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May 12, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (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 26, 2026
 Scheduled date to commence dividend payments: June 29, 2026
 Scheduled date to file annual securities report: June 24, 2026
 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, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	83,083	22.7	4,737	77.8	5,518	65.1	4,287	47.9
March 31, 2025	67,722	(23.5)	2,665	(32.7)	3,342	(35.9)	2,900	(2.0)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥6,164 million [247.6%]
 For the fiscal year ended March 31, 2025: ¥1,773 million [(63.0)%]

	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
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	128.96	-	6.1	4.9	5.7
March 31, 2025	86.65	-	4.2	3.1	3.9

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2026: ¥- million
 For the fiscal year ended March 31, 2025: ¥- million

(2) 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, 2026	119,329	72,452	60.7	2,186.58
March 31, 2025	108,081	68,427	63.3	2,054.31

Reference: Equity
 As of March 31, 2026: ¥72,452 million
 As of March 31, 2025: ¥68,427 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, 2026	4,706	931	(3,671)	9,687
March 31, 2025	(15,229)	(90)	10,655	7,648

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, 2025	-	26.00	-	26.00	52.00	1,737	60.0	2.5
Fiscal year ended March 31, 2026	-	28.00	-	35.00	63.00	2,093	48.9	3.0
Fiscal year ending March 31, 2027 (Forecast)	-	38.00	-	39.00	77.00		49.1	

Note: The year-end dividend per share for the fiscal year ended March 31, 2026 has been revised from ¥29.00 to ¥35.00. For details, please refer to the “Notice Concerning Revisions to Financial Results Forecasts and Dividend Forecasts (Dividend Increase)” announced on April 23, 2026.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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	95,000	14.3	7,300	54.1	7,500	35.9	5,200	21.3	156.93

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (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, 2026	33,223,752 shares
As of March 31, 2025	34,973,752 shares

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

As of March 31, 2026	88,889 shares
As of March 31, 2025	1,664,412 shares

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

Fiscal year ended March 31, 2026	33,250,138 shares
Fiscal year ended March 31, 2025	33,470,079 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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, 2026	78,177	24.0	4,452	92.0	5,305	74.3	4,078	48.7
March 31, 2025	63,033	(25.6)	2,318	(38.3)	3,043	(40.5)	2,741	(3.2)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	122.65	-
March 31, 2025	81.92	-

(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, 2026	116,079	70,014	60.3	2,113.03
March 31, 2025	104,272	65,961	63.3	1,980.26

Reference: Equity

As of March 31, 2026: ¥70,014 million
As of March 31, 2025: ¥65,961 million

2. Forecast of non-consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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	90,000	15.1	6,800	52.7	7,000	31.9	4,900	20.2	147.88

* 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

The Japanese economy has maintained a gradual recovery trend and, with improved business sentiment, stock prices remain strong, and business confidence shows signs of rebounding. On the other hand, the outlook for the Japanese economy remains increasingly uncertain due to factors such as the impact of exchange rate fluctuations, increasing interest rates, labor shortages caused by rising demand for labor, as well as the emergence of risks related to soaring energy prices and supply constraints resulting from heightened tensions in the Middle East.

The business environment in which the Group operates has generally remained firm, despite the need to pay attention to issues such as soaring materials prices, longer procurement periods, and chronic labor shortages. This has been driven by capital investments in decarbonized related markets and toward the resumption of nuclear power plant operations, as well as capital investments to meet growing electricity demand particularly from new data centers resulting from expanded use of generative AI.

In these circumstances, the Group drew up the FY2024 mid-term management plan (FY2024-FY2026) two years ago. Based on the basic policy of “creating a strong and flexible Q’d with people at the core,” we addressed key issues and worked to expand the order flow and generate profits by optimizing our business portfolio based on accurate market analysis and fostering a virtuous investment cycle with people at the core.

