

*** Notes**

(1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries accompanying changes in the scope of consolidation): No

(2) Changes in accounting policies, accounting estimates and restatement
 1) Changes in accounting policies associated with revision of accounting standards: : No
 2) Changes in accounting policies other than 1) above : No
 3) Changes in accounting estimates : No
 4) Restatement : No

(3) Number of shares outstanding (common stock)
 1) Number of shares outstanding at the end of the period (treasury stock included)
 As of March 31, 2026 14,973,956shares
 As of March 31, 2025 14,973,956shares
 2) Number of Treasury stock at the end of the period
 As of March 31, 2026 1,043,029shares
 As of March 31, 2025 1,043,684shares
 3) Average number of stock during period
 Year ended March 31, 2026 13,930,980shares
 Year ended March 31, 2025 14,126,321shares

(Reference) Summary of non-consolidated business results

1. Non-consolidated financial results for the fiscal year ended March 2026

(April 1, 2025 through March 31, 2026)

(1) Non-consolidated results of operations (% change from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Net profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended Mar. 2026	174,253	-2.9	4,518	82.8	4,801	126.8	4,289	57.8
Year ended Mar. 2025	179,540	-0.1	2,471	780.8	2,117	15.1	2,718	-32.9

	Basic earnings per share	Diluted net income per share
	Yen	Yen
Year ended Mar. 2026	307.92	—
Year ended Mar. 2025	192.46	—

(2) Non-consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2026	238,181	74,964	31.5	5,381.14
As of Mar. 31, 2025	212,056	67,288	31.7	4,830.35

(Reference) Shareholders' equity: As of March 31, 2026: 76,964 million yen As of March 31, 2025: 67,288 million yen

2. Forecast of non-consolidated financial results for the fiscal year ending March 2027

(April 1, 2026 through March 31, 2027)

(% figures for full year are the year-on-year change)

	Net sales		Operating profit		Ordinary profit		Net profit		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year ending Mar. 2027	179,000	2.7	5,900	30.6	5,200	8.3	5,900	37.5	423.52

*Quarterly financial summary is not subject to auditing procedures by certified public accountants or auditing firms.

*Explanation regarding the appropriate use of financial forecasts and other special instructions

The above forecasts are based on information available at the time of publication of this document. Actual results may differ from the forecast figures due to various factors in the future. For the assumptions underlying the financial forecasts, please refer to "Outlook" on page 2 of the attached document. The exchange rate is assumed to be 160 yen to the U.S. dollar.

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1. Qualitative Information on Financial Results

(1) Summary of Financial Results

① Results of Operations

During the fiscal year under review, the domestic economy continued on a moderate recovery, supported by improvements in the employment and income environment and by the effects of policies aimed at sustainable economic growth. On the other hand, in addition to price increases driven by soaring raw material costs, labor costs, and other costs, the impact of tariff hikes resulting from U.S. trade policy has materialized. In addition, rising tensions in the Middle East and disruptions in maritime transportation have led to increases in energy prices, including crude oil, and instability in logistics. These factors may affect construction material prices and construction costs, and are factors that create uncertainty in the future business environment.

In the construction industry, public-sector investment remained stable, and although housing construction in the private sector struggled to grow, capital investment showed signs of a moderate recovery, supported by solid corporate earnings and responses to labor-saving investment. However, the number of workers in the industry as a whole has been decreasing year by year, and the urgent need to address labor shortages continues to be a major issue. In addition, while initiatives to appropriately pass on costs are accelerating due to revisions to the Construction Business Act and the optimization of contract prices that reflect market prices is becoming more widespread, competition for procuring materials and labor is intensifying further due to increases in construction material prices, labor costs, and other costs.

Under these circumstances, in the second year of its Medium-Term Management Plan 2028, “Toward a Company We Can Be Proud of -Challenges for a Sustainable Future Society-,” the Group worked to enhance corporate value by practicing management with an awareness of capital cost and share price, and by working to recover profit-generating capacity and make proactive investments in growth areas.

In its principal business, the Group worked on the construction of the new Haneda Airport Access Line, large-scale terminal station improvement projects such as Shinagawa Station North Exit Plaza, defense-related construction, and other projects, steadily achieving results in projects that serve as stepping stones for the future, and worked to improve productivity while continuing to focus on the railway field, which is one of the Company’s strengths, thereby strengthening profitability.

In addition, in promoting business strategies and infrastructure strategies, the Group advanced operational reforms and efficiency improvements through the promotion of DX, including the use of its proprietary generative AI and the introduction of ICT construction machinery at railway construction sites.

Regarding initiatives for human capital policy, the Group sought to support the sustainable growth of employees through human resource development and appropriate placement in line with management strategies, and implemented various measures, including improvements to the workplace environment, thereby working to enhance employee engagement. Furthermore, by promoting initiatives to reduce environmental impact toward the realization of a sustainable society, the Group was able to contribute to enhancing corporate value.

Regarding financial performance, orders received in the current consolidated fiscal year amounted to 225,654 million yen (up 23.1% YoY), and net sales amounted to 179,825 million yen (down 2.9% YoY). In terms of profit, operating profit was 5,622 million yen (up 62.5% YoY), ordinary profit was 5,873 million yen (up 94.1% YoY), and profit attributable to owners of parent was 5,029 million yen (up 46.7% YoY).

Segmental results are as follows. (Segment results include intersegment sales).

