gross profit was 13,614 million yen (up 34.3% year on year), operating profit came to 6,539 million yen (up 85.3% year on year), and ordinary profit amounted to 7,230 million yen (up 76.3% year on year). Profit attributable to owners of parent increased to 5,144 million yen (up 65.6% year on year).

(2) Overview of quarterly financial position

Assets

The Group's total assets at the end of the third quarter of the fiscal year under review stood at 104,158 million yen, an increase of 4,243 million yen from the end of the previous fiscal year.

The assets increased primarily due to increases of 7,286 million yen in cash and deposits and 5,678 million yen in investment securities resulting from an increase in the market value of listed shares, partially offset by decreases of 11,151 million yen in notes receivable, accounts receivable from completed construction contracts and other due to collection of construction fees from suppliers.

Liabilities

At the end of the third quarter of the fiscal year under review, the Group's total liabilities amounted to 27,467 million yen, down 763 million yen from the end of the previous fiscal year.

The decline in liabilities is primarily due to a decrease of 5,872 million yen in notes payable, accounts payable for construction contracts and other, in particular due to payments to suppliers, partially offset by an increase of 3,670 million yen in advances received on construction contracts in progress due to the receipt of construction fees from clients.

Net assets

The Group's net assets totaled 76,691 million yen at the end of the third quarter of the fiscal year under review, an increase of 5,006 million yen from the end of the previous fiscal year.

Net assets increased primarily due to a 2,914 million yen increase in retained earnings arising from the posting of 5,144 million yen as profit attributable to owners of parent, partially offset by a decrease therein after the payment of dividends and the repurchase of treasury shares.

(3) Forecast for the fiscal year ending March 31, 2026

Regarding the forecast for consolidated results of operations for the fiscal year ending March 31, 2026, the Company has revised the forecast previously announced on May 13, 2025, in light of recent performance trends and other factors. For details of the revision of the forecast, please refer to "Notice Concerning Revisions to Full-Year Earnings and Dividend Forecasts for the Fiscal Year Ending March 31, 2026, and Stock Split" announced today (February 10, 2026).

2. Quarterly Consolidated Financial Statements and Important Notes

(1) Quarterly consolidated balance sheet

	Fiscal year ended March 31, 2025 (As of March 31, 2025)	First three quarters ended December 31, 2025 (As of December 31, 2025)	(Million yen)
Assets			
Current assets			
Cash and deposits	19,781	27,068	
Notes receivable, accounts receivable from completed construction contracts and other	41,560	30,408	
Electronically recorded monetary claims – operating	2,494	2,799	
Securities	6,992	6,984	
Costs on construction contracts in progress	1,663	2,039	
Other	395	2,226	
Allowance for doubtful accounts	(1)	(1)	
Total current assets	72,886	71,523	
Noncurrent assets			
Property, plant and equipment	876	843	
Intangible assets	260	288	
Investments and other assets			
Investment securities	20,379	26,057	
Other	5,554	5,476	
Allowance for doubtful accounts	(43)	(31)	
Total investments and other assets	25,891	31,502	
Total noncurrent assets	27,028	32,634	
Total assets	99,915	104,158	

	Fiscal year ended March 31, 2025 (As of March 31, 2025)	First three quarters ended December 31, 2025 (As of December 31, 2025)	(Million yen)
Liabilities			
Current liabilities			
Notes payable, accounts payable for construction contracts and other	15,841	9,968	
Income taxes payable	2,613	1,167	
Advances received on construction contracts in progress	433	4,103	
Provision for bonuses	3,624	1,801	
Provision for warranties for completed construction	104	100	
Provision for loss on construction contracts	73	63	
Other	3,846	6,023	
Total current liabilities	26,536	23,230	
Noncurrent liabilities			
Retirement benefit liability	416	324	
Other	1,277	3,912	
Total noncurrent liabilities	1,694	4,237	
Total liabilities	28,230	27,467	
Net assets			
Shareholders' equity			
Share capital	5,753	5,753	
Capital surplus	6,140	6,140	
Retained earnings	55,458	58,372	
Treasury shares	(4,309)	(6,170)	
Total shareholders' equity	63,041	64,095	
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	7,354	11,220	
Remeasurements of defined benefit plans	104	127	
Total accumulated other comprehensive income	7,458	11,347	
Share acquisition rights	177	166	
Non-controlling interests	1,005	1,081	
Total net assets	71,684	76,691	
Total liabilities and net assets	99,915	104,158	

(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income
 (Quarterly consolidated statement of income)

(Million yen)

	First three quarters ended December 31, 2024 (April 1, 2024–December 31, 2024)	First three quarters ended December 31, 2025 (April 1, 2025–December 31, 2025)
Net sales	56,799	64,336
Cost of sales	46,659	50,722
Gross profit	10,140	13,614
Selling, general and administrative expenses	6,611	7,074
Operating profit	3,529	6,539
Non-operating income		
Interest income	34	80
Dividend income	396	423
Gain on investments in silent partnerships	74	86
Other	71	115
Total non-operating income	577	705
Non-operating expenses		
Other	5	14
Total non-operating expenses	5	14
Ordinary profit	4,100	7,230
Extraordinary income		
Gain on sale of investment securities	520	344
Total extraordinary income	520	344
Profit before income taxes	4,621	7,574
Income taxes - current	928	1,609
Income taxes - deferred	554	788
Total income taxes	1,482	2,397
Profit	3,139	5,176
Profit attributable to non-controlling interests	32	32
Profit attributable to owners of parent	3,106	5,144

(Quarterly consolidated statement of comprehensive income)

(Million yen)

	First three quarters ended December 31, 2024 (April 1, 2024–December 31, 2024)	First three quarters ended December 31, 2025 (April 1, 2025–December 31, 2025)
Profit	3,139	5,176
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,311)	3,910
Remeasurements of defined benefit plans, net of tax	90	23
Total other comprehensive income	(1,220)	3,933
Comprehensive income	1,918	9,109
Comprehensive income attributable to:		
Owners of parent	1,909	9,033
Non-controlling interests	8	76

(3) Notes to quarterly consolidated financial statements

(Segment information etc.)