Especially, in the nuclear power market, where the implementation of safety measures has progressed toward the resumption of operations at nuclear power plants across Japan, in the general industry market, where capital investment aimed at decarbonization and energy conservation is strong; and in the renewable energy-related market, where commercialization is advancing through the use of long-term decarbonized power source auctions and power purchase agreements (PPA), we steadily increased orders, and the amount of projects carried forward to the next period reached a record high.

As a result, total orders received were ¥106,593 million (up 16.5% year-on-year), owing mainly to the receiving of orders concerning implementation of safety measures at nuclear facilities, projects related to electric furnaces at steel plants toward decarbonization, reconstruction of aging waste incineration plants nationwide, electrical facility work at public utilities, replacement work of public hydroelectric power plants, operation and maintenance (O&M) and long-term service agreement (LTSA) services for biomass power plants, and solar power facility and construction work for on-site power purchase agreements (PPA).

Net sales were ¥83,083 million (up 22.7% year-on-year), owing mainly to progress of tasks related to the decommissioning of the Fukushima Daiichi Nuclear Power Plant, safety measures and maintenance and repair work implemented at nuclear power plants and other facilities across Japan, installation of new and additional facilities for substations in response to growing electricity demand, construction of storage battery-related plants, maintenance and repair work as well as removal work for thermal power plants, increased maintenance and repair work resulting from permanent staffing at oil refineries, and solar power facility and construction work for on-site PPA, among others.

The amount of projects carried forward to the next period was ¥144,931 million (up 19.4% year-on-year).

As for profits, operating profit was ¥4,737 million (up 77.8% year-on-year), as a result of the steady implementation of our continued initiative of selective order taking that emphasizes profitability—an effort we have been working on from the previous period—as well as improved profit margins due mainly to efforts to improve productivity, in addition to an increase in net sales. Ordinary profit was ¥5,518 million (up 65.1% year-on-year) due in part to the recording of gain on valuation of derivatives resulting from exchange rate fluctuations. Profit attributable to owners of parent amounted to ¥4,287 million (up 47.9% year-on-year), due to the recording of extraordinary income from the sale of cross-shareholdings and real estate for rent aimed at improving asset efficiency.

Business results by segment were as follows.

(Facilities Construction)

Total orders received were ¥101,114 million (up 18.3% year-on-year) due to increases in the Green Energy Business Division and the Nuclear Power Division.

Net sales were ¥77,297 million (up 25.3% year-on-year) due to increases in the Green Energy Business Division, the Energy Division, and the Nuclear Power Division.

Segment profit was ¥10,688 million (up 155.7% year-on-year).

(Other Businesses)

Total orders received were ¥5,802 million (down 4.3% year-on-year).

Net sales were ¥6,110 million (down 0.0% year-on-year).

Segment profit was ¥70 million (down 38.2% year-on-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

2) Future Prospects

The Group expects the outlook for the Japanese economy to remain uncertain, due to the need to closely monitor risks such as labor shortages caused by rising labor demand, increasing prices, exchange rate fluctuations, and increasing interest rates, as well as the impact of the situation in the Middle East.

In light of these factors, the Group will pursue initiatives such as strengthening information gathering (international intelligence), preparing for multiple scenarios, and diversifying procurement methods for equipment and materials. Additionally, we will strengthen information security and promote resilience measures to address cyber risks, such as supply chain attacks targeting companies, which have become increasingly serious in recent years.

Meanwhile, regarding the business environment in which the Group operates, capital investment is ramping up in earnest, especially in decarbonized related markets and toward the resumption of nuclear power plant operations, as well as in power supply infrastructure against the backdrop of growing electricity demand, particularly from new data centers resulting from expanded use of generative AI. The favorable environment for receiving orders is expected to continue.

In these circumstances, the Group is addressing the 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” under the FY2024 mid-term management plan (FY2024-FY2026), to ensure a sustainable virtuous investment cycle with people at the core. In FY2026, the final year of the plan, we will concentrate on addressing challenges, particularly the early development of employees to improve our technological capabilities and securing mobilization capacity, including that of our partner businesses, with the goal of achieving an ROE of 8.0% by FY2027. The Group will also strive to expand the order flow through proposals for high value-added technological solutions and order taking that leverages synergies with group companies, while seeking to generate further profits through productivity improvements.