(Civil Engineering)

For Civil Engineering, net sales were 91,165 million yen (up 2.4% YoY), and segment profit was 3,583 million yen (up 2.5% YoY).

(Architectural Construction)

For Architectural Construction, sales were 84,080 million yen (down 7.7% YoY), and the segment profit was 1,030 million yen (a segment loss of 997 million yen in the previous financial year).

(Real Estate business)

In the Real Estate business, sales were 5,242 million yen (up 9.9% YoY), and segment profit was 706 million yen (up 8.9% YoY).

(Incidental Business)

For Incidental Business, sales were 3,499 million yen (up 3.4% YoY), and segment profit was 142 million yen (up 1.4% YoY).

(Other)

Other sales amounted to 195 million yen (down 20.1% YoY), and segment profit was 190 million yen (down 2.9% YoY).

② Outlook

Regarding the outlook for the domestic economy, a moderate recovery is expected to continue, supported by the effects of various government policies, the virtuous cycle of wage increases and price pass-through, and the expansion of corporate capital investment. On the other hand, against the backdrop of soaring crude oil and material prices due to heightened tensions in the Middle East, fluctuations in financial and capital markets, and other factors, it is necessary to continue closely monitoring trends and respond appropriately to the impact that uncertainty surrounding the outlook for the domestic economy may have on the economy.

In the construction industry, although uncertainty remains over future trends, such as trends in construction material prices, demand for private-sector capital investment is expected to increase, supported by strong corporate earnings and other factors. Public investment for disaster prevention and mitigation and national resilience is also expected to remain firm. On the other hand, regarding the issues of securing workers due to the shortage of skilled workers and aging in the industry as a whole, it will be important to address them by promoting improvements to the working environment, productivity improvements, and operational efficiency.

In promoting its Medium-Term Management Plan 2028, “Toward a Company We Can Be Proud of -Challenges for a Sustainable Future Society-,” the Group updated the plan in order to make this trend even more certain and connect it to the next stage of growth, based on progress such as achieving profit targets ahead of schedule. With “For cities that keep moving, the power to keep evolving” as its purpose, under its long-term strategy the Group will clarify its future vision based on six perspectives: social value, customer value, technological evolution, human resource development, organizational culture, and sustainable growth, while revising financial and non-financial KPIs and promoting initiatives that contribute to management with an awareness of profit-generating capacity and capital efficiency.

In its core Civil Engineering and Architectural Construction businesses, the Group will demonstrate its competitive advantage by leveraging its technological capabilities cultivated through construction adjacent to railways and other strengths, and will thoroughly pursue selective order-taking with an awareness of a business portfolio that contributes to sustainable growth. At the same time, through organizational initiatives premised on thoroughly ensuring quality and safety, the Group will work to improve profit productivity.

Regarding human capital, the Group will work to enhance employee engagement by promoting human resource strategies linked to management strategies, health management, and the development of workplace environments, and the active participation of diverse human resources, while also working to promote DX and strengthen governance.

The Group positions FY2026 as an important year for steadily accumulating the results of its initiatives toward the achievement of the Medium-Term Management Plan, and will advance initiatives that contribute to strengthening profitability and enhancing corporate value with an awareness of capital efficiency, while seeking to enhance shareholder returns through the continuation of stable dividends, and will work as one Group to realize sustainable corporate growth.

(2) Summary of Financial Position

① Assets, liabilities, and net assets

Total assets at the end of the fiscal year under review increased by 30,804 million yen from the end of the previous consolidated fiscal year to 255,907 million yen. The main factors were an increase of 8,240 million yen in cash and deposits, an increase of 6,682 million yen in notes receivable, accounts receivable from completed construction contracts and other, and an increase of 4,510 million yen in real estate for sale. Total liabilities increased by 22,175 million yen from the end of the previous consolidated fiscal year to 177,161 million yen. The main factors were an increase of 13,508 million yen in short-term borrowings, an increase of 6,243 million yen in long-term borrowings, and an increase of 3,147 million yen in accounts payable - other. Total net assets increased by 8,629 million yen from the end of the previous consolidated fiscal year to 78,746 million yen. The main factors were an increase of 5,081 million yen in valuation difference on marketable securities and an increase of 3,311 million yen in retained earnings.

② Cash flow

Cash flows from operating activities resulted in a decrease in funds of 13,889 million yen (compared with a decrease in funds of 20,285 million yen in the previous consolidated fiscal year), due to decreasing factors such as a 7,426 million yen decrease in trade payables and a 6,662 million yen increase in trade receivables, despite increasing factors such as 7,482 million yen in profit before income taxes and a 5,617 million yen increase in other liabilities.

Cash flows from investing activities resulted in an increase in funds of 3,825 million yen (compared with an increase in funds of 615 million yen in the previous consolidated fiscal year), due to increasing factors such as 3,700 million yen in proceeds from sale of investment securities and 1,209 million yen in proceeds from withdrawal of investments in silent partnerships, despite decreasing factors such as 501 million yen in payments for the purchase of property, plant and equipment and 351 million yen in payments for the purchase of intangible assets.

Cash flows from financing activities resulted in an increase in funds of 18,013 million yen (compared with an increase in funds of 17,932 million yen in the previous consolidated fiscal year), due to increasing factors such as a 19,752 million yen increase in borrowings (short-term and long-term), despite decreasing factors such as 1,705 million yen in dividends paid.

