May 12, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company Name: Takasago Thermal Engineering Co., Ltd.
Stock Exchange Listing: On the Prime Section of the Tokyo Stock Exchange
Code Number: 1969
Company URL: https://www.tte-net.com/
Representative: Kazuhito Kojima, President and Representative Director
Contact: Isao Nakamura, Manager, IR Office, Corporate Planning Division
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Scheduled date of ordinary general meeting of shareholders: June 25, 2026
Scheduled date to commence dividend payment: June 26, 2026
Scheduled date to submit the Securities Report: June 18, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and securities analysts)

(Fraction less than one million yen has been omitted)

1. Consolidated Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Consolidated Results of Operations

(% indicates changes from the previous term)

	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	423,923	11.1	47,745	47.3	50,642	44.8	37,470	35.6
March 31, 2025	381,661	5.0	32,415	34.0	34,970	33.7	27,631	40.9

(Note) Comprehensive income:
Fiscal year ended March 31, 2026: ¥49,053 million year on year: 78.0%
Fiscal year ended March 31, 2025: ¥27,556 million year on year: (5.7)%

	Earnings per share	Diluted earnings per share	Rate of 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	285.73	–	19.2	14.1	11.3
March 31, 2025	208.07	–	16.0	10.4	8.5

(Reference) Share of profit of entities accounted for using equity method:
Fiscal year ended March 31, 2026: ¥821 million
Fiscal year ended March 31, 2025: ¥400 million

(Note) The Company conducted a share split at a ratio of two shares for every one common share, effective October 1, 2025. Therefore, earnings per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated Financial Positions

	Total assets	Net assets	Equity ratio	Net assets per share
As of	(Millions of yen)	(Millions of yen)	(%)	(Yen)
March 31, 2026	381,823	215,056	55.0	1,603.89
March 31, 2025	334,949	184,283	53.9	1,360.32

(Reference) Equity:
As of March 31, 2026: ¥209,889 million
As of March 31, 2025: ¥180,667 million

(Note) The Company conducted a share split at a ratio of two shares for every one common share, effective October 1, 2025. Therefore, net assets per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
Fiscal year ended	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
March 31, 2026	29,725	(11,840)	(16,956)	42,537
March 31, 2025	5,885	(1,405)	(12,713)	41,364

2. Dividends

	Cash dividends per share					Total cash dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	First quarter end	Second quarter end	Third quarter end	Year-end	Annual			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Millions of yen)	(%)	(%)
Fiscal year ended March 31, 2025	–	65.00	–	102.00	167.00	11,288	40.1	6.4
Fiscal year ended March 31, 2026	–	86.00	–	72.00	–	15,336	40.2	7.3
Fiscal year ending March 31, 2027 (Forecast)	–	61.00	–	62.00	123.00		40.3	

(Note) The Company conducted a share split at a ratio of two shares for every one common share with a record date of September 30, 2025 and an effective date of October 1, 2025. The year-end dividend per share for the fiscal year ended March 31, 2026 shown above reflects the amount after considering the share split. The total annual dividend per share for the fiscal year ended March 31, 2026 is not indicated as a simple sum cannot be calculated from the interim and year-end dividends as a result of the share split. If the impact of the share split is ignored, the year-end dividend per share for the fiscal year ended March 31, 2026 would be ¥144.00, and the total annual dividend per share would be ¥230.00.

3. Forecasts for the Consolidated Financial Results for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(% indicates changes from the previous term)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full year	440,000	3.8	50,000	4.7	52,000	2.7	40,000	6.7	305.02

(Reference) Orders received (Forecast): (Full year) ¥520,000 million

* Notes

(1) Significant Changes in the Scope of Consolidation During the Period: Yes

Newly included: 2 companies (THS INNOVATIONS CO., LTD. and PROMPT TECHNO SERVICE CO., LTD.)

For more details, please refer to “(5) Notes on Consolidated Financial Statements, (Changes in the scope of consolidation or application of equity method)” of “3. Consolidated Financial Statements” on page 13 of the attached materials.

(2) Changes in Accounting Policies, Changes in Accounting Estimates and Restatements

(i) Changes in accounting policies in accordance with the revision of accounting standards, etc.: None

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(3) Number of Issued Shares (Common Shares)

(i) Number of issued shares at fiscal year end (including treasury shares)

As of March 31, 2026:	140,478,804 shares
As of March 31, 2025:	140,478,804 shares

(ii) Number of treasury shares at fiscal year end

As of March 31, 2026:	9,615,980 shares
As of March 31, 2025:	7,666,262 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026:	131,139,942 shares
Fiscal year ended March 31, 2025:	132,794,390 shares

(Note) The Company conducted a share split at a ratio of two shares for every one common share, effective October 1, 2025. Therefore, the number of issued shares at fiscal year end (including treasury shares), number of treasury shares at fiscal year end, and average number of shares outstanding during the period were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(References) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Non-consolidated Results of Operations

	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	294,497	7.4	41,892	43.8	44,815	39.9	34,068	29.9
March 31, 2025	274,274	2.1	29,135	39.4	32,045	39.4	26,232	46.3

	Earnings per share	Diluted earnings per share
Fiscal year ended	(Yen)	(Yen)
March 31, 2026	258.75	–
March 31, 2025	196.76	–

(Note) The Company conducted a share split at a ratio of two shares for every one common share, effective October 1, 2025. Therefore, earnings per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated Financial Positions

	Total assets	Net assets	Equity ratio	Net assets per share
As of	(Millions of yen)	(Millions of yen)	(%)	(Yen)
March 31, 2026	302,559	182,942	60.5	1,392.34
March 31, 2025	275,489	160,364	58.2	1,202.66

(Reference) Equity:
As of March 31, 2026: ¥182,942 million
As of March 31, 2025: ¥160,364 million

(Note) The Company conducted a share split at a ratio of two shares for every one common share, effective October 1, 2025. Therefore, net assets per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

2. Forecasts for the Non-consolidated Financial Results for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(% indicates changes from the previous term)

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full year	320,000	8.7	44,300	5.7	47,100	5.1	36,700	7.7	278.73

(Reference) Orders received (Forecast): (Full year) ¥380,000 million

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

* Explanation concerning proper use of the forecasts for the financial results and other special instructions

Forward-looking statements, including the financial results forecasts, in this document are based on currently available information held by the Company and on certain premises considered reasonable by the Company. It is not the intention of the Company to undertake the realization of these statements. Actual business results may differ from the forecasts, depending on various factors. For the assumptions used as the basis for the financial results forecast and notes on the use of the forecast, please refer to “Future Outlook” on page 3 of the attached document.

The Company will hold the annual financial results briefing session for the fiscal year ended March 31, 2026 (for institutional investors and securities analysts) on Tuesday, May 12, 2026. The information materials to be used at the session will be posted on the Company’s website.