Our forecast of consolidated financial results for the next fiscal year is as follows:

Consolidated Earnings

Net sales	¥95,000 million
Operating profit	¥7,300 million

Ordinary profit	¥7,500 million
Profit attributable to owners of parent	¥5,200 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 ¥119,329 million at the end of the fiscal year under review, an increase of ¥11,247 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 ¥46,877 million at the end of the fiscal year under review, an increase of ¥7,222 million from the end of the previous fiscal year. This was mainly due to an increase in bonds payable.

c. Net assets

Net assets amounted to ¥72,452 million at the end of the fiscal year under review, an increase of ¥4,024 million from the end of the previous fiscal year. This was mainly due to an increase 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 ¥9,687 million, an increase of ¥2,039 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 provided by operating activities amounted to ¥4,706 million (net cash used in operating activities amounting to ¥15,229 million in the previous fiscal year). This was mainly due to an increase in profit before income taxes and accrued consumption taxes.

(Cash Flows from Investing Activities)

Net cash provided by investing activities amounted to ¥931 million (net cash used in investing activities amounting to ¥90 million in the previous fiscal year). This was mainly due to sale and redemption of investment securities.

(Cash Flows from Financing Activities)

Net cash used in financing activities amounted to ¥3,671 million (net cash provided by financing activities amounting to ¥10,655 million in the previous fiscal year). This was mainly due to repayments of short-term borrowings.

(Reference) Cash Flow Indicator Trend

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Equity-to-asset ratio (%)	62.8	61.1	63.8	63.3	60.7
Equity-to-asset ratio at market value (%)	32.3	28.2	38.9	33.6	48.2
Ratio of interest-bearing debt to cash flows (%)	-	112.9	81.7	-	385.3
Interest coverage ratio (times)	-	57.1	44.7	-	19.1

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 ¥35 per share for the fiscal year under review, resulting in annual dividends of ¥63 per share, including an interim dividend of ¥28 per share.

For the next fiscal year (fiscal year ending March 31, 2027), the Company plans to pay dividends of ¥77 per share (an interim dividend of ¥38 and a year-end dividend of ¥39).

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, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	7,648	9,687
Notes receivable, accounts receivable from completed construction contracts and contract assets	42,969	49,873
Electronically recorded monetary claims - operating	960	574
Securities	120	130
Costs on construction contracts in progress	1,038	1,444
Raw materials and supplies	1,090	1,520
Other	4,190	3,762
Total current assets	58,018	66,994
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,522	10,033
Machinery and vehicles, net	7,870	7,079
Tools, furniture and fixtures, net	489	391
Land	8,620	8,600
Leased assets, net	9	6
Construction in progress	226	293
Total property, plant and equipment	27,739	26,406
Intangible assets		
Goodwill	89	17
Customer related assets	1,306	1,097
Other	676	913
Total intangible assets	2,072	2,028
Investments and other assets		
Investment securities	15,427	18,341
Long-term loans receivable	2,631	2,483
Retirement benefit asset	775	1,227
Deferred tax assets	763	144
Other	671	1,687
Allowance for doubtful accounts	(17)	(18)
Total investments and other assets	20,252	23,866
Total non-current assets	50,063	52,301
Deferred assets		
Bond issuance costs	-	33
Total deferred assets	-	33
Total assets	108,081	119,329

