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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 〔Japanese GAAP〕

May 15, 2026

Company name : Kumagai Gumi Co., Ltd.
Listing : Tokyo Stock Exchange, Prime Market
Securities code : 1861 URL : https://www.kumagaigumi.co.jp/
Representative : Shin Ueda, President
Inquiries : Masahiro Ishihara, General Manager, Administration Division, Accounting Department
Tel. 03-3235-8606
Scheduled date of annual general meeting of shareholders : June 26, 2026
Scheduled date to commence dividend payments : June 29, 2026
Scheduled date to file annual securities report : June 25, 2026
Preparation of supplementary material on financial results : Yes
Holding of financial results briefing : Yes

(Rounded down to the nearest million yen)

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

(1) Consolidated Operating Results

(Percentage figures are changes from the same period in the previous fiscal year)

	Net sales of completed construction contracts		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	487,698	(2.2)	27,092	89.5	27,049	87.7	20,068	114.5
March 31, 2025	498,581	12.5	14,299	13.0	14,411	10.5	9,354	12.5

(Note) Comprehensive income For the fiscal year ended March 31, 2026 : 18,829 million yen [142.5 %]
For the fiscal year ended March 31, 2025 : 7,764 million yen [(56.5)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	116.94	―	10.9	5.9	5.6
March 31, 2025	54.43	―	5.2	3.1	2.9

(Reference) Share of profit (loss) of entities accounted for using equity method Fiscal year ended March 31, 2026 : (49) million yen
Fiscal year ended March 31, 2025 : 157 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2026	448,918	187,867	41.8	1,105.63
March 31, 2025	462,533	181,829	39.3	1,059.08

(Reference) Equity As of March 31, 2026 : 187,866 million yen
As of March 31, 2025 : 181,829 million yen

Kumagai Gumi Co., Ltd. (the "Company") conducted a 4-for-1 share split of its common stock as of October 1, 2025. "Basic earnings per share" and "Net assets per share" are calculated under the assumption that the share split occurred 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 equivalents, end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2026	25,016	(6,458)	(5,268)	64,679
March 31, 2025	8,233	(11,990)	(16,466)	50,156

2. Dividends

	Annual cash dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2025	―	―	―	130.00	130.00	5,617	59.7	3.1
Fiscal year ended March 31, 2026	―	80.00	―	27.00	―	8,071	40.2	4.3
Fiscal year ending March 31, 2027 (Forecast)	―	25.00	―	25.00	50.00		41.6	

The Company conducted a 4-for-1 split of its common stock on October 1, 2025. Accordingly, the year-end dividend for the fiscal year ended March 31, 2026 was calculated in consideration of the impact of the stock split. Total annual cash dividends per share are not shown because the implementation of the stock split makes simple comparisons difficult. The year-end dividend calculated without the stock split would be 108.00 yen per share.

3. Forecast of Consolidated Operating Results for FY2026 (April 1, 2026 – March 31, 2027)

(Percentage figures are changes from the same period in the previous fiscal year)

	Net sales of completed construction contracts		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	500,000	2.5	30,900	14.1	31,000	14.6	20,400	1.7	120.06

※ Notes

(1) Significant changes in the scope of consolidation during the period : Yes

Newly included: 2 companies(Local Energy System CO., LTD. , KG Dino Resort CO., LTD.)

(2) Changes in accounting policies, changes in accounting estimates, and restatement

① Changes in accounting policies due to revisions to accounting standards and other regulations : None

② Changes in accounting policies due to other reasons : None

③ Changes in accounting estimates : None

④ Restatement : None

(3) Number of shares issued (common stock)

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

As of March 31, 2026	173,142,240 shares	As of March 31, 2025	173,142,240 shares

② Number of treasury shares at the end of the period

As of March 31, 2026	3,224,703 shares	As of March 31, 2025	1,455,198 shares

③ Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	171,615,675 shares	Fiscal year ended March 31, 2025	171,856,151 shares

The Company conducted a 4-for-1 share split of its common stock as of October 1, 2025. "Number of shares issued at the end of the period" and " Number of treasury stocks at the end of the period" and " Average number of shares outstanding during the period" are calculated under the assumption that the share split occurred at the beginning of the previous fiscal year.