Table of Attachments

Index

1. Summary of Business Results, etc.

(1) Summary of Business Results for the Year Ended March 31, 2026

During the year ended March 31, 2026 (hereinafter, the "period under review"), the Japanese economy was on a gradual recovery path with employment circumstances and the income environment showing improvement, despite concerns about fluctuations in financial and capital markets due to the influences from policy trends in foreign countries and diplomatic situations.

In the construction industry and our related air conditioning industry, capital investment by manufacturing and non-manufacturing sectors continued to demonstrate a robust trend, while some made the move to cautiously assess investment timing. In addition, a cautious approach to business operations became essential as the impact of material and equipment prices, which were staying high, and a labor cost surge continued to require close attention.

In this business environment, our Group has been promoting "business model transformation" to establish a solid revenue base from the construction business and promote investments for future growth, and "company and human resource transformation" through investing in human capital and establishing a framework that is aimed at becoming an Environment-Creator™ company, in accordance with the Medium-Term Management Plan.

Our Group's net sales for the period under review totaled ¥423,923 million (up 11.1% year on year).

Profits were also boosted by steady progress in construction through efficient project management initiatives and efforts to improve profitability at the order and installation stages. As a result, operating profit was ¥47,745 million (up 47.3% year on year), ordinary profit came to ¥50,642 million (up 44.8% year on year), and profit attributable to owners of parent was ¥37,470 million (up 35.6% year on year).

Orders received totaled ¥460,057 million (up 10.6% year on year).

Segment business results were as follows. (Segment business results include intersegment net sales and transfers.)

<u>(Construction business)</u>

Net sales were ¥415,429 million (up 11.2% year on year), and segment profit (operating profit) was ¥46,766 million (up 47.4% year on year).

<u>(Equipment manufacturing and sales business)</u>

Net sales were ¥9,350 million (up 9.6% year on year) and segment profit (operating profit) was ¥907 million (up 56.5% year on year).

<u>(Other)</u>

Net sales were ¥125 million (up 5.1% year on year) and segment profit (operating profit) was ¥80 million (down 3.0% year on year).

(2) Summary of Financial Position for the Period Under Review

Total assets increased ¥46,874 million from the end of the previous fiscal year to ¥381,823 million at the end of the period under review, mainly due to increases in notes, accounts receivable from completed construction contracts and contract assets.

Total liabilities increased ¥16,101 million from the end of the previous fiscal year to ¥166,766 million, mainly due to an increase in short-term borrowings.

Total net assets increased ¥30,773 million from the end of the previous fiscal year to ¥215,056 million, mainly due to an increase in retained earnings resulting from the recognition of profit attributable to owners of parent.

(3) Summary of Cash Flows for the Period Under Review

Cash and cash equivalents at the end of the period under review increased by ¥1,172 million from the end of the previous period to ¥42,537 million.

(Cash flows from operating activities)

Cash flows from operating activities resulted in net cash of ¥29,725 million (up ¥23,839 million from the end of the previous period). This was mainly due to an increase in profit before income taxes.

(Cash flows from investing activities)

Cash flows from investing activities resulted in an expenditure of ¥11,840 million (down ¥10,435 million from the end of the previous period). This was mainly due to an increase in expenditures for the purchase of investment securities.

(Cash flows from financing activities)

Cash flows from financing activities resulted in an expenditure of ¥16,956 million (down ¥4,242 million from the end of the previous period). This was mainly due to the payment of dividends.

(Reference) Trends in cash flow indicators

	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2026
Equity ratio (%)	44.2	45.5	48.3	53.9	55.0
Equity ratio based on market value (%)	38.2	44.6	95.2	110.1	147.1
Ratio of interest-bearing debt to cash flow (annual)	6.4	0.9	(4.8)	2.4	1.0
Interest coverage ratio (times)	21.7	116.3	(29.0)	54.9	104.7

(Notes) 1. Each indicator is calculated based on the following criteria, all of which are financial measures on a consolidated basis.

Equity ratio: Equity/Total assets

Equity ratio based on market value: Total market capitalization/Total assets

Ratio of interest-bearing debt to cash flow (annual): Interest-bearing debt/

Operating cash flow (before interest and taxes)

Interest coverage ratio:

Operating cash flow (before interest and taxes)/Interest payments

2. Market capitalization is calculated by multiplying the closing share price at the end of the period by the number of shares outstanding (excluding treasury shares) at the end of the period.

3. Operating cash flows (before interest and income taxes paid) are the cash flows from operating activities (before interest and income taxes paid) in the consolidated statements of cash flows. Interest-bearing debt is all liabilities on the consolidated balance sheet for which interest is paid. Interest payments are based on the amount of interest paid in the consolidated statements of cash flows.

(4) Future Outlook

As for the future business environment, we will continue to monitor fluctuations in financial and capital markets not to mention stagnation in resources distribution and rising prices due to international situations and countries’ trade policies. On the other hand, it is expected that the gradual recovery path will be underpinned by factors such as improvements in corporate earnings, the employment situation and the income environment.

In the construction industry and our related air conditioning industry, while capital investment is expected to remain stable in the manufacturing and non-manufacturing sectors, we can also assume there will be factors that will affect business operations, such as the supply constraint and price surge of material and equipment, a rise in labor costs and possible delays in construction project schedules, associated with brisk demand.

In this business environment, the Company will further strive to improve the profitability and productivity of construction projects by implementing a series of initiatives to pursue the strategy for company-wide optimum order capture and boost earning capability. In addition, with initiatives toward sustainability and carbon neutrality gaining significance, the response is required to be further driven by a sense of urgency.

We are pushing forward with growth strategy under the "2026 Medium-term Management Plan: Step for the FUTURE -Four years to embark on the future-." Various measures are in steady progress. We will continue striving to enhance our corporate value through consolidating the Group's power toward sustainable growth, while cautiously assessing changes in the business environment.

For the consolidated business forecast for the year ending March 31, 2027 (hereinafter, the "next period"), we expect net sales of ¥440 billion, operating profit of ¥50 billion, ordinary profit of ¥52 billion, profit attributable to owners of parent of ¥40 billion and orders received of ¥520 billion.

(5) Policy for the Appropriation of Retained Earnings and Dividends for the Period Under Review and the Next Period

The Company's earnings distribution policy is based on returning profits to shareholders through dividends, taking into account the balance between financial soundness and investments for growth. The Company pursues a progressive dividend policy of increasing dividends in line with sustainable earnings growth with a target payout ratio of 40%. Also, share repurchases are flexibly implemented from the perspective of increasing shareholder value over the medium to long term, taking into account "soundness" and "capital efficiency," while comprehensively considering market conditions, capital levels, business investment opportunities, and other factors.