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable for construction contracts	7,828	9,211
Electronically recorded obligations - operating	102	9
Short-term borrowings	14,468	8,818
Income taxes payable	243	2,994
Accrued consumption taxes	169	1,982
Contract liabilities	2,235	3,512
Provision for warranties for completed construction	221	64
Provision for loss on construction contracts	345	718
Other	2,733	3,781
Total current liabilities	28,347	31,093
Non-current liabilities		
Bonds payable	-	5,000
Long-term borrowings	5,134	4,315
Deferred tax liabilities	139	316
Retirement benefit liability	4,518	4,372
Asset retirement obligations	857	880
Other	656	898
Total non-current liabilities	11,306	15,783
Total liabilities	39,654	46,877
Net assets		
Shareholders' equity		
Share capital	2,881	2,881
Capital surplus	3,741	3,722
Retained earnings	60,406	61,365
Treasury shares	(1,287)	(79)
Total shareholders' equity	65,741	67,889
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,613	4,728
Foreign currency translation adjustment	72	(166)
Total accumulated other comprehensive income	2,685	4,562
Total net assets	68,427	72,452
Total liabilities and net assets	108,081	119,329

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

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales		
Net sales of completed construction contracts	67,722	83,083
Cost of sales		
Cost of sales of completed construction contracts	58,716	70,380
Gross profit		
Gross profit on completed construction contracts	9,005	12,702
Selling, general and administrative expenses	6,339	7,964
Operating profit	2,665	4,737
Non-operating income		
Interest income	48	72
Dividend income	210	242
Foreign exchange gains	419	562
Gain on investments in silent partnerships	162	-
Gain on valuation of derivatives	34	361
Other	56	32
Total non-operating income	931	1,271
Non-operating expenses		
Interest expenses	222	267
Loss on investments in investment partnerships	1	59
Loss on investments in silent partnerships	-	148
Commission expenses	8	8
Other	22	7
Total non-operating expenses	254	491
Ordinary profit	3,342	5,518
Extraordinary income		
Gain on sale of non-current assets	43	820
Gain on sale of investment securities	1,521	1,229
Other	0	0
Total extraordinary income	1,565	2,050
Extraordinary losses		
Impairment losses	-	370
Loss on retirement of non-current assets	17	7
Other	0	0
Total extraordinary losses	17	378
Profit before income taxes	4,890	7,190
Income taxes - current	554	3,096
Income taxes - deferred	1,436	(193)
Total income taxes	1,990	2,902
Profit	2,900	4,287
Profit attributable to owners of parent	2,900	4,287

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	2,900	4,287
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,241)	2,114
Foreign currency translation adjustment	115	(238)
Total other comprehensive income	(1,126)	1,876
Comprehensive income	1,773	6,164
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,773	6,164

(3) Consolidated Statements of Changes in Equity

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					-
Purchase of shares of consolidated subsidiaries		-			-
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			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				-
Purchase of shares of consolidated subsidiaries				-
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

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,881	3,741	60,406	(1,287)	65,741
Changes during period					
Dividends of surplus			(1,799)		(1,799)
Profit attributable to owners of parent			4,287		4,287
Purchase of treasury shares				(371)	(371)
Disposal of treasury shares		11		19	31
Cancellation of treasury shares		(30)	(1,529)	1,560	-
Purchase of shares of consolidated subsidiaries		(0)			(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	(18)	958	1,208	2,148
Balance at end of period	2,881	3,722	61,365	(79)	67,889

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	2,613	72	2,685	68,427
Changes during period				
Dividends of surplus				(1,799)
Profit attributable to owners of parent				4,287
Purchase of treasury shares				(371)
Disposal of treasury shares				31
Cancellation of treasury shares				-
Purchase of shares of consolidated subsidiaries				(0)
Net changes in items other than shareholders' equity	2,114	(238)	1,876	1,876
Total changes during period	2,114	(238)	1,876	4,024
Balance at end of period	4,728	(166)	4,562	72,452