As a result, cash and cash equivalents at the end of the fiscal year under review increased by 8,240 million yen (49.8%) from the end of the previous consolidated fiscal year to 24,769 million yen.

The trend of cash flow indicators is as follows.

Indicators	FY3/2024	FY3/2025	FY3/2026
Equity ratio	34.0%	31.0%	30.6%
Equity ratio based on market value	18.9%	15.4%	25.0%
Interest-bearing debt to cash flow	8.6 years	—	—
Interest coverage ratio	10.1 times	—	—

(Notes) 1. The following formulas are used to calculate each indicator.

Equity ratio: $\text{Equity} / \text{Total assets}$

Equity ratio based on market value: $\text{Market capitalization} / \text{Total assets}$

Interest-bearing debt to cash flow: $\text{Interest-bearing debt} / \text{Operating cash flow}$

Interest coverage ratio: $\text{Operating cash flow} / \text{Interest expense}$

2. All indicators are calculated based on consolidated financial figures.
3. Market capitalization is calculated by multiplying the closing stock price at the end of the period by the number of shares outstanding (less treasury stock) at the end of the period.
4. Operating cash flow is the cash flow from operating activities shown in the consolidated statements of cash flows. Interest-bearing debt covers all liabilities on the consolidated balance sheets for which interest is paid. Interest expense is the amount of interest paid shown in the consolidated statements of cash flows.
5. Interest-bearing debt to cash flow and interest coverage ratio for the fiscal year ended March 31, 2025 and the fiscal year ended March 31, 2026, are not shown because operating cash flow was negative.

(3) Basic policy on the distribution of profits and dividends for the current and next financial year

The Company recognizes the return of profits to shareholders as one of its important management issues and strives to implement stable and continuous dividends. In the Medium-Term Management Plan 2028, the Company has aimed to enhance shareholder returns by setting a dividend payout ratio of approximately 50% as a target and adopting a progressive dividend policy as its basic policy. Based on this basic policy, the Company plans to pay an annual dividend of 170 yen per share for the current fiscal year. Regarding the distribution of profits from the next fiscal year onward, as stated in the “Medium-Term Management Plan 2028 <Purpose-based updates>” announced today, the Company will revise its previous approach based on the dividend payout ratio and progressive dividends, and will change to (introduce) a dividend policy using DOE (dividend on equity ratio) as an indicator from FY2026 onward, from the perspective of emphasizing the further enhancement of shareholder returns and improvement of capital efficiency, as well as seeking to realize stable shareholder returns that are less susceptible to the impact of fluctuations in business performance. Specifically, the Company will set a target of DOE of 4% or more and will seek to enhance stable and sustainable shareholder returns. In addition, the Company will carry out the acquisition of treasury shares flexibly, comprehensively taking into account its financial position, market environment, and other factors.

Based on the above policy, the Company plans to pay an annual dividend of 223 yen per share for the next fiscal year, an increase of 53 yen from the current fiscal year annual dividend of 170 yen.

2. Basic policy regarding the selection of accounting standards

For the time being, the Group’s policy is to prepare its consolidated financial statements in accordance with Japanese GAAP, considering the comparability of the consolidated financial statements from period to period and comparability among companies. Going forward, the Company intends to consider applying International Financial Reporting Standards based on trends in the ratio of foreign shareholders and the application of International Financial Reporting Standards by other domestic companies in the same industry.

3. Consolidated Financial Statements and Main Notes
(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	16,529	24,769
Notes receivable, accounts receivable from completed construction contracts and other	106,293	112,975
Accounts receivable from sideline businesses	24	4
Real estate for sale	1,685	6,196
Costs on construction contracts in progress	267	351
Costs on sideline businesses	9,317	11,979
Other inventories	71	70
Accounts receivable	10,882	14,923
Other	921	877
Allowance for doubtful accounts	-34	-38
Total current assets	145,960	172,110
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,631	24,274
Machinery, vehicles, tools, furniture and fixtures	2,803	2,943
Land	23,591	22,430
Leased assets	226	220
Construction in progress	48	159
Accumulated depreciation	-14,021	-14,559
Total property, plant and equipment	37,279	35,468
Intangible assets	1,859	1,886
Investments and other assets		
Investment securities	23,020	26,701
Investments in other securities of subsidiaries and associates	13,194	16,202
Long-term loans receivable	372	420
Distressed receivables	384	384
Long-term accounts receivable - other	2,169	2,633
Deferred tax assets	47	65
Retirement benefit asset	1,244	1,558
Deferred tax assets for land revaluation	—	11
Other	2,145	1,504
Allowance for doubtful accounts	-2,576	-3,039
Total investments and other assets	40,003	46,442
Total non-current assets	79,142	83,797
Total assets	225,102	255,907