First three quarters ended December 31, 2024 (April 1, 2024–December 31, 2024)

Information about net sales and profit or loss by reportable segment

	Construction	Equipment Sales	Equipment Manufacturing	Total	Adjustments (Note 1)	(Million yen) Amount on the quarterly consolidated statement of income (Note 2)
Net sales						
Goods or service transferred at a point in time (Note 3)	5,957	4,605	1,593	12,156	–	12,156
Product or service transferred over time	44,643	–	–	44,643	–	44,643
Revenue from contracts with customers	50,601	4,605	1,593	56,799	–	56,799
Outside customers	50,601	4,605	1,593	56,799	–	56,799
Intersegment internal sales/transfers	–	2,922	402	3,325	(3,325)	–
Total	50,601	7,528	1,996	60,125	(3,325)	56,799
Segment profit (loss)	3,267	280	(27)	3,519	9	3,529

Notes 1. Adjustment of segment profit (loss) of 9 million yen is mainly due to intersegment transactions eliminations.

2. Segment profit (loss) is reconciled to operating profit in the quarterly consolidated statement of income.

3. Contracts for which revenue is recognized upon completion of the obligation to the customers are included in product or service transferred at a point in time in accordance with the alternative measures stipulated in paragraph 95 of *Implementation Guidance on Accounting Standard for Revenue Recognition* (ASBJ Guidance No. 30).

First three quarters ended December 31, 2025 (April 1, 2025–December 31, 2025)

Information about net sales and profit or loss by reportable segment

	Construction	Equipment Sales	Equipment Manufacturing	Total	Adjustments (Note 1)	(Million yen) Amount on the quarterly consolidated statement of income (Note 2)
Net sales						
Goods or service transferred at a point in time (Note 3)	5,194	3,588	1,576	10,359	–	10,359
Product or service transferred over time	53,976	–	–	53,976	–	53,976
Revenue from contracts with customers	59,171	3,588	1,576	64,336	–	64,336
Outside customers	59,171	3,588	1,576	64,336	–	64,336
Intersegment internal sales/transfers	–	3,108	275	3,383	(3,383)	–
Total	59,171	6,696	1,851	67,719	(3,383)	64,336
Segment profit (loss)	6,417	216	(107)	6,526	12	6,539

Notes 1. Adjustment of segment profit (loss) of 12 million yen is mainly due to intersegment transactions eliminations.

2. Segment profit (loss) is reconciled to operating profit in the quarterly consolidated statement of income.

3. Contracts for which revenue is recognized upon completion of the obligation to the customers are included in product or service transferred at a point in time in accordance with the alternative measures stipulated in paragraph 95 of *Implementation Guidance on Accounting Standard for Revenue Recognition* (ASBJ Guidance No. 30).

(Significant change in shareholders' equity)

No

(Going concern assumptions)

No

(Quarterly consolidated statement of cash flows)

The Company did not prepare quarterly consolidated statements of cash flows for the first three quarters of the fiscal year under review. Depreciation (including amortization of intangible assets) for the first three quarters of the fiscal year under review is as follows.

	First three quarters ended December 31, 2024 (April 1, 2024–December 31, 2024)	First three quarters ended December 31, 2025 (April 1, 2025–December 31, 2025)
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Depreciation	183 million yen	165 million yen
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(Significant subsequent events)

(Stock Split)

The Company resolved on stock split at a meeting of the Board of Directors held on February 10, 2026.

1. Purpose of the stock split

The stock split aims to lower the price of the Company's shares per investment unit, thereby improving market liquidity of the Company's shares and further expand the investor base.

2. Overview of the stock split

(i) Method of the split

With the record date of Tuesday, March 31, 2026, the Company will split common shares held by shareholders recorded in the final shareholder registry on that date at a 2-for-1 ratio.

(ii) Number of shares to increase by the split

Total number of issued shares before the stock split	23,756,321 shares
Number of shares to increase by the stock split	23,756,321 shares
Total number of issued shares after the stock split	47,512,642 shares
Total number of authorized shares after the stock split	96,500,000 shares (no change)

(Note) There is no change to the total number of authorized shares after the stock split.

(iii) Schedule of the split

Date of announcement of the record date (scheduled)	Friday, March 13, 2026
Record date	Tuesday, March 31, 2026
Effective date	Wednesday, April 1, 2026

3. Effect on per share information

Per share information under the assumption that the stock split was conducted at the beginning of the previous fiscal year is as follows.

	Fiscal year ended March 31, 2025 (As of March 31, 2025)	First three quarters ended December 31, 2025 (As of December 31, 2025)
Net assets per share	1,601.01 yen	1,749.40 yen

	First three quarters ended December 31, 2024 (April 1, 2024–December 31, 2024)	First three quarters ended December 31, 2025 (April 1, 2025–December 31, 2025)
Basic earnings per share	69.46 yen	118.43 yen
Diluted earnings per share	69.16 yen	117.97 yen

4. Other

There is no change to the amount of share capital of the Company due to the stock split.