(Reference) Summary of Nonconsolidated Financial Results

(Rounded down to the nearest million yen)

1. Nonconsolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 – March 31, 2026)

(1) Nonconsolidated Operating Results

(Percentage figures are changes from the same period in the previous fiscal year)

	Net sales of completed construction contracts		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	373,085	0.2	20,214	159.6	22,762	151.8	18,136	191.1
March 31, 2025	372,294	13.5	7,786	17.6	9,041	15.0	6,231	17.4

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	105.42	—
March 31, 2025	36.17	—

(2) Nonconsolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2026	365,013	140,633	38.5	825.59
March 31, 2025	380,449	137,886	36.2	801.14

(Reference) Equity As of March 31, 2026 : 140,633 million yen

As of March 31, 2025 : 137,886 million yen

The Company conducted a 4-for-1 share split of its common stock as of October 1, 2025. "Basic earnings per share" and "Net assets per share" are calculated under the assumption that the share split occurred at the beginning of the previous fiscal year.

2. Forecast of Nonconsolidated Operating Results for FY2026 (April 1, 2026 – March 31, 2027)

(Percentage figures are changes from the same period in the previous fiscal year)

	Net sales of completed construction contracts		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	377,000	1.0	28,500	25.2	19,900	9.7	116.82

※Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

※Proper use of earnings forecasts, and other special matters

1.The financial forecast of operating results in this document are based on information available at present and logical assessments. Actual results may be materially different from expectations due to a variety of factors.

2.The Company is to hold the presentation on financial results for analysts and institutional investors. The materials related to financial results which will be used on the presentation will be posted on the Company's website as soon as possible after the presentation.

Contents

1. Overview of Operating Results, etc.

(1) Overview of operating results for the fiscal year ended March 31, 2026

During the fiscal year under review, the Japanese economy continued to trend gradually toward a recovery. Despite the negative effects of the trade policies of the United States and increased prices in certain sectors due to rising tensions in the Middle East, there were signs of a recovery in consumer spending, reflecting the continued benefits of a range of economic measures and improvements in the employment and income environments. Additionally, investments in plant and equipment, particularly in software, remained solid.

In the construction industry, housing construction investments were weak, but they were still a moderate improvement. Despite uncertainties, primarily due to U.S. trade policies, private-sector construction investments remained strong, driven by the digital and green transformations, as well as capital investments to reinforce supply chains, which were supported by improving corporate earnings. Additionally, with public investment remaining solid due to the implementation of related budgets, the environment for receiving orders remained favorable overall.

Under these operating conditions, the Kumagai Gumi Group entered the second year of its Medium-Term Management Plan (FY2024–FY2026): A New Path toward Sustainable Growth, which was formulated in May 2024. The Group is committed to pursuing sustainable growth as one team by implementing the plan's basic policies of (i) strengthening the construction business, (ii) accelerating peripheral businesses, and (iii) enhancing the management base.

The Group's consolidated financial results for the fiscal year under review were as follows:

- Net sales (completed contracts)
  Net sales fell 10.8 billion yen (2.2%) year on year to 487.6 billion yen, reflecting reduced order backlogs at certain subsidiaries and a downturn following progress in major contracts in the previous fiscal year.
- Gross profit (gross profit on completed contracts)
  Gross profit increased 14.9 billion yen (39.0%) year on year, to 53.2 billion yen, reflecting an improved gross profit margin (gross profit margin on completed contracts) in the building construction business.
- Operating profit
  Operating profit increased 12.7 billion yen (89.5%) year on year, to 27.0 billion yen, reflecting an increase in gross profit.
- Ordinary profit
  Ordinary profit increased 12.6 billion yen (87.7%) year on year, to 27.0 billion yen, mainly reflecting an increase in operating profit.
- Profit attributable to owners of parent
  Profit attributable to owners of parent was 20.0 billion yen, up 10.7 billion yen (114.5%) because of income taxes of 9.8 billion yen and other adjustments.