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	40,233	32,807
Short-term borrowings	39,845	53,353
Accounts payable - other	12,368	15,515
Advances received on construction contracts in progress	7,948	9,673
Deposits received	20,742	22,161
Provision for warranties for completed construction	270	192
Provision for bonuses	1,470	1,684
Provision for loss on construction contracts	2,336	2,120
Other	2,308	3,811
Total current liabilities	127,524	141,320
Non-current liabilities		
Long-term borrowings	16,082	22,326
Deferred tax liabilities	3,789	6,086
Deferred tax liabilities for land revaluation	1,575	1,576
Retirement benefit liability	5,908	5,762
Provision for share awards for directors (and other officers)	14	22
Other	91	66
Total non-current liabilities	27,461	35,841
Total liabilities	154,986	177,161
Net assets		
Shareholders' equity		
Share capital	18,293	18,293
Capital surplus	5,331	5,331
Retained earnings	34,365	37,676
Treasury shares	-2,458	-2,458
Total shareholders' equity	55,532	58,843
Accumulated other comprehensive income		
Valuation difference on marketable securities	11,441	16,522
Revaluation reserve for land	2,721	2,744
Remeasurements of defined benefit plans	115	309
Total accumulated other comprehensive income	14,277	19,577
Non-controlling interests	306	325
Total net assets	70,116	78,746
Total liabilities and net assets	225,102	255,907

(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	179,885	174,394
Net sales in sideline businesses	5,228	5,430
Total net sales	185,114	179,825
Cost of sales		
Cost of sales of completed construction contracts	166,408	158,448
Cost of sales in sideline businesses	3,842	3,895
Total cost of sales	170,250	162,344
Gross profit		
Gross profit on completed construction contracts	13,477	15,946
Gross profit on sideline businesses	1,386	1,534
Total gross profit	14,864	17,480
Selling, general and administrative expenses	11,404	11,858
Operating profit	3,459	5,622
Non-operating income		
Interest income	19	103
Dividend income	718	917
Foreign exchange gains	—	44
Gain on investments in silent partnerships	—	519
Other	81	87
Total non-operating income	820	1,672
Non-operating expenses		
Interest expenses	752	1,204
Foreign exchange losses	181	—
Other	319	216
Total non-operating expenses	1,254	1,420
Ordinary profit	3,026	5,873
Extraordinary income		
Gain on sale of non-current assets	73	38
Gain on sale of investment securities	2,611	2,861
Other	29	—
Total extraordinary income	2,714	2,899
Extraordinary losses		
Loss on sale of non-current assets	0	19
Loss on valuation of investment securities	300	—
Provision of allowance for doubtful accounts	326	349
Impairment losses	29	714
Settlement payments	42	158
Cost of removing non-current assets	53	—
Other	25	48
Total extraordinary losses	778	1,291
Profit before income taxes	4,961	7,482
Income taxes - current	1,723	2,607
Income taxes - deferred	-197	-174
Total income taxes	1,525	2,432
Profit	3,436	5,050
Profit (loss) attributable to non-controlling interests	7	20
Profit (loss) attributable to owners of parent	3,429	5,029

(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	3,436	5,050
Other comprehensive income		
Valuation difference on marketable securities	-1,520	5,081
Revaluation reserve for land	—	10
Remeasurements of defined benefit plans, net of tax	-175	194
Total other comprehensive income	-1,695	5,286
Comprehensive income	1,740	10,336
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,733	10,316
Comprehensive income attributable to non-controlling interests	7	20

(3) Consolidated Statement of Changes to Shareholder' Equity

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

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Starting balance	18,293	5,330	34,102	-1,872	55,854
Changes of items during the period					
Dividends of surplus			-1,484		-1,484
Net income attributable to owners of the parent			3,429		3,429
Reversal of revaluation reserve for land			-44		-44
Purchase of treasury stock				-2,222	-2,222
Cancellation of treasury shares		-1,637		1,637	—
Transfer from retained earnings to capital surplus		1,637	-1,637		—
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Items other than shareholder' equity Net changes of items during the period					
Total changes of items during the period	—	0	263	-585	-321
Current year-end balance	18,293	5,331	34,365	-2,458	55,532

	Other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on marketable securities	Revaluation reserve for land	Accumulated retirement benefit adjustments	Total other comprehensive income		
Starting balance	12,961	2,721	290	15,974	302	72,131
Changes of items during the period						
Dividends of surplus						-1,484
Net income attributable to owners of the parent						3,429
Reversal of revaluation reserve for land		44		44		—
Purchase of treasury stock						-2,222
Cancellation of treasury shares						—
Transfer from retained earnings to capital surplus						—
Change in ownership interest of parent due to transactions with non-controlling interests					-0	—
Items other than shareholder' equity Net changes of items during the period	-1,520	-44	-175	-1,740	4	-1,735
Total changes of items during the period	-1,520	-0	-175	-1,696	3	-2,014
Current year-end balance	11,441	2,721	115	14,277	306	70,116

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

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Starting balance	18,293	5,331	34,365	-2,458	55,532
Changes of items during the period					
Dividends of surplus			-1,705		-1,705
Net income attributable to owners of the parent			5,029		5,029
Reversal of revaluation reserve for land			-12		-12
Purchase of treasury stock				-2	-2
Disposal of treasury stock				2	2
Items other than shareholder' equity Net changes of items during the period					
Total changes of items during the period	—	—	3,311	-0	3,310
Current year-end balance	18,293	5,331	37,676	-2,458	58,843

	Other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on marketable securities	Revaluation reserve for land	Accumulated retirement benefit adjustments	Total other comprehensive income		
Starting balance	11,441	2,721	115	14,277	306	70,116
Changes of items during the period						
Dividends of surplus						-1,705
Net income attributable to owners of the parent						5,029
Reversal of revaluation reserve for land		12		12		—
Purchase of treasury stock						-2
Disposal of treasury stock						2
Items other than shareholder' equity Net changes of items during the period	5,081	10	194	5,286	19	5,305
Total changes of items during the period	5,081	23	194	5,299	19	8,629
Current year-end balance	16,522	2,744	309	19,577	325	78,746