The Company's basic policy is to pay dividends of surplus twice a year, an interim dividend and a year-end dividend. Decisions on dividends are made by the Board of Directors for interim dividends and by the General Meeting of Shareholders for year-end dividends.

The Company plans to pay a year-end dividend of ¥72 per common share for the period under review. Since the Company paid an interim dividend of ¥86 (¥43 after adjusting for the share split), the annual dividend per share will total ¥115 after taking into account the share split implemented on October 1, 2025.

The Company plans to pay an annual dividend of ¥123 per common share for the next period (interim dividend of ¥61 and year-end dividend of ¥62).

2. Basic Approach to the Selection of Accounting Standards

The Group's current policy is to prepare its consolidated financial statements in accordance with Japanese GAAP, taking into account the comparability of the consolidated financial statements from period to period and from company to company.

For the application of the International Financial Reporting Standards (IFRS), our policy is to respond as appropriate, taking into account various conditions in Japan and overseas.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	47,647	48,228
Notes, accounts receivable from completed construction contracts and contract assets	178,215	196,670
Electronically recorded monetary claims - operating	7,977	6,504
Costs on construction contracts in progress	3,889	4,161
Other	7,758	9,732
Allowance for doubtful accounts	(351)	(1,251)
Total current assets	245,138	264,045
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,893	16,249
Machinery, equipment and vehicles	3,112	3,438
Tools, furniture and fixtures	5,264	5,158
Land	9,826	8,591
Construction in progress	318	1,440
Right-of-use assets	1,488	1,915
Accumulated depreciation	(11,983)	(12,953)
Total property, plant and equipment	23,919	23,840
Intangible assets		
Software	8,111	8,285
Goodwill	1,419	2,696
Other	97	476
Total intangible assets	9,628	11,458
Investments and other assets		
Investment securities	43,220	64,166
Long-term loans receivable	228	539
Retirement benefit asset	7,001	11,404
Deferred tax assets	1,400	1,523
Guarantee deposits	3,114	3,303
Insurance funds	572	167
Other	776	1,451
Allowance for doubtful accounts	(52)	(76)
Total investments and other assets	56,262	82,478
Total non-current assets	89,810	117,777
Total assets	334,949	381,823

(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	43,590	46,283
Electronically recorded obligations - operating	6,123	5,198
Short-term borrowings	17,737	27,406
Current portion of bonds payable	5,000	5,000
Accounts payable - other	4,083	6,823
Income taxes payable	6,975	9,938
Advances received on construction contracts in progress	20,978	17,993
Provision for bonuses	9,858	10,163
Provision for bonuses for directors (and other officers)	175	216
Provision for warranties for completed construction	934	1,795
Provision for loss on construction contracts	489	252
Provision for compensation for damages	82	265
Other	14,011	14,390
Total current liabilities	130,040	145,726
Non-current liabilities		
Bonds payable	15,000	10,000
Retirement benefit liability	1,045	1,743
Provision for share awards	1,673	1,942
Deferred tax liabilities	2,210	5,261
Other	696	2,092
Total non-current liabilities	20,625	21,040
Total liabilities	150,665	166,766
Net assets		
Shareholders' equity		
Share capital	13,134	13,134
Capital surplus	11,639	12,761
Retained earnings	145,846	170,683
Treasury shares	(8,408)	(15,802)
Total shareholders' equity	162,212	180,776
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,249	21,883
Foreign currency translation adjustment	2,285	2,562
Remeasurements of defined benefit plans	1,920	4,665
Total accumulated other comprehensive income	18,455	29,112
Non-controlling interests	3,615	5,167
Total net assets	184,283	215,056
Total liabilities and net assets	334,949	381,823

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	381,661	423,923
Cost of sales	310,015	330,203
Gross profit	71,646	93,719
Selling, general and administrative expenses		
Employees' salaries and allowances	11,149	13,165
Provision for bonuses	3,542	3,642
Retirement benefit expenses	223	498
Provision for share awards	708	316
Stationery expenses	3,716	4,514
Provision of allowance for doubtful accounts	122	934
Rent expenses on land and buildings	2,740	2,877
Depreciation	2,615	2,994
Other	14,412	17,030
Total selling, general and administrative expenses	39,231	45,974
Operating profit	32,415	47,745
Non-operating income		
Interest income	549	624
Dividend income	926	982
Dividend income of insurance	129	166
Share of profit of entities accounted for using equity method	400	821
Rental income from real estate	861	814
Other	761	1,037
Total non-operating income	3,628	4,448
Non-operating expenses		
Interest expenses	269	423
Provision of allowance for doubtful accounts	23	0
Rental expenses on real estate	407	407
Provision for compensation for damages	95	483
Foreign exchange losses	108	32
Other	169	202
Total non-operating expenses	1,073	1,551
Ordinary profit	34,970	50,642
Extraordinary income		
Gain on sale of investment securities	2,712	799
Gain on sale of non-current assets	–	1,517
Other	2	–
Total extraordinary income	2,714	2,316
Extraordinary losses		
Loss on retirement of non-current assets	27	–
Loss on valuation of investment securities	143	112
Other	5	20
Total extraordinary losses	176	132
Profit before income taxes	37,508	52,826
Income taxes - current	10,618	16,508
Income taxes - deferred	(1,134)	(1,694)
Total income taxes	9,484	14,813
Profit	28,024	38,013
Profit attributable to non-controlling interests	392	542
Profit attributable to owners of parent	27,631	37,470

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	28,024	38,013
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,617)	7,503
Foreign currency translation adjustment	1,006	604
Remeasurements of defined benefit plans, net of tax	109	2,707
Share of other comprehensive income of entities accounted for using equity method	33	224
Total other comprehensive income	(467)	11,039
Comprehensive income	27,556	49,053
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	26,771	48,127
Comprehensive income attributable to non-controlling interests	785	925

(3) Consolidated Statement 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	13,134	10,488	128,724	(7,307)	145,040
Changes during period					
Dividends of surplus			(10,508)		(10,508)
Profit attributable to owners of parent			27,631		27,631
Purchase of treasury shares				(1,939)	(1,939)
Disposal of treasury shares		1,151		838	1,989
Net changes in items other than shareholders' equity					
Total changes during period	–	1,151	17,122	(1,101)	17,172
Balance at end of period	13,134	11,639	145,846	(8,408)	162,212

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	15,822	1,671	1,821	19,315	2,875	167,231
Changes during period						
Dividends of surplus						(10,508)
Profit attributable to owners of parent						27,631
Purchase of treasury shares						(1,939)
Disposal of treasury shares						1,989
Net changes in items other than shareholders' equity	(1,573)	614	98	(860)	739	(120)
Total changes during period	(1,573)	614	98	(860)	739	17,051
Balance at end of period	14,249	2,285	1,920	18,455	3,615	184,283