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	4,890	7,190
Depreciation	1,947	1,963
Impairment losses	-	370
Amortization of goodwill	71	71
Interest and dividend income	(258)	(314)
Interest expenses	222	267
Decrease (increase) in trade receivables and contract asset	(6,632)	(6,418)
Decrease (increase) in inventories	(283)	(419)
Increase (decrease) in contract liabilities	206	1,393
Decrease (increase) in costs on construction contracts in progress	432	(379)
Increase (decrease) in trade payables	(2,217)	1,284
Increase (decrease) in accrued consumption taxes	(5,660)	1,812
Decrease (increase) in retirement benefit asset	(775)	(451)
Increase (decrease) in retirement benefit liability	(753)	(147)
Increase (decrease) in provision for loss on construction contracts	(1,336)	372
Loss (gain) on sale of investment securities	(1,521)	(1,229)
Loss (gain) on sale of non-current assets	(43)	(820)
Loss on retirement of non-current assets	17	7
Other, net	(1,910)	161
Subtotal	(13,606)	4,714
Interest and dividends received	279	295
Interest paid	(230)	(246)
Income taxes paid	(1,674)	(468)
Income taxes refund	1	412
Net cash provided by (used in) operating activities	(15,229)	4,706
Cash flows from investing activities		
Purchase of property, plant and equipment	(758)	(884)
Proceeds from sale of property, plant and equipment	187	1,242
Purchase of investment securities	(663)	(620)
Proceeds from sale and redemption of securities	114	114
Proceeds from sale and redemption of investment securities	1,900	1,657
Proceeds from withdrawal of time deposits	20	-
Other, net	(891)	(578)
Net cash provided by (used in) investing activities	(90)	931
Cash flows from financing activities		
Proceeds from short-term borrowings	20,580	20,592
Repayments of short-term borrowings	(7,107)	(26,229)
Repayments of long-term borrowings	(868)	(818)
Proceeds from issuance of bonds	-	4,960
Purchase of treasury shares	(223)	(371)
Dividends paid	(1,704)	(1,794)
Other, net	(20)	(10)
Net cash provided by (used in) financing activities	10,655	(3,671)
Effect of exchange rate change on cash and cash equivalents	154	73
Net increase (decrease) in cash and cash equivalents	(4,510)	2,039
Cash and cash equivalents at beginning of period	12,158	7,648
Cash and cash equivalents at end of period	7,648	9,687

(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, 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.

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segment	Other Businesses	Total
	Facilities Construction		
Net sales			
Net sales to outside customers	77,297	6,110	83,407
Inter-segment net sales or transfers	2,838	2,324	5,162
Total	80,135	8,434	88,569
Net sales (by Division)			
Green Energy Business Division	13,296	-	13,296
Energy Division	46,515	-	46,515
Nuclear Power Division	20,026	-	20,026
Other	296	8,434	8,731
Total	80,135	8,434	88,569
Timing of transfer of goods or services			
A point in time	11,879	8,434	20,314
Over time	68,255	-	68,255
Total	80,135	8,434	88,569
Segment profit	10,688	70	10,759
Other items			
Depreciation	355	1,250	1,606

- 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. 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, 2025	Fiscal year ended March 31, 2026
Reportable segment total	64,283	80,135
Net sales in the “Other Businesses” segment	8,338	8,434
Inter-segment eliminations	(4,836)	(5,162)
Other adjustments	(62)	(324)
Net sales in consolidated financial statements	67,722	83,083

(Millions of yen)

Profit	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Reportable segment total	4,180	10,688
Profit in the “Other Businesses” segment	113	70
Inter-segment eliminations	19	(156)
Amortization of goodwill	(71)	(71)
Corporate expenses	(4,045)	(5,258)
Other adjustments	2,468	(534)
Operating profit in consolidated financial statements	2,665	4,737

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, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Depreciation	372	355	1,220	1,250	354	357	1,947	1,963

(Per share information)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net assets per share	¥2,054.31	¥2,186.58
Basic earnings per share	¥86.65	¥128.96

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, 2025	For the fiscal year ended March 31, 2026
Total net assets (Millions of yen)	68,427	72,452
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)	68,427	72,452
Number of shares of common stock at end of period used for calculation of net assets per share (Shares)	33,309,340	33,134,863

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

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit attributable to owners of parent (Millions of yen)	2,900	4,287
Amount not attributable to common shareholders (Millions of yen)	-	-
Profit attributable to owners of parent relating to common shares (Millions of yen)	2,900	4,287
Average number of common shares outstanding during the period (Shares)	33,470,079	33,250,138

(Significant subsequent events)

Not applicable.