(4) Consolidated Statement 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	4,961	7,482
Depreciation	1,080	1,067
Impairment losses	29	714
Increase (decrease) in allowance for doubtful accounts	-98	467
Increase (decrease) in retirement benefit liability	-78	-123
Decrease (increase) in retirement benefit asset	-102	-52
Increase (decrease) in provision for loss on construction contracts	559	-215
Increase (decrease) in other provisions	33	145
Interest and dividend income	-738	-1,020
Interest expenses	752	1,204
Loss (gain) on sale of investment securities	-2,611	-2,861
Loss (gain) on valuation of investment securities	300	—
Loss (gain) on sale of property, plant and equipment	-72	-18
Loss (gain) on investments in silent partnerships	—	-519
Decrease (increase) in trade receivables	-10,970	-6,662
Decrease (increase) in costs on construction contracts in progress	835	-83
Decrease (increase) in inventories	-5,366	-6,309
Decrease (increase) in other assets	-1,936	-4,457
Increase (decrease) in trade payables	-10,302	-7,426
Increase (decrease) in advances received on construction contracts in progress	536	1,724
Increase (decrease) in other liabilities	3,673	5,617
Other	466	-35
Sub-total	-19,049	-11,365
Interest and dividends received	738	1,012
Interest paid	-748	-1,190
Income taxes paid	-1,192	-2,191
Settlement paid	-34	-154
Cash flows from operating activities	-20,285	-13,889
Cash flows from investing activities		
Purchase of property, plant and equipment	-486	-501
Proceeds from sale of property, plant and equipment	185	86
Purchase of intangible assets	-456	-351
Purchase of investment securities	-22	-24
Proceeds from sale of investment securities	2,682	3,700
Purchase of shares of subsidiaries and associates	-800	-68
Loan advances	-272	-82
Proceeds from collection of loans receivable	30	34
Proceeds from withdrawal of investments in silent partnerships	—	1,209
Other	-245	-177
Cash flows from investing activities	615	3,825
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	14,115	11,501
Proceeds from long-term borrowings	13,415	14,697
Repayments of long-term borrowings	-5,856	-6,446
Repayments of lease liabilities	-31	-31
Decrease (increase) in treasury shares	-2,222	-0
Dividends paid	-1,484	-1,705
Dividends paid to non-controlling interests	-2	-1
Cash flows from financing activities	17,932	18,013
Effect of exchange rate change on cash and cash equivalents	-339	290
Net increase (decrease) in cash and cash equivalents	-2,077	8,240
Cash and cash equivalents at beginning of period	18,606	16,529
Cash and cash equivalents at end of period	16,529	24,769

(5) Notes to the Consolidated Financial Statements
(Notes Regarding the Going-Concern Assumption)
Not applicable.

(Segment information, etc.)
【Segment information】

1. Overview of Reportable Segments

The Group's reportable segments are components of the Company for which separate financial information is available and which are subject to periodic review by the Board of Directors to determine the allocation of management resources and evaluate performance.

The Civil Engineering Division and Architectural Construction Division are established at the head office, and each division formulates comprehensive strategies for the works it handles and develops its business activities. The Real Estate Division has established a specialized department to develop comprehensive strategies and conduct business activities. The Incidental Business Division, a specialized department for selling materials and equipment incidental to the construction business, is established as a consolidated subsidiary, which formulates comprehensive strategies and conducts business activities.

Therefore, the Company is composed of construction and business segments based on the headquarters and specialized divisions and has four reportable segments: "Civil Engineering," "Architectural Construction," "Real Estate" and "Incidental Business."

"Civil Engineering" is engaged in contracting civil engineering and related research, planning, surveying, design, supervision, management, and consulting. "Architectural Construction" includes contracting of construction and related research, planning, surveying, design, supervision, management, and consulting. "Real Estate" is engaged in the overall real estate business, including the sale, purchase, and lease of real estate. "Incidental Businesses" are mainly involved in selling materials and equipment incidental to Civil Engineering and Architectural Construction and security services. "Real Estate" and "Incidental Business" are conducted as concurrent businesses.

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

Accounting methods for reported business segments are generally the same as those described in "Basis of preparation of consolidated financial statements."

Profits of reportable segments are based on operating profit. Intersegment sales or transfers are based on prevailing market prices. Assets are not allocated to business segments, but depreciation expenses for such assets are allocated to business segments in accordance with reasonable standards based on their use.

3. Information about sales, profit (loss) and other items by reportable segment
Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments					Other (Note 1)	Total	Adjustment account (Note 2)	Consolidated statements of income (Note 3)
	Civil Engineering	Architectural construction	Real Estate	Incidental Business	Subtotal				
Sales									
Sales to external customers	89,047	90,837	4,536	448	184,870	244	185,114	—	185,114
Intersegment sales or transfers	—	299	233	2,936	3,469	—	3,469	-3,469	—
Total	89,047	91,137	4,769	3,384	188,339	244	188,584	-3,469	185,114
Segment profit (loss)	3,497	-997	648	140	3,288	195	3,484	-24	3,459
Other items									
Depreciation and amortization	293	284	458	44	1,081	0	1,081	-0	1,080

- (Notes) 1. 'Other' is a business segment not included in the reportable segments and includes insurance agencies and other businesses.
2. Adjustments to segment profit or loss refer to eliminating inter-segment transactions.
3. The consolidated income statement adjusts Segment profit or loss with an operating profit.