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	13,134	11,639	145,846	(8,408)	162,212
Changes during period					
Dividends of surplus			(12,634)		(12,634)
Profit attributable to owners of parent			37,470		37,470
Purchase of treasury shares				(8,315)	(8,315)
Disposal of treasury shares		1,121		921	2,043
Net changes in items other than shareholders' equity					
Total changes during period	–	1,121	24,836	(7,393)	18,564
Balance at end of period	13,134	12,761	170,683	(15,802)	180,776

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	14,249	2,285	1,920	18,455	3,615	184,283
Changes during period						
Dividends of surplus						(12,634)
Profit attributable to owners of parent						37,470
Purchase of treasury shares						(8,315)
Disposal of treasury shares						2,043
Net changes in items other than shareholders' equity	7,634	276	2,745	10,656	1,551	12,208
Total changes during period	7,634	276	2,745	10,656	1,551	30,773
Balance at end of period	21,883	2,562	4,665	29,112	5,167	215,056

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	37,508	52,826
Depreciation	3,074	3,444
Amortization of goodwill	218	314
Increase (decrease) in allowance for doubtful accounts	64	922
Increase (decrease) in provision for warranties for completed construction	(174)	854
Increase (decrease) in provision for loss on construction contracts	78	(239)
Increase (decrease) in provision for bonuses	1,131	293
Increase (decrease) in provision for bonuses for directors (and other officers)	15	41
Increase (decrease) in provision for dismantling and removal	(310)	–
Decrease (increase) in retirement benefit asset	(426)	(532)
Increase (decrease) in retirement benefit liability	89	596
Increase (decrease) in provision for share awards	807	268
Interest and dividend income	(1,475)	(1,607)
Interest expenses	269	423
Share of loss (profit) of entities accounted for using equity method	(400)	(821)
Foreign exchange losses (gains)	90	(85)
Loss (gain) on sale of investment securities	(2,712)	(786)
Loss (gain) on valuation of investment securities	143	112
Loss (gain) on sale of non-current assets	2	(1,508)
Decrease (increase) in trade receivables	238	(14,697)
Decrease (increase) in costs on construction contracts in progress	122	(329)
Increase (decrease) in trade payables	(28,610)	1,158
Increase (decrease) in advances received on construction contracts in progress	8,038	(3,159)
Increase (decrease) in accrued expenses	(336)	936
Increase (decrease) in accrued consumption taxes	(691)	2,467
Decrease (increase) in consumption taxes refund receivable	(445)	(763)
Other, net	(2,075)	2,308
Subtotal	14,233	42,440
Interest and dividends received	1,506	1,644
Interest paid	(286)	(420)
Income taxes paid	(10,150)	(14,421)
Income taxes refund	582	482
Net cash provided by (used in) operating activities	5,885	29,725

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(11,905)	(9,108)
Proceeds from withdrawal of time deposits	10,467	10,155
Purchase of property, plant and equipment and intangible assets	(4,337)	(5,066)
Proceeds from sale of property, plant and equipment and intangible assets	–	3,195
Purchase of investment securities	(7)	(8,508)
Proceeds from sale of investment securities	4,354	1,011
Purchase of shares of subsidiaries and associates	(32)	(925)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(2,295)
Payments of guarantee deposits	(236)	(255)
Proceeds from refund of guarantee deposits	263	108
Proceeds from collection of loans receivable	105	34
Purchase of insurance funds	(22)	(22)
Proceeds from maturity of insurance funds	232	426
Other payments	(352)	(757)
Other proceeds	66	167
Net cash provided by (used in) investing activities	(1,405)	(11,840)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	3,427	9,124
Redemption of bonds	(5,000)	(5,000)
Repayments of lease liabilities	(511)	(544)
Purchase of treasury shares	(1,939)	(8,209)
Proceeds from sale of treasury shares	1,934	207
Dividends paid	(10,508)	(12,634)
Dividends paid to non-controlling interests	(45)	(5)
Other, net	(70)	104
Net cash provided by (used in) financing activities	(12,713)	(16,956)
Effect of exchange rate change on cash and cash equivalents	533	245
Net increase (decrease) in cash and cash equivalents	(7,700)	1,172
Cash and cash equivalents at beginning of period	49,064	41,364
Cash and cash equivalents at end of period	41,364	42,537

(5) Notes on Consolidated Financial Statements

(Changes in the scope of consolidation or application of equity method)

(1) Significant changes in the scope of consolidation

Since the Company purchased the shares of THS INNOVATIONS CO., LTD. and PROMPT TECHNO SERVICE CO., LTD. they are included in the scope of consolidation starting from the interim period ended September 30, 2025. The purchase date is June 30, 2025, and the duration between the balance sheet dates of each company and the consolidated closing date of the Company is less than three months. Therefore, only the balance sheet has been consolidated for the interim period ended September 30, 2025, and the statement of income has also been consolidated from the third quarter ended December 31, 2025.

(2) Significant changes in the scope of application of equity method

Since the Company purchased the shares of THS DEVELOPMENT CO., LTD., it is included in the scope of consolidation starting from the interim period ended September 30, 2025. The purchase date is June 30, 2025 and the duration between the balance sheet date of THS DEVELOPMENT CO., LTD. and the consolidated closing date of the Company is less than three months. Therefore, share of loss (profit) of entities accounted for using equity method was recorded following the third quarter ended December 31, 2025.

(Notes on going concern assumption)

Not applicable.

(Notes to segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Company's reportable segments are components of the Company and its consolidated subsidiaries for which discrete financial information is available, and whose operating results are reviewed regularly by the Company's Board of Directors to allocate management resources and assess performance.

The Group consists of the construction business, which is engaged in the design, construction and maintenance of general-purpose systems and industrial systems, with a focus on air conditioning technology, and an equipment manufacturing and sales business, which is engaged in the design, manufacture and sale of air conditioning and other equipment.

Therefore, the Group has two reportable segments: the construction business and the equipment manufacturing and sales business.

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

The method of accounting for reportable segments is consistent with the accounting policies and procedures used in the preparation of the consolidated financial statements. Intersegment net sales or transfers are transactions between consolidated companies and are based on prevailing market prices.

3 Information on net sales, income or loss, assets and other items by reportable segment

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

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2) (Note 4)	Amount recognized in consolidated financial statements (Note 3)
	Construction business	Equipment manufacturing and sales business	Subtotal				
Net sales							
Net sales to external customers	373,683	7,859	381,542	119	381,661	–	381,661
Intersegment net sales or transfers	0	675	675	–	675	(675)	–
Subtotal	373,683	8,535	382,218	119	382,337	(675)	381,661
Segment profit	31,738	579	32,317	82	32,400	14	32,415
Segment assets	326,642	8,481	335,124	71	335,195	(246)	334,949
Other items							
Depreciation	2,961	109	3,071	6	3,077	(3)	3,074
Increase in property, plant and equipment and intangible assets	4,495	132	4,627	7	4,635	–	4,635

(Notes) 1. The category "Other" refers to businesses that are not included in the reportable segments, such as insurance agencies.