Results by segment (before the elimination of intersegment transactions) are as follows.

(Civil engineering)

Net sales increased 10.3% year on year, to 115.9 billion yen, and operating profit fell 12.8% year on year, to 6.0 billion yen.

For orders received, please refer to (1) Orders received, net sales and carried-forward (Nonconsolidated) in 5. Supplementary Information.

(Building construction)

Net sales fell 3.8% year on year, to 257.1 billion yen, and operating profit increased 13.3 billion yen year on year, to 14.1 billion yen.

For orders received, please refer to (1) Orders received, net sales and carried-forward (Nonconsolidated) in 5. Supplementary Information.

(Subsidiaries)

Net sales fell 7.0% year on year, to 126.3 billion yen, and operating profit increased 9.4% year on year, to 7.0 billion yen.

Major contracts for which orders were received and completed contracts in the fiscal year under review are as follows.

– Major contracts for which orders were received

Civil engineering

Central Nippon Expressway Company Limited

Replacement of the bridge decks of Morobuchi Bridge and three other bridges on the Tomei Expressway (specific renovation, etc.)

The University of Tokyo

Construction work (water tank and PMT support frame, etc.) for the University of Tokyo (Kamioka, Gifu)'s Hyper-Kamiokande neutrino observatory

Tokyo

Higashi Ojima Sewer Main construction 3

Hokuriku Electric Power Company

Renovation work for the Bushu-ko Dam and Gamo Power Station (including related demolition work)

Building construction

Nomura Real Estate Development Co., Ltd.

Construction of the new Landport Kita-Itami building (tentative name)

Nicca Chemical Co., Ltd.

Construction of Nicca Chemical Co., Ltd.'s new Fukui Smart Factory (a new cosmetics factory)

NTT Urban Development Corporation, Mitsubishi Estate Residence Co., Ltd., Daikyo Incorporated

Construction of the new Chiyoda-ku, Rokubancho Plan Condominium (tentative name)

School Corporation Seijo Gakuen

Construction of the new Building 10 at Seijo University

Note: Orders for all of the above were received by the Company.

– Major completed contracts

Civil engineering

Asahi Kasei Corporation

Upgrading of Mizugasaki Power Plant facilities

Japan Railway Construction, Transport and Technology Agency

Construction work for railroad tracks and other equipment between 17k5 and 44k2 on the Kyushu Shinkansen Line (West Kyushu)

East Nippon Expressway Company Limited

Higashi-Kanto Expressway Togasaki construction work

Ministry of Land, Infrastructure, Transport and Tourism

R3 Arakawa Right Bank Odai 1-chome high-standard levee construction work

Building construction

Mitsui Fudosan Residential Co., Ltd., Nomura Real Estate Development Co., Ltd., Mitsubishi Estate Residence Co., Ltd., ITOCHU Property Development, Ltd., Toho Jisho Co., Ltd., Fujimi-Jisyo Co., Ltd., Sodegaura Kogyo Co., Ltd.

Makuhari Shin Toshin Wakaba residential district plan (B-4 block) (tentative name)

JX Metals Corporation

Hitachinaka C2 building construction work

Ibaraki 3 Logistics SPC

GLP ALFALINK Ibaraki 3 Project

Tokushukai Medical Corporation

Relocation of the Tokunoshima Tokushukai Hospital and construction of a new hospital building

Note: All of the above were completed by the Company.