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

(Millions of yen)

	Reportable segments					Other (Note 1)	Total	Adjustment account (Note 2)	Consolidated statements of income (Note 3)
	Civil Engineering	Architectural construction	Real Estate	Incidental Business	Subtotal				
Sales									
Sales to external customers	91,165	83,229	5,002	232	179,629	195	179,825	—	179,825
Intersegment sales or transfers	—	850	239	3,267	4,357	—	4,357	-4,357	—
Total	91,165	84,080	5,242	3,499	183,987	195	184,182	-4,357	179,825
Segment profit	3,583	1,030	706	142	5,463	190	5,653	-30	5,622
Other items									
Depreciation and amortization	304	272	441	49	1,067	—	1,067	-0	1,067

- (Notes) 1. 'Other' is a business segment not included in the reportable segments and includes insurance agencies and other businesses.
2. Adjustments to segment profit refer to eliminating inter-segment transactions.
3. The consolidated income statement adjusts Segment profit with an operating profit.

(Per-share Information)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net assets per share	5,011.44yen	5,629.26yen
Net income per share	242.75yen	361.03yen

(Note) 1. Diluted net income per share is not shown because there are no latent shares.

2. Earnings per share and the basis for its calculation are as follows.

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net profit attributable to owners of parent (Millions of yen)	3,429	5,029
Net profit attributable to owners of parent for common stock (Millions of yen)	3,429	5,029
Average number of shares of common stock during the period	14,126	13,930

3. The basis for calculating net assets per share is as follows

	As of March 31, 2025	As of March 31, 2026
Total net assets (Millions of yen)	70,116	78,746
Amount deducted from total net assets (Millions of yen)	306	325
(of which non-controlling interest) (Millions of yen)	(306)	(325)
Net assets related to common stock at the end of the period (Millions of yen)	69,810	78,420
Number of shares of common stock used in the calculation of net assets per share at the end of the period (Thousands of shares)	13,930	13,930

4. Shares of the Company's stock remaining in the trust related to the performance-based stock compensation plan for directors, which are recorded as treasury stock in shareholders' equity, are included in treasury stock, which is deducted in the calculation of the average number of shares outstanding during the period to calculate net income per share.

The average number of such treasury stock deducted in the calculation of net income per share was 49,800 shares for the previous fiscal year, and 48,750 shares for the current fiscal year.

(Significant event after reporting period)

Not applicable.

4. Non-consolidated Financial Statements

(1) Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	15,492	21,835
Notes receivable - trade	19	3
Electronically recorded monetary claims - operating	632	3,033
Accounts receivable from completed construction contracts	104,476	108,857
Accounts receivable from sideline businesses	24	4
Real estate for sale	5	2,435
Costs on construction contracts in progress	243	352
Costs on sideline businesses	4,819	5,568
Raw materials and supplies	40	38
Accounts receivable - other	10,880	14,937
Other	1,332	1,901
Allowance for doubtful accounts	-34	-38
Total current assets	137,932	158,929
Non-current assets		
Property, plant and equipment		
Buildings	14,896	14,929
Accumulated depreciation	-6,932	-7,251
Buildings, net	7,964	7,677
Structures	613	619
Accumulated depreciation	-395	-420
Structures, net	217	198
Machinery and equipment	705	716
Accumulated depreciation	-612	-633
Machinery and equipment, net	93	82
Tools, furniture and fixtures	1,083	1,121
Accumulated depreciation	-958	-957
Tools, furniture and fixtures, net	124	163
Land	16,368	15,691
Leased assets	220	214
Accumulated depreciation	-153	-173
Leased assets, net	67	41
Construction in progress	48	171
Total property, plant and equipment	24,884	24,026
Intangible assets	1,766	1,799

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Investments and other assets		
Investment securities	21,319	24,932
Shares of subsidiaries and associates	9,316	9,384
Investments in other securities of subsidiaries and associates	13,194	16,202
Long-term loans receivable	21	18
Long-term loans receivable from employees	61	56
Long-term loans receivable from subsidiaries and associates	497	469
Distressed receivables	384	384
Long-term accounts receivable - other	2,169	2,633
Long-term prepaid expenses	98	65
Prepaid pension costs	1,173	1,225
Deferred tax assets for land revaluation	-	11
Other	1,813	1,080
Allowance for doubtful accounts	-2,576	-3,039
Total investments and other assets	47,473	53,425
Total non-current assets	74,124	79,251
Total assets	212,056	238,181
Liabilities		
Current liabilities		
Notes payable - trade	1,201	-
Electronically recorded obligations - operating	8,628	-
Accounts payable for construction contracts	27,842	28,388
Short-term borrowings	36,104	49,231
Lease liabilities	31	25
Accounts payable - other	12,372	15,328
Income taxes payable	1,162	1,544
Advances received on construction contracts in progress	7,915	9,660
Receivables from concurrent businesses	20	26
Deposits received	20,610	21,951
Provision for warranties for completed construction	270	192
Provision for bonuses	1,416	1,627
Provision for loss on construction contracts	2,336	2,120
Other	773	1,780
Total current liabilities	120,685	131,877
Non-current liabilities		
Long-term borrowings	12,808	17,988
Lease liabilities	46	21
Deferred tax assets	3,758	5,978
Deferred tax assets for land revaluation	1,569	1,569
Provision for retirement benefits	5,857	5,731
Provision for share awards for directors (and other officers)	14	22
Other	28	28
Total non-current liabilities	24,083	31,340
Total liabilities	144,768	163,217