2. The adjustment to segment profit is the elimination of transactions made between segments.
3. Segment profit is reconciled with operating profit in the consolidated statement of income.
4. The adjustment to segment assets is the elimination of transactions made between segments.

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

(Millions of yen)

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2) (Note 4)	Amount recognized in consolidated financial statements (Note 3)
	Construction business	Equipment manufacturing and sales business	Subtotal				
Net sales							
Net sales to external customers	415,383	8,414	423,798	125	423,923	–	423,923
Intersegment net sales or transfers	46	936	982	–	982	(982)	–
Subtotal	415,429	9,350	424,780	125	424,905	(982)	423,923
Segment profit	46,766	907	47,673	80	47,753	(8)	47,745
Segment assets	372,934	9,001	381,936	92	382,028	(204)	381,823
Other items							
Depreciation	3,327	117	3,445	5	3,451	(6)	3,444
Increase in property, plant and equipment and intangible assets	5,776	117	5,894	25	5,920	–	5,920

(Notes) 1. The category “Other” refers to businesses that are not included in the reportable segments, such as insurance agencies.
2. The adjustment to segment profit is the elimination of transactions made between segments.
3. Segment profit is reconciled with operating profit in the consolidated statement of income.
4. The adjustment to segment assets is the elimination of transactions made between segments.

[Related information]

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

1 Information by product and service

Description is omitted as the product and service categories are the same as the reportable segment categories.

2 Information by region

(1) Net sales

(Millions of yen)

Japan	Southeast Asia	Other	Total
310,082	27,335	44,244	381,661

(Notes) 1. Net sales are classified by country or region based on the location of the customer.
2. Southeast Asia includes Thailand, Singapore, Malaysia, Vietnam, and Myanmar.

(2) Property, plant and equipment

(Millions of yen)

Japan	Southeast Asia	India	Other	Total
21,156	426	2,190	145	23,919

(Notes) 1. Property, plant and equipment are classified by country or region based on the location of the assets.
2. Southeast Asia includes Thailand, Singapore, Malaysia, and Vietnam.

3 Information by major customer

Description is omitted as there are no sales to external customers that represent 10% or more of net sales in the consolidated statements of income.

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

1 Information by product and service

Description is omitted as the product and service categories are the same as the reportable segment categories.

2 Information by region

(1) Net sales

(Millions of yen)

Japan	Southeast Asia	Other	Total
333,167	50,947	39,808	423,923

(Notes) 1. Net sales are classified by country or region based on the location of the customer.
2. Southeast Asia includes Thailand, Singapore, Malaysia, Vietnam, and Myanmar.

(2) Property, plant and equipment

(Millions of yen)

Japan	Southeast Asia	India	Other	Total
20,042	852	2,753	191	23,840

(Notes) 1. Property, plant and equipment are classified by country or region based on the location of the assets.
2. Southeast Asia includes Thailand, Singapore, Malaysia, and Vietnam.

3 Information by major customer

Description is omitted as there are no sales to external customers that represent 10% or more of net sales in the consolidated statements of income.

[Information on impairment of non-current assets by reportable segment]

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

Not applicable.

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

Not applicable.

[Information on the balance of amortized and unamortized goodwill by reportable segment]

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

(Millions of yen)

	Reportable segment			Other	Total	Corporate / Elimination	Amount recognized in consolidated financial statements
	Construction business	Equipment manufacturing and sales business	Subtotal				
Amortization for the year ended March 31, 2026	218	–	218	–	218	–	218
Balance at the end of the year ended March 31, 2026	1,419	–	1,419	–	1,419	–	1,419

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

(Millions of yen)

	Reportable segment			Other	Total	Corporate / Elimination	Amount recognized in consolidated financial statements
	Construction business	Equipment manufacturing and sales business	Subtotal				
Amortization for the year ended March 31, 2026	314	–	314	–	314	–	314
Balance at the end of the year ended March 31, 2026	2,696	–	2,696	–	2,696	–	2,696

(Note) In the construction business, the business combination with THS INNOVATIONS CO., LTD. and PROMPT TECHNO SERVICE CO., LTD. conducted on June 30, 2025, was accounted on a provisional basis during the third quarter ended December 31, 2025, with the allocation of acquisition cost not having been completed, and it was finalized during the period following the third quarter ended December 31, 2025. As a result, for THS INNOVATIONS CO., LTD., the ¥1,190 million of tentatively calculated goodwill decreased by ¥178 million due to the finalization of the accounting treatment, resulting in ¥1,011 million. For PROMPT TECHNO SERVICE CO., LTD., the ¥448 million of tentatively calculated goodwill remained the same amount after the finalization of the accounting treatment.

[Information on gain on negative goodwill by reportable segment]

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

Not applicable.

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

Not applicable.

(Notes on per share information)

(Yen)

Item	Year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Net assets per share	1,360.32	1,603.89
Earnings per share	208.07	285.73

(Notes) 1. Diluted earnings per share are not presented as there are no dilutive shares.

2. The Company has established an “Officers’ Compensation BIP Trust” and a “Stock Benefit Trust (J-ESOP),” and the shares of the Company held by the trusts are recorded as treasury shares in the consolidated balance sheet. Accordingly, the shares held by the trusts are included in treasury shares as a deduction in the calculation of “the number of common shares at the end of the period used to calculate net assets per share” (1,940,484 shares in the previous period and 1,969,824 shares in the period under review). In addition, for the purpose of calculating earnings per share, these shares are included in treasury shares as a deduction from the “average number of common shares outstanding during the period” (1,586,650 shares in the previous period and 1,951,061 shares in the period under review).

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

(1) Net assets per share

Item		Year ended March 31, 2025 (as of March 31, 2025)	Year ended March 31, 2026 (as of March 31, 2026)
Total net assets	(Millions of yen)	184,283	215,056
Amount deducted from total net assets	(Millions of yen)	3,615	5,167
(Non-controlling interests)	(Millions of yen)	(3,615)	(5,167)
Net assets related to common share at the end of the period	(Millions of yen)	180,667	209,889
Number of common shares at the end of the period used in the calculation of net assets per share	(Shares)	132,812,542	130,862,824

(Note) The Company conducted a share split at a ratio of two shares for every one common share, effective October 1, 2025. Therefore, net assets per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Earnings per share

Item		Year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Earnings per share			
Profit attributable to owners of parent	(Millions of yen)	27,631	37,470
Amount not attributable to common shareholders	(Millions of yen)	–	–
Profit attributable to owners of parent related to common shares	(Millions of yen)	27,631	37,470
Average number of common shares outstanding during the period	(Shares)	132,794,390	131,139,942

(Note) The Company conducted a share split at a ratio of two shares for every one common share, effective October 1, 2025. Therefore, earnings per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(Notes on important subsequent events)

Not applicable.

4. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	23,428	17,205
Notes receivable - trade	53	38
Electronically recorded monetary claims - operating	7,178	5,609
Accounts receivable from completed construction contracts	85,971	101,297
Contract assets	60,594	57,332
Costs on construction contracts in progress	299	416
Merchandise and finished goods	9	23
Raw materials and supplies	681	1,190
Prepaid expenses	1,050	1,475
Accounts receivable - other	2,664	1,287
Advances paid	683	1,174
Other	1,129	497
Allowance for doubtful accounts	(165)	(469)
Total current assets	183,581	187,081
Non-current assets		
Property, plant and equipment		
Buildings	11,858	12,099
Accumulated depreciation	(3,623)	(3,972)
Buildings, net	8,235	8,126
Structures	764	747
Accumulated depreciation	(283)	(316)
Structures, net	481	430
Machinery and equipment	700	701
Accumulated depreciation	(309)	(283)
Machinery and equipment, net	390	417
Tools, furniture and fixtures	3,216	2,829
Accumulated depreciation	(1,540)	(1,790)
Tools, furniture and fixtures, net	1,675	1,038
Land	9,038	7,815
Construction in progress	220	1,149
Total property, plant and equipment	20,041	18,978
Intangible assets		
Software	7,748	7,896
Telephone subscription right	94	94
Other	0	0
Total intangible assets	7,842	7,991

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Investments and other assets		
Investment securities	35,342	54,297
Shares of subsidiaries and associates	20,855	23,689
Investments in capital	5	5
Long-term loans receivable	171	2,073
Distressed receivables	36	54
Long-term prepaid expenses	305	649
Prepaid pension costs	4,253	4,771
Guarantee deposits	2,462	2,611
Insurance funds	444	17
Other	192	409
Allowance for doubtful accounts	(47)	(70)
Total investments and other assets	64,023	88,508
Total non-current assets	91,908	115,477
Total assets	275,489	302,559

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable - trade	41	–
Electronically recorded obligations - operating	5,889	5,123
Accounts payable for construction contracts	28,291	24,603
Short-term borrowings	13,130	23,780
Current portion of bonds payable	5,000	5,000
Accounts payable - other	3,053	6,127
Accrued expenses	263	406
Income taxes payable	6,403	8,783
Advances received on construction contracts in progress	14,095	9,725
Deposits received	10,610	9,981
Provision for bonuses	8,512	8,462
Provision for bonuses for directors (and other officers)	150	157
Provision for warranties for completed construction	751	1,531
Provision for loss on construction contracts	373	207
Provision for compensation for damages	82	228
Other	84	56
Total current liabilities	96,733	104,176
Non-current liabilities		
Bonds payable	15,000	10,000
Long-term accounts payable - other	24	72
Lease liabilities	80	77
Provision for share awards	1,630	1,776
Deferred tax liabilities	1,388	3,177
Other	267	336
Total non-current liabilities	18,392	15,440
Total liabilities	115,125	119,617

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Net assets		
Shareholders' equity		
Share capital	13,134	13,134
Capital surplus		
Legal capital surplus	12,853	12,853
Other capital surplus	1,151	2,273
Total capital surplus	14,005	15,127
Retained earnings		
Legal retained earnings	3,283	3,283
Other retained earnings		
Reserve for dividend equalization	656	656
Reserve for retirement allowance	940	940
Reserve for tax purpose reduction to promote open innovation	174	174
General reserve	42,878	42,878
Retained earnings brought forward	79,635	101,069
Total retained earnings	127,568	149,003
Treasury shares	(8,235)	(15,629)
Total shareholders' equity	146,473	161,636
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	13,890	21,305
Total valuation and translation adjustments	13,890	21,305
Total net assets	160,364	182,942
Total liabilities and net assets	275,489	302,559

(2) Non-consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales of completed construction contracts	274,274	294,497
Cost of sales of completed construction contracts	217,765	220,280
Gross profit on completed construction contracts	56,509	74,216
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	299	319
Provision for bonuses for directors (and other officers)	150	157
Employees' salaries and allowances	5,999	7,240
Provision for bonuses	3,256	3,361
Retirement benefit expenses	82	139
Provision for share awards	685	302
Legal welfare expenses	978	1,160
Welfare expenses	533	1,269
Repair and maintenance expenses	164	188
Stationery expenses	3,243	3,984
Communication and transportation expenses	995	1,191
Power utilities expenses	186	208
Research study expenses	2,157	2,222
Advertising expenses	1,137	1,514
Provision of allowance for doubtful accounts	3	331
Entertainment expenses	502	536
Donations	57	608
Rent expenses on land and buildings	2,288	2,413
Depreciation	1,946	2,248
Taxes and dues	1,042	1,354
Insurance expenses	391	413
Miscellaneous expenses	1,270	1,153
Total selling, general and administrative expenses	27,373	32,323
Operating profit	29,135	41,892
Non-operating income		
Interest income	17	26
Dividend income	2,018	2,267
Insurance claim income	33	11
Dividend income of insurance	123	164
Rental income from real estate	836	790
Gain on investments in silent partnerships	320	422
Other	322	419
Total non-operating income	3,672	4,101
Non-operating expenses		
Interest expenses	103	203
Provision of allowance for doubtful accounts	23	0
Rental expenses on real estate	407	407
Provision for compensation for damages	95	343
Other	132	223
Total non-operating expenses	762	1,178
Ordinary profit	32,045	44,815

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Extraordinary income		
Gain on sale of investment securities	2,685	799
Gain on sale of non-current assets	–	1,516
Total extraordinary income	2,685	2,316
Extraordinary losses		
Loss on retirement of non-current assets	17	–
Loss on sale of non-current assets	–	8
Loss on valuation of investment securities	143	62
Other	1	11
Total extraordinary losses	162	82
Profit before income taxes	34,567	47,049
Income taxes - current	9,168	14,508
Income taxes - deferred	(833)	(1,527)
Total income taxes	8,334	12,980
Profit	26,232	34,068

(3) Non-consolidated Statement 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		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	13,134	12,853	–	12,853
Changes during period				
Dividends of surplus				
Profit				
Purchase of treasury shares				
Disposal of treasury shares			1,151	1,151
Net changes in items other than shareholders' equity				
Total changes during period	–	–	1,151	1,151
Balance at end of period	13,134	12,853	1,151	14,005