4. Supplementary Information

(1) Orders Received, Net Sales, and Amount of Projects Carried Forward to the Next Period by Segment and Division

Segment / Division		Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026		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	9,034	10.0	23,086	21.7	14,051	155.5
	Energy Division	58,745	64.2	56,980	53.5	(1,765)	(3.0)
	Nuclear Power Division	17,290	18.9	20,924	19.6	3,633	21.0
	Other	393	0.4	124	0.1	(268)	(68.4)
	Facilities Construction	85,464	93.5	101,114	94.9	15,650	18.3
	Other Businesses	6,065	6.6	5,802	5.4	(262)	(4.3)
	Segment total	91,529	100.1	106,917	100.3	15,388	16.8
	Adjustments	(62)	(0.1)	(324)	(0.3)	(261)	-
	Total	91,466	100.0	106,593	100.0	15,126	16.5
Net Sales	Green Energy Business Division	8,937	13.3	10,458	12.5	1,521	17.0
	Energy Division	37,396	55.2	46,514	56.0	9,118	24.4
	Nuclear Power Division	15,106	22.3	20,026	24.1	4,920	32.6
	Other	232	0.3	296	0.4	64	27.7
	Facilities Construction	61,672	91.1	77,297	93.0	15,625	25.3
	Other Businesses	6,112	9.0	6,110	7.4	(2)	(0.0)
	Segment total	67,784	100.1	83,407	100.4	15,622	23.1
	Adjustments	(62)	(0.1)	(324)	(0.4)	(261)	-
	Total	67,722	100.0	83,083	100.0	15,361	22.7
Amount of Projects Carried Forward to the Next Period	Green Energy Business Division	13,523	11.1	26,150	18.1	12,627	93.4
	Energy Division	89,801	74.0	100,267	69.2	10,465	11.7
	Nuclear Power Division	17,118	14.1	18,015	12.4	897	5.2
	Other	314	0.3	141	0.1	(172)	(54.9)
	Facilities Construction	120,757	99.5	144,574	99.8	23,817	19.7
	Other Businesses	664	0.5	357	0.2	(307)	(46.3)
	Segment total	121,421	100.0	144,931	100.0	23,510	19.4
	Adjustments	-	-	-	-	-	-
	Total	121,421	100.0	144,931	100.0	23,510	19.4

(2) Orders Received, Net Sales, and Amount of Projects Carried Forward to the Next Period by Market

Market		Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026		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	52,004	56.8	48,238	45.3	(3,766)	(7.2)
	General Industry and Other Market	26,295	28.8	31,022	29.1	4,727	18.0
	Renewable Energy-Related Market	13,229	14.5	27,656	25.9	14,427	109.1
	Adjustments	(62)	(0.1)	(324)	(0.3)	(261)	-
	Total	91,466	100.0	106,593	100.0	15,126	16.5
Net Sales	Electric Power Market	35,207	52.0	44,357	53.4	9,149	26.0
	General Industry and Other Market	18,629	27.5	22,559	27.2	3,930	21.1
	Renewable Energy-Related Market	13,947	20.6	16,490	19.8	2,542	18.2
	Adjustments	(62)	(0.1)	(324)	(0.4)	(261)	-
	Total	67,722	100.0	83,083	100.0	15,361	22.7
Amount of Projects Carried Forward to the Next Period	Electric Power Market	51,942	42.7	55,655	38.4	3,712	7.1
	General Industry and Other Market	19,380	16.0	27,903	19.3	8,522	44.0
	Renewable Energy-Related Market	50,098	41.3	61,373	42.3	11,275	22.5
	Adjustments	-	-	-	-	-	-
	Total	121,421	100.0	144,931	100.0	23,510	19.4