(2) Overview of financial position for the fiscal year ended March 31, 2026

Total assets decreased 13.6 billion yen (2.9%) from the end of the previous fiscal year, to 448.9 billion yen.
Current assets decreased 19.4 billion yen (5.5%) from the end of the previous fiscal year, to 337.9 billion yen. There was progress in the collection of construction receivables, and notes receivable, accounts receivable from completed construction contracts and other decreased 23.8 billion yen mainly through the securitization of receivables.
Non-current assets increased 5.8 billion yen (5.6%) from the end of the previous fiscal year, to 110.9 billion yen. Construction in progress increased 5.4 billion yen, mainly due to subsidiaries' advancements in the construction of factories.
Liabilities decreased 19.6 billion yen (7.0%) from the end of the previous fiscal year, to 261.0 billion yen.
Current liabilities decreased 21.6 billion yen (9.4%) from the end of the previous fiscal year, to 207.7 billion yen. Notes payable, accounts payable for construction contracts and other decreased 23.9 billion yen.
Non-current liabilities increased 2.0 billion yen (3.9%) from the end of the previous fiscal year, to 53.3 billion yen. Bonds payable of 8.5 billion yen were recorded.
Net assets increased 6.0 billion yen (3.3%) from the end of the previous fiscal year, to 187.8 billion yen. Retained earnings decreased 9.0 billion yen due to the payment of dividends, but retained earnings increased 10.5 billion yen due to posting of 20.0 billion yen in profit attributable to owners of parent. The capital adequacy ratio was 41.8%, improving 2.5 pt from the end of the previous fiscal year.

(3) Overview of cash flows for the fiscal year ended March 31, 2025

Net cash provided by operating activities was 25.0 billion yen (8.2 billion yen in the previous fiscal year), mainly reflecting the posting of 29.9 billion yen in profit before income taxes.
Net cash used in investing activities was 6.4 billion yen (11.9 billion in the previous fiscal year) due in part to investments in plant and equipment and investments in the real estate development business in the United States and Vietnam, despite the sale of cross-shareholdings and shares of Sumitomo Forestry Co., Ltd., an associate.
Net cash used in financing activities was 5.2 billion yen (16.4 billion yen in the previous fiscal year), chiefly dividends paid and the purchase of treasury shares, which were partially offset by proceeds from the issuance of bonds.
Cash and cash equivalents at end of period increased 14.5 billion yen from the end of the previous fiscal year, to 64.6 billion yen, including an increase attributable to foreign currency translation.

(Reference) Cash flow-related indicators

	FY2023	FY2024	FY2025
Capital adequacy ratio	38.5%	39.3%	41.8%
Capital adequacy ratio based on market value	38.4%	37.4%	58.0%
Interest-bearing debt to cash flow ratio	3.1 years	5.1 years	2.0 years
Interest coverage ratio	44.6 times	14.5 times	26.9 times

Capital adequacy ratio: Owner's equity / Total assets

Capital adequacy ratio based on market value: Market capitalization / Total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest expenses

(Notes) 1. Each indicator is calculated based on consolidated financial data.

2. Market capitalization is the closing stock price at the end of the fiscal year multiplied by the number of shares issued at the end of the period (own shares are not included).

3. Data on operating cash flow are from the consolidated statement of cash flows. Data on interest expenses are from the consolidated statement of cash flows.

(4) Outlook for the fiscal year ending March 31, 2027

Going forward, the Japanese economy is expected to recover moderately as the income situation improves. However, it is necessary to remain fully vigilant against downside risks, including the impact of U.S. tariff policies on exports and production, the persistently high prices of raw materials and energy due to geopolitical risks, such as the situation in Ukraine and the rising tensions in the Middle East, and worries about supply chain disruptions. Careful attention should be paid to fluctuations in financial and capital markets stemming from these downside risks, as well as the impact of changes in prices on consumer spending.

In the construction industry, it is expected that private investment will continue to increase, partly due to improved corporate earnings. On the public investment side, planned funding for disaster prevention and mitigation, as well as the renovation of aging infrastructure, is expected to continue as the First Medium-Term Plan for National Resilience Implementation for the five years from FY2026 has started in earnest and is expected to significantly expand the scale of projects. The construction industry needs to comply with regulations regarding work hours, enhance safety management on construction sites, and promote industry-wide cooperation and technological innovation, including in the areas of environmentally friendly, sustainable methods of construction and materials procurement, and digital transformation.