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Net assets		
Shareholders' equity		
Share capital	18,293	18,293
Capital surplus		
Legal capital surplus	5,289	5,289
Total capital surplus	5,289	5,289
Retained earnings		
Legal retained earnings	80	80
Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets	4,947	4,836
Retained earnings brought forward	26,425	29,120
Total retained earnings	31,452	34,036
Treasury shares	-2,458	-2,458
Total shareholders' equity	52,576	55,160
Valuation and translation adjustments		
Valuation difference on marketable securities	11,442	16,523
Revaluation reserve for land	3,268	3,280
Total valuation and translation adjustments	14,711	19,803
Total net assets	67,288	74,964
Total liabilities and net assets	212,056	238,181

(2) 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	178,709	173,476
Net sales in sideline businesses	830	777
Total net sales	179,540	174,253
Cost of sales		
Cost of sales of completed construction contracts	166,016	158,405
Cost of sales in sideline businesses	534	460
Total cost of sales	166,551	158,865
Gross profit		
Gross profit on completed construction contracts	12,692	15,071
Gross profit on sideline businesses	296	316
Total gross profit	12,989	15,387
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	285	287
Employees' salaries and allowances	4,505	4,623
Provision for bonuses	321	365
Retirement benefit expenses	75	93
Legal welfare expenses	763	784
Welfare expenses	633	697
Repair and maintenance expenses	49	47
Stationery expenses	43	134
Communication and transportation expenses	621	578
Power utilities expenses	41	44
Research study expenses	512	551
Advertising expenses	81	59
Provision of allowance for doubtful accounts	22	2
Entertainment expenses	330	296
Donations	11	12
Rent expenses on land and buildings	176	184
Depreciation	224	223
Taxes and dues	529	538
Insurance expenses	24	25
Miscellaneous expenses	1,263	1,321
Total selling, general and administrative expenses	10,517	10,868
Operating profit	2,471	4,518

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Non-operating income		
Interest income	22	117
Dividend income	721	839
Foreign exchange gains	—	44
Gain on investments in silent partnerships	—	519
Other	80	85
Total non-operating income	823	1,606
Non-operating expenses		
Interest expenses	676	1,107
Foreign exchange losses	181	—
Provision of allowance for doubtful accounts	—	1
Other	319	214
Total non-operating expenses	1,178	1,323
Ordinary profit	2,117	4,801
Extraordinary income		
Gain on sale of non-current assets	—	5
Gain on sale of investment securities	2,611	2,861
Other	0	—
Total extraordinary income	2,612	2,866
Extraordinary losses		
Loss on sale of non-current assets	0	19
Loss on valuation of investment securities	300	—
Settlement paid	42	158
Provision of allowance for doubtful accounts	326	349
Impairment losses	29	714
Removal costs of non-current assets	53	—
Other	23	48
Total extraordinary losses	777	1,291
Profit before income taxes	3,952	6,377
Income taxes - current	1,414	2,221
Income taxes - deferred	-181	-134
Total income taxes	1,233	2,087
Profit	2,718	4,289

(3) Statement of Changes to Shareholder' Equity

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

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Legal retained earnings	Retained earnings			Treasury shares
		Legal capital surplus	Other capital surplus	Total capital surplus		Other retained earnings		Total retained earnings	
						Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward		
Starting balance	18,293	5,289	0	5,289	80	4,992	26,783	31,855	-1,872
Changes of items during the period									
Reversal of reserve for tax purpose reduction entry of non-current assets						-45	45	—	
Dividends of surplus							-1,484	-1,484	
Net profit							2,718	2,718	
Purchase of treasury stock									-2,222
Cancellation of treasury stock			-1,637	-1,637					1,637
Transfer from retained earnings to capital surplus			1,637	1,637			-1,637	-1,637	
Items other than shareholder' equity Net changes of items during the period									
Total changes of items during the period	—	—	-0	-0	—	-45	-357	-403	-585
Current year-end balance	18,293	5,289	—	5,289	80	4,947	26,425	31,452	-2,458

	Shareholders' equity	Valuation and translation adjustments			Total net assets
	Total shareholders' equity	Valuation difference on marketable securities	Revaluation reserve for land	Total valuation and translation adjustments	
Starting balance	53,565	12,961	3,313	16,275	69,841
Changes of items during the period					
Reversal of reserve for tax purpose reduction entry of non-current assets	—				—
Dividends of surplus	-1,484				-1,484
Net profit	2,718				2,718
Purchase of treasury stock	-2,222				-2,222
Cancellation of treasury stock	—				—
Transfer from retained earnings to capital surplus	—				—
Items other than shareholder' equity Net changes of items during the period		-1,519	-44	-1,564	-1,564
Total changes of items during the period	-988	-1,519	-44	-1,564	-2,553
Current year-end balance	52,576	11,442	3,268	14,711	67,288