	Shareholders' equity						
	Retained earnings						
	Legal retained earnings	Other retained earnings					Total retained earnings
		Reserve for dividend equalization	Reserve for retirement allowance	Reserve for tax purpose reduction to promote open innovation	General reserve	Retained earnings brought forward	
Balance at beginning of period	3,283	656	940	174	42,878	63,911	111,844
Changes during period							
Dividends of surplus						(10,508)	(10,508)
Profit						26,232	26,232
Purchase of treasury shares							
Disposal of treasury shares							
Net changes in items other than shareholders' equity							
Total changes during period	–	–	–	–	–	15,723	15,723
Balance at end of period	3,283	656	940	174	42,878	79,635	127,568

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(7,133)	130,699	15,518	15,518	146,217
Changes during period					
Dividends of surplus		(10,508)			(10,508)
Profit		26,232			26,232
Purchase of treasury shares	(1,939)	(1,939)			(1,939)
Disposal of treasury shares	838	1,989			1,989
Net changes in items other than shareholders' equity		–	(1,627)	(1,627)	(1,627)
Total changes during period	(1,101)	15,773	(1,627)	(1,627)	14,146
Balance at end of period	(8,235)	146,473	13,890	13,890	160,364

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

(Millions of yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	13,134	12,853	1,151	14,005
Changes during period				
Dividends of surplus				
Profit				
Purchase of treasury shares				
Disposal of treasury shares			1,121	1,121
Net changes in items other than shareholders' equity				
Total changes during period	–	–	1,121	1,121
Balance at end of period	13,134	12,853	2,273	15,127

	Shareholders' equity						
	Retained earnings						
	Legal retained earnings	Other retained earnings					Total retained earnings
		Reserve for dividend equalization	Reserve for retirement allowance	Reserve for tax purpose reduction to promote open innovation	General reserve	Retained earnings brought forward	
Balance at beginning of period	3,283	656	940	174	42,878	79,635	127,568
Changes during period							
Dividends of surplus						(12,634)	(12,634)
Profit						34,068	34,068
Purchase of treasury shares							
Disposal of treasury shares							
Net changes in items other than shareholders' equity							
Total changes during period	–	–	–	–	–	21,434	21,434
Balance at end of period	3,283	656	940	174	42,878	101,069	149,003

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(8,235)	146,473	13,890	13,890	160,364
Changes during period					
Dividends of surplus		(12,634)			(12,634)
Profit		34,068			34,068
Purchase of treasury shares	(8,315)	(8,315)			(8,315)
Disposal of treasury shares	921	2,043			2,043
Net changes in items other than shareholders' equity			7,415	7,415	7,415
Total changes during period	(7,393)	15,162	7,415	7,415	22,577
Balance at end of period	(15,629)	161,636	21,305	21,305	182,942

5. Other

(1) Conditions of Production, Orders Received and Net Sales (Consolidated)

(i) Orders received

(Millions of yen, %)

Category		Year ended March 31, 2025 (from April 1, 2024 to March 31, 2025) Amount	(%)	Year ended March 31, 2026 (from April 1, 2025 to March 31, 2026) Amount	(%)	Amount of Increase (Decrease)	Percentage of Increase (Decrease)
Construction business	General-purpose systems	185,920	44.7	242,473	52.7	56,552	30.4
	Industrial systems	222,408	53.4	208,349	45.3	(14,058)	(6.3)
	Subtotal	408,328	98.1	450,823	98.0	42,494	10.4
Equipment manufacturing and sales business		7,699	1.9	9,108	2.0	1,409	18.3
Other		119	0.0	125	0.0	6	5.1
Total		416,147	100.0	460,057	100.0	43,909	10.6
[overseas]		[72,336]	[17.4]	[74,166]	[16.1]	[1,830]	[2.5]
[facility maintenance]		[30,753]	[7.4]	[33,975]	[7.4]	[3,222]	[10.5]

(ii) Net sales

(Millions of yen, %)

Category		Year ended March 31, 2025 (from April 1, 2024 to March 31, 2025) Amount	(%)	Year ended March 31, 2026 (from April 1, 2025 to March 31, 2026) Amount	(%)	Amount of Increase (Decrease)	Percentage of Increase (Decrease)
Construction business	General-purpose systems	163,170	42.8	166,776	39.4	3,606	2.2
	Industrial systems	210,512	55.1	248,606	58.6	38,094	18.1
	Subtotal	373,683	97.9	415,383	98.0	41,700	11.2
Equipment manufacturing and sales business		7,859	2.1	8,414	2.0	555	7.1
Other		119	0.0	125	0.0	6	5.1
Total		381,661	100.0	423,923	100.0	42,261	11.1
[overseas]		[71,579]	[18.8]	[90,756]	[21.4]	[19,177]	[26.8]
[facility maintenance]		[30,818]	[8.1]	[33,299]	[7.9]	[2,481]	[8.1]

(iii) Amount carried forward

(Millions of yen, %)

Category		Year ended March 31, 2025 (as of March 31, 2025) Amount	(%)	Year ended March 31, 2026 (as of March 31, 2026) Amount	(%)	Amount of Increase (Decrease)	Percentage of Increase (Decrease)
Construction business	General-purpose systems	179,095	47.7	254,791	61.9	75,696	42.3
	Industrial systems	194,214	51.7	153,957	37.4	(40,257)	(20.7)
	Subtotal	373,310	99.4	408,749	99.3	35,439	9.5
Equipment manufacturing and sales business		2,130	0.6	2,824	0.7	693	32.6
Other		–	–	–	–	–	–
Total		375,440	100.0	411,573	100.0	36,133	9.6
[overseas]		[66,414]	[17.7]	[49,825]	[12.1]	[(16,589)]	[(25.0)]
[facility maintenance]		[2,435]	[0.6]	[3,111]	[0.8]	[675]	[27.8]

(Note) 1. Transactions made between segments with respect to orders received, net sales and amounts carried forward are set off and deleted.

(2) Conditions of Orders Received and Net Sales (Non-consolidated)

(i) Orders received

(Millions of yen, %)

Category		Year ended March 31, 2025 (from April 1, 2024 to March 31, 2025) Amount	(%)	Year ended March 31, 2026 (from April 1, 2025 to March 31, 2026) Amount	(%)	Amount of Increase (Decrease)	Percentage of Increase (Decrease)
Construction business	General-purpose systems	157,627	51.2	211,819	61.8	54,192	34.4
	Industrial systems	150,347	48.8	130,815	38.2	(19,532)	(13.0)
Total		307,974	100.0	342,635	100.0	34,660	11.3

(ii) Net sales of completed construction contracts

(Millions of yen, %)

Category		Year ended March 31, 2025 (from April 1, 2024 to March 31, 2025) Amount	(%)	Year ended March 31, 2026 (from April 1, 2025 to March 31, 2026) Amount	(%)	Amount of Increase (Decrease)	Percentage of Increase (Decrease)
Construction business	General-purpose systems	134,805	49.1	136,367	46.3	1,561	1.2
	Industrial systems	139,469	50.9	158,129	53.7	18,660	13.4
Total		274,274	100.0	294,497	100.0	20,222	7.4