An agreement was reached in August 2025 regarding the United States tariffs, which do not directly affect the Group's business or performance because the Group has no transactions involving exports or imports to or from the United States. It is possible that the Group may be indirectly impacted by the manufacturers of automobiles, automotive parts, semiconductor manufacturing equipment, and other products with a large export volume to the United States holding off on investments in plant and equipment in Japan, resulting in a decrease of orders in the factory sector. If the situation in the Middle East remains tense for an extended period, there may be concerns about rising construction prices, supply chain disruptions, and increased logistics costs. This could lead private customers to delay or cancel their capital investment plans. However, the Group currently believes that the impact will be limited and considers it an indirect risk. The rising cost of raw materials remains a concern. However, the ability to pass these costs on via contract amounts is growing. Furthermore, the development of legal frameworks for incorporating price indexation clauses in contracts is a significant advancement. This progress is expected to ensure fair profits and contribute to a more stable business environment.

Under these conditions, the Group formulated The Kumagai Gumi Group Medium-Term Management Plan (FY2024-FY2026): A New Path toward Sustainable Growth. The plan sets FY2026 financial targets of consolidated net sales of 500 billion yen, consolidated ordinary profit of 30 billion yen, and an ROE of 10% or higher to become "a leader in the construction service industry that is sought by society, contributing to the realization of a society in which limited resources are recycled, and people, the community, and nature continue to be enriched." The Group is striving for sustainable growth by working as a team on this plan.

2. Basic Policy for Selecting Accounting Standards

The Group uses Japanese accounting standards because there is limited need for the Group to procure funds from overseas.

3. Consolidated Financial Statements

(1) Consolidated balance sheet

(millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	50,156	64,679
Notes receivable, accounts receivable from completed construction contracts and other	264,450	240,570
Costs on construction contracts in progress	7,255	7,692
Accounts receivable – other	32,113	22,433
Other	3,502	2,610
Allowance for doubtful accounts	(65)	(67)
Total current assets	357,413	337,919
Non-current assets		
Property, plant and equipment		
Buildings and structures	25,585	25,670
Machinery, vehicles, tools, furniture and fixtures	19,867	20,454
Land	19,638	19,470
Leased assets	737	601
Construction in progress	57	5,488
Accumulated depreciation	(33,414)	(34,425)
Total property, plant and equipment	32,472	37,260
Intangible assets	1,725	2,012
Investments and other assets		
Investment securities	50,372	49,226
Long-term loans receivable	9,324	8,460
Long-term non-operating accounts receivable	98	101
Distressed receivables	30	30
Deferred tax assets	3,488	4,024
Other	7,833	10,048
Allowance for doubtful accounts	(225)	(166)
Total investments and other assets	70,922	71,726
Total non-current assets	105,120	110,998
Total assets	462,533	448,918

(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	102,267	78,356
Electronically recorded obligations – operating	43,502	30,222
Short-term borrowings	8,109	11,575
Income taxes payable	1,372	8,372
Advances received on construction contracts in progress	22,761	18,149
Deposits received	36,636	40,604
Provision for warranties for completed construction	609	574
Provision for loss on construction contracts	2,367	875
Provision for bonuses	4,144	4,618
Other	7,626	14,391
Total current liabilities	229,398	207,740
Non-current liabilities		
Bonds payable	—	8,500
Long-term borrowings	34,026	29,658
Provision for share awards	263	205
Retirement benefit liability	16,316	14,056
Deferred tax liabilities	73	23
Other	625	867
Total non-current liabilities	51,305	53,310
Total liabilities	280,703	261,050
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus	15,170	15,166
Retained earnings	123,852	134,447
Treasury shares	(987)	(4,377)
Total shareholders' equity	168,143	175,344
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,467	8,604
Deferred gains or losses on hedges	4	70
Foreign currency translation adjustment	2,282	2,646
Remeasurements of defined benefit plans	(67)	1,200
Total accumulated other comprehensive income	13,686	12,521
Non-controlling interests	—	0
Total net assets	181,829	187,867
Total liabilities and net assets	462,533	448,918