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

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus		Legal retained earnings	Retained earnings		Total retained earnings	Treasury shares
		Legal capital surplus	Total capital surplus		Other retained earnings			
					Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward		
Starting balance	18,293	5,289	5,289	80	4,947	26,425	31,452	-2,458
Changes of items during the period								
Reversal of reserve for tax purpose reduction entry of non-current assets					-110	110	—	
Dividends of surplus						-1,705	-1,705	
Net profit						4,289	4,289	
Purchase of treasury stock								-2
Disposal of treasury stock								2
Items other than shareholder' equity Net changes of items during the period								
Total changes of items during the period	—	—	—	—	-110	2,694	2,584	-0
Current year-end balance	18,293	5,289	5,289	80	4,836	29,120	34,036	-2,458

	Shareholders' equity	Valuation and translation adjustments			Total net assets
	Total shareholders' equity	Valuation difference on marketable securities	Revaluation reserve for land	Total valuation and translation adjustments	
Starting balance	52,576	11,442	3,268	14,711	67,288
Changes of items during the period					
Reversal of reserve for tax purpose reduction entry of non-current assets	—				—
Dividends of surplus	-1,705				-1,705
Net profit	4,289				4,289
Purchase of treasury stock	-2				-2
Disposal of treasury stock	2				2
Items other than shareholder' equity Net changes of items during the period		5,081	11	5,092	5,092
Total changes of items during the period	2,583	5,081	11	5,092	7,676
Current year-end balance	55,160	16,523	3,280	19,803	74,964

5. Non-consolidated Orders Received, Completed Work, and Work Carried Forward

Classification			For the fiscal year ended March 31, 2025			For the fiscal year ended March 31, 2026			Increase / decrease	Percentage change
Orders received	Engineering Civil	Domestic public	36,729	41.7%	48.6%	58,732	51.1%	51.2%	22,002	59.9%
		Domestic private	48,877	55.6%		54,930	47.7%		6,052	12.4%
		Overseas	2,391	2.7%		1,368	1.2%		-1,022	-42.8%
		Total	87,997	100.0%		115,030	100.0%		27,032	30.7%
	Architectural	Domestic public	23,997	25.8%	51.4%	5,984	5.5%	48.8%	-18,013	-75.1%
		Domestic private	69,007	74.2%		103,719	94.5%		34,711	50.3%
		Overseas	-1	-0.0%		0	0.0%		1	—
		Total	93,004	100.0%		109,704	100.0%		16,699	18.0%
	Total	Domestic public	60,726	33.6%	100.0%	64,716	28.8%	100.0%	3,989	6.6%
		Domestic private	117,885	65.1%		158,649	70.6%		40,764	34.6%
		Overseas	2,390	1.3%		1,368	0.6%		-1,021	-42.7%
		Total	181,002	100.0%		224,734	100.0%		43,732	24.2%
		of which railway	68,176	37.7%		93,152	41.5%		24,976	36.6%
Completed construction contracts	Engineering Civil	Domestic public	46,485	53.1%	49.0%	44,560	49.9%	51.5%	-1,925	-4.1%
		Domestic private	35,982	41.1%		41,237	46.1%		5,255	14.6%
		Overseas	5,103	5.8%		3,598	4.0%		-1,505	-29.5%
		Total	87,571	100.0%		89,396	100.0%		1,824	2.1%
	Architectural	Domestic public	7,759	8.5%	51.0%	13,509	16.1%	48.5%	5,749	74.1%
		Domestic private	82,983	91.1%		69,802	83.0%		-13,180	-15.9%
		Overseas	394	0.4%		768	0.9%		373	94.8%
		Total	91,137	100.0%		84,080	100.0%		-7,057	-7.7%
	Total	Domestic public	54,245	30.3%	100.0%	58,069	33.5%	100.0%	3,823	7.1%
		Domestic private	118,965	66.6%		111,040	64.0%		-7,925	-6.7%
		Overseas	5,498	3.1%		4,366	2.5%		-1,131	-20.6%
		Total	178,709	100.0%		173,476	100.0%		-5,233	-2.9%
		of which railway	61,796	34.6%		68,229	39.3%		6,432	10.4%
Construction work carried forward	Engineering Civil	Domestic public	73,912	45.4%	58.5%	88,086	46.7%	57.2%	14,173	19.2%
		Domestic private	82,143	50.5%		95,834	50.9%		13,691	16.7%
		Overseas	6,712	4.1%		4,482	2.4%		-2,230	-33.2%
		Total	162,768	100.0%		188,403	100.0%		25,634	15.8%
	Architectural	Domestic public	31,042	26.9%	41.5%	23,515	16.6%	42.8%	-7,526	-24.3%
		Domestic private	83,275	72.1%		117,194	83.1%		33,918	40.7%
		Overseas	1,136	1.0%		368	0.3%		-767	-67.6%
		Total	115,454	100.0%		141,078	100.0%		25,624	22.2%
	Total	Domestic public	104,954	37.7%	100.0%	111,602	33.8%	100.0%	6,647	6.3%
		Domestic private	165,418	59.5%		213,028	64.7%		47,609	28.8%
		Overseas	7,849	2.8%		4,851	1.5%		-2,997	-38.2%
		Total	278,222	100.0%		329,481	100.0%		51,258	18.4%
		of which railway	114,436	41.1%		139,542	42.4%		25,105	21.9%

(Notes) Construction contracts received before the period under review, where there is an increase or decrease in the contract amount due to a change in the contract, the increase or decrease is included in the amount of orders received during the period under review. The same applies to orders received in foreign currency before the period under review, where there is an increase or decrease in the contract amount due to fluctuations in exchange rates during the period under review.