(iii) Amount carried forward

(Millions of yen, %)

		Year ended March 31, 2025 (as of March 31, 2025)		Year ended March 31, 2026 (as of March 31, 2026)		Amount of Increase (Decrease)	Percentage of Increase (Decrease)
Category		Amount	(%)	Amount	(%)		
Construction business	General-purpose systems	176,557	57.2	252,009	70.6	75,452	42.7
	Industrial systems	132,116	42.8	104,802	29.4	(27,314)	(20.7)
Total		308,674	100.0	356,812	100.0	48,137	15.6

(3) Review of Operations (Consolidated)
(Financial results for the years ended March 31, 2022 to 2026, Forecasts for the year ending March 31, 2027)

(Fraction less than one million yen has been omitted)

(Millions of yen, %)

Item \ Year	Results										Forecast	
	Year ended March 31, 2022		Year ended March 31, 2023		Year ended March 31, 2024		Year ended March 31, 2025		Year ended March 31, 2026		Year ending March 31, 2027	
	Changes from the previous term	(%)	Changes from the previous term	(%)	Changes from the previous term	(%)	Changes from the previous term	(%)	Changes from the previous term	(%)	Changes from the previous term	(%)
Net sales	302,746		338,831		363,366		381,661		423,923		440,000	
	10.0	100.0	11.9	100.0	7.2	100.0	5.0	100.0	11.1	100.0	3.8	100.0
Gross profit	41,396		46,363		59,947		71,646		93,719			
	12.4	13.7	12.0	13.7	29.3	16.5	19.5	18.8	30.8	22.1		
Selling, general and administrative expenses	27,012		31,036		35,755		39,231		45,974			
	10.1	8.9	14.9	9.2	15.2	9.8	9.7	10.3	17.2	10.8		
Operating profit	14,383		15,326		24,192		32,415		47,745		50,000	
	16.9	4.8	6.6	4.5	57.8	6.7	34.0	8.5	47.3	11.3	4.7	11.4
Non-operating income	2,429		2,728		3,421		3,628		4,448			
Non-operating expenses	1,173		1,369		1,463		1,073		1,551			
Non-operating income and expenses	+1,256		+1,358		+1,958		+2,555		+2,896			
Ordinary profit	15,639		16,685		26,150		34,970		50,642		52,000	
	12.5	5.2	6.7	4.9	56.7	7.2	33.7	9.2	44.8	11.9	2.7	11.8
Extraordinary income	1,161		338		1,309		2,714		2,316			
Extraordinary losses	74		171		407		176		132			
Extraordinary income and losses	+1,086		+166		+902		+2,538		+2,184			
Profit before income taxes	16,726		16,852		27,053		37,508		52,826			
	14.4	5.5	0.8	5.0	60.5	7.4	38.6	9.8	40.8	12.5		
Income taxes - current	4,985		4,915		8,356		10,618		16,508			
Income taxes - deferred	160		(781)		(1,414)		(1,134)		(1,694)			
Profit	11,581		12,719		20,111		28,024		38,013			
Profit attributable to non-controlling interests	45		491		498		392		542			
Profit attributable to owners of parent	11,535		12,227		19,612		27,631		37,470		40,000	
	14.0	3.8	6.0	3.6	60.4	5.4	40.9	7.2	35.6	8.8	6.7	9.1

Orders received	340,184		372,774		403,110		416,147		460,057		520,000	
	18.3		9.6		8.1		3.2		10.6		13.0	
Amount carried forward	268,887		302,830		340,955		375,440		411,573		491,574	
	15.1		12.6		12.6		10.1		9.6		19.4	

(Note) Amounts carried forward for Companies that were removed from the scope of consolidation as of the end of the fiscal year ended March 31, 2024 have been excluded from the amount carried forward for the fiscal year ended March 31, 2024.

(4) Review of Operations (Non-consolidated)
(Financial results for the years ended March 31, 2022 to 2026, Forecasts for the year ending March 31, 2027)

(Fraction less than one million yen has been omitted)

(Millions of yen, %)

	Results										Forecast	
Year / Item	Year ended March 31, 2022		Year ended March 31, 2023		Year ended March 31, 2024		Year ended March 31, 2025		Year ended March 31, 2026		Year ending March 31, 2027	
	Changes from the previous term	(%)	Changes from the previous term	(%)	Changes from the previous term	(%)	Changes from the previous term	(%)	Changes from the previous term	(%)	Changes from the previous term	(%)
Net sales of completed construction contracts	220,622		244,149		268,657		274,274		294,497		320,000	
	4.2	100.0	10.7	100.0	10.0	100.0	2.1	100.0	7.4	100.0	8.7	100.0
Gross profit on completed construction contracts	31,075		33,865		45,703		56,509		74,216			
	14.0	14.1	9.0	13.9	35.0	17.0	23.6	20.6	31.3	25.2		
Selling, general and administrative expenses	18,280		21,732		24,805		27,373		32,323			
	11.5	8.3	18.9	8.9	14.1	9.2	10.4	10.0	18.1	11.0		
Operating profit	12,794		12,132		20,898		29,135		41,892		44,300	
	17.7	5.8	(5.2)	5.0	72.3	7.8	39.4	10.6	43.8	14.2	5.7	13.8
Non-operating income	3,260		2,715		3,262		3,672		4,101			
Non-operating expenses	969		885		1,172		762		1,178			
Non-operating income and expenses	+2,291		+1,829		+2,090		+2,909		+2,922			
Ordinary profit	15,085		13,962		22,988		32,045		44,815		47,100	
	16.0	6.8	(7.4)	5.7	64.6	8.6	39.4	11.7	39.9	15.2	5.1	14.7
Extraordinary income	1,161		269		1,366		2,685		2,316			
Extraordinary losses	40		106		378		162		82			
Extraordinary income and losses	+1,121		+162		+988		+2,522		+2,233			
Profit before income taxes	16,207		14,125		23,977		34,567		47,049			
	17.9	7.3	(12.8)	5.8	69.8	8.9	44.2	12.6	36.1	16.0		
Income taxes - current	4,341		4,159		7,092		9,168		14,508			
Income taxes - deferred	134		(884)		(1,048)		(833)		(1,527)			
Profit	11,731		10,850		17,933		26,232		34,068		36,700	
	17.7	5.3	(7.5)	4.4	65.3	6.7	46.3	9.6	29.9	11.6	7.7	11.5

Orders received	241,917		264,147		301,173		307,974		342,635		380,000	
	8.8		9.2		14.0		2.3		11.3		10.9	
Amount carried forward	222,460		242,457		274,974		308,674		356,812		416,812	
	9.4		9.0		13.4		12.3		15.6		16.8	