(2) Consolidated statement of income and Consolidated statement of comprehensive income

Consolidated statement of income

(millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales of completed construction contracts	498,581	487,698
Cost of sales of completed construction contracts	460,266	434,458
Gross profit on completed construction contracts	38,315	53,239
Selling, general and administrative expenses	24,016	26,147
Operating profit	14,299	27,092
Non-operating income		
Interest income	252	390
Dividend income	953	1,060
Share of profit of entities accounted for using equity method	157	—
Foreign exchange gains	—	185
Other	85	451
Total non-operating income	1,448	2,088
Non-operating expenses		
Interest expenses	571	998
Loss on sale of receivables	115	248
Share of loss of entities accounted for using equity method	—	49
Commission for syndicated loans	238	79
Loss on investments in investment partnerships	282	470
Foreign exchange losses	28	—
Other	99	284
Total non-operating expenses	1,336	2,130
Ordinary profit	14,411	27,049
Extraordinary income		
Gain on sales of non-current assets	3	41
Gain on sale of investment securities	52	4,209
Other	7	28
Total extraordinary income	63	4,279
Extraordinary losses		
Loss on retirement of non-current assets	12	71
Loss on valuation of shares of subsidiaries and associates	335	—
Provision of allowance for doubtful accounts	32	—
Compensation for damage	204	73
Loss on litigation	89	429
Impairment losses	0	735
Other	0	86
Total extraordinary losses	674	1,394
Profit before income taxes	13,799	29,934
Income taxes - current	3,646	9,714
Income taxes - deferred	798	153
Total income taxes	4,445	9,868
Profit	9,354	20,066
Loss attributable to non-controlling interests	—	(2)
Profit attributable to owners of parent	9,354	20,068

Consolidated statement of comprehensive income

(millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	9,354	20,066
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,969)	(2,887)
Deferred gains or losses on hedges	1	(5)
Foreign currency translation adjustment	395	363
Remeasurements of defined benefit plans, net of tax	(17)	1,267
Share of other comprehensive income of entities accounted for using equity method	0	24
Total other comprehensive income	(1,590)	(1,236)
Comprehensive income	7,764	18,829
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,764	18,832
Comprehensive income attributable to non-controlling interests	—	(2)

(3) Consolidated statements of changes in equity

Fiscal year ended March 31, 2025(Apr 1, 2024—Mar 31, 2025)

(millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,108	15,170	120,115	(657)	164,737
Changes during period					
Dividends of surplus			(5,618)		(5,618)
Profit attributable to owners of parent			9,354		9,354
Purchase of treasury shares				(431)	(431)
Disposal of treasury shares		0		100	100
Net changes in items other than shareholders' equity					
Total changes during period	—	0	3,736	(330)	3,405
Balance at end of period	30,108	15,170	123,852	(987)	168,143

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	13,437	3	1,887	(50)	15,276	180,014
Changes during period						
Dividends of surplus						(5,618)
Profit attributable to owners of parent						9,354
Purchase of treasury shares						(431)
Disposal of treasury shares						100
Net changes in items other than shareholders' equity	(1,969)	1	395	(17)	(1,590)	(1,590)
Total changes during period	(1,969)	1	395	(17)	(1,590)	1,815
Balance at end of period	11,467	4	2,282	(67)	13,686	181,829

Fiscal year ended March 31, 2026 (Apr 1, 2025－Mar 31, 2026)

(millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,108	15,170	123,852	(987)	168,143
Changes during period					
Dividends of surplus			(9,074)		(9,074)
Profit attributable to owners of parent			20,068		20,068
Purchase of treasury shares				(3,516)	(3,516)
Disposal of treasury shares		0		127	127
Capital increase of consolidated subsidiaries		17			17
Change in scope of consolidation			(148)		(148)
Decrease by merger		(22)			(22)
Change in scope of equity method			(250)		(250)
Net changes in items other than shareholders' equity					
Total changes during period	－	(4)	10,595	(3,389)	7,201
Balance at end of period	30,108	15,166	134,447	(4,377)	175,344

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,467	4	2,282	(67)	13,686	－	181,829
Changes during period							
Dividends of surplus							(9,074)
Profit attributable to owners of parent							20,068
Purchase of treasury shares							(3,516)
Disposal of treasury shares							127
Capital increase of consolidated subsidiaries							17
Change in scope of consolidation						0	(148)
Decrease by merger							(22)
Change in scope of equity method		71			71		(178)
Net changes in items other than shareholders' equity	(2,863)	(5)	363	1,267	(1,236)	0	(1,236)
Total changes during period	(2,863)	66	363	1,267	(1,164)	0	6,037
Balance at end of period	8,604	70	2,646	1,200	12,521	0	187,867

(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	13,799	29,934
Depreciation	2,068	2,136
Impairment losses	0	735
Increase (decrease) in allowance for doubtful accounts	23	0
Increase (decrease) in provision for loss on construction contracts	(1,452)	(1,491)
Increase (decrease) in retirement benefit liability	(143)	(408)
Interest and dividend income	(1,205)	(1,451)
Interest expenses	571	998
Foreign exchange losses (gains)	57	(66)
Share of loss (profit) of entities accounted for using equity method	(157)	49
Loss on valuation of shares of subsidiaries and associates	335	-
Loss (gain) on investments in investment partnerships	282	470
Loss (gain) on sale of investment securities	(52)	(4,203)
Loss (gain) on sale of non-current assets	(3)	(40)
Loss on retirement of non-current assets	12	71
Decrease (increase) in trade receivables	2,608	24,453
Decrease (increase) in costs on construction contracts in progress	1,222	(423)
Increase (decrease) in trade payables	15,051	(37,598)
Increase (decrease) in advances received on construction contracts in progress	(397)	(4,643)
Decrease (increase) in accounts receivable - other	(9,995)	9,838
Increase (decrease) in deposits received	(32)	3,967
Other, net	(9,231)	5,260
Subtotal	13,360	27,588
Interest and dividends received	1,112	1,372
Interest paid	(568)	(931)
Income taxes paid	(5,670)	(3,013)
Net cash provided by (used in) operating activities	8,233	25,016
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,074)	(4,683)
Proceeds from sale of property, plant and equipment	4	185
Purchase of investment securities	(1,053)	(2,406)
Proceeds from sale of investment securities	73	761
Purchase of shares of subsidiaries and associates	(462)	(249)
Proceeds from sale of shares of subsidiaries and associates	—	6,903
Purchase of Investments in other securities of subsidiaries and associat	(3,381)	(4,405)
Loan advances	(2,814)	(1,953)
Proceeds from collection of loans receivable	189	61
Other, net	(471)	(672)
Net cash provided by (used in) investing activities	(11,990)	(6,458)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,490	(3,400)
Proceeds from long-term borrowings	9,070	3,957
Repayments of long-term borrowings	(5,804)	(1,459)
Net increase (decrease) in commercial papers	(15,059)	(159)
Proceeds from issuance of bonds	—	8,500
Purchase of treasury shares	(429)	(3,514)
Dividends paid	(5,614)	(9,062)
Other, net	(118)	(128)
Net cash provided by (used in) financing activities	(16,466)	(5,268)
Effect of exchange rate change on cash and cash equivalents	306	517
Net increase (decrease) in cash and cash equivalents	(19,916)	13,807
Cash and cash equivalents at beginning of period	70,073	50,156
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	714
Increase in cash and cash equivalents resulting from merger	—	0
Cash and cash equivalents at end of period	50,156	64,679

(5) Notes on the consolidated financial statements

(Notes related to the going concern assumption)

Not applicable

(Notes on consolidated statement of changes in equity)

Fiscal year ended March 31, 2025 (Apr 1, 2024–Mar 31, 2025)

1. Matters concerning the class and the number of shares issued and own shares

(1) Matters related to the class and number of shares outstanding (thousands of shares)

Class of shares	Number of shares at the beginning of the consolidated fiscal year under review	Increase in shares in the consolidated fiscal year under review	Decrease in shares in the consolidated fiscal year under review	Number of shares at the end of the consolidated fiscal year under review
Common shares	43,285	–	–	43,285

(2) Matters related to the class and number of own shares (thousands of shares)

Class of shares	Number of shares at the beginning of the consolidated fiscal year under review	Increase in shares in the consolidated fiscal year under review	Decrease in shares in the consolidated fiscal year under review	Number of shares at the end of the consolidated fiscal year under review
Common shares	276	120	34	363

(Notes) 1. The number of common shares at the beginning of the consolidated fiscal year under review and that at the end of the consolidated fiscal year under review respectively include 101 thousand shares and 183 thousand shares of the Company's shares held by the stock granting trust for officers.

2. The increase in common shares comprises 4 thousand shares acquired by the Company in response to request that it purchase odd-lot shares, 500 shares of the own shares (the Company's shares) acquired by equity-method affiliates which are attributable to the Company, and 115 thousand own shares (the Company's shares) acquired by the stock granting trust for officers.

3. The decrease in common shares comprises 100 shares sold by the Company in response to claims to purchase additional odd-lot shares, and 23 thousand issued shares and 10 thousand sold shares of the Company's shares held by the stock granting trust for officers.

2. Matters concerning dividends

(1) Dividends paid

(Resolution)	Class of shares	Total amount of dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date
Annual shareholders' meeting on June 27, 2024	Common shares	5,618	130	March 31, 2024	June 27, 2024

(Note) The total amount of dividends includes the dividend of 13 million yen for the shares of the Company held by the stock granting trust for officers.

(2) Dividends with a record date in the fiscal year under review but an effective date in the following fiscal year.

(Resolution)	Class of shares	Total amount of dividends (millions of yen)	Source of dividends	Dividends per share (yen)	Record date	Effective date
Annual shareholders' meeting on June 27, 2025	Common shares	5,617	Retained earnings	130	March 31, 2025	June 30, 2025

(Note) The total amount of dividends includes the dividend of 23 million yen for the shares of the Company held by the stock granting trust for officers.

Fiscal year ended March 31, 2026 (Apr 1, 2025–Mar 31, 2026)

1. Matters concerning the class and the number of shares issued and own shares

(1) Matters related to the class and number of shares outstanding (thousands of shares)

Class of shares	Number of shares at the beginning of the consolidated fiscal year under review	Increase in shares in the consolidated fiscal year under review	Decrease in shares in the consolidated fiscal year under review	Number of shares at the end of the consolidated fiscal year under review
Common shares	43,285	129,856	–	173,142

(Notes) 1. The Company conducted a 4-for-1 share split of its common stock as of October 1, 2025.

2. The increase in outstanding common shares is 129,856 thousand shares as a result of the stock split.

(2) Matters related to the class and number of own shares (thousands of shares)

Class of shares	Number of shares at the beginning of the consolidated fiscal year under review	Increase in shares in the consolidated fiscal year under review	Decrease in shares in the consolidated fiscal year under review	Number of shares at the end of the consolidated fiscal year under review
Common shares	363	2,899	38	3,224

(Notes) 1. The number of common shares at the beginning of the consolidated fiscal year under review and that at the end of the consolidated fiscal year under review respectively include 183 thousand shares and 580 thousand shares of the Company's shares held by the stock granting trust for officers.

2. The increase in common shares consists of an increase of 984 thousand shares due to the share split, the acquisition of 1,908 thousand treasury shares pursuant to a resolution of the Board of Directors, 5 thousand shares acquired by the Company in response to requests that it purchase odd-lot shares, and the portion of 800 shares of the Company's shares acquired by equity-method affiliates attributable to the Company.

3. The decrease in common shares comprises 400 shares sold by the Company in response to claims to purchase additional odd-lot shares, and 32 thousand issued shares and 5 thousand sold shares of the Company's shares held by the stock granting trust for officers.

2. Matters concerning dividends

(1) Dividends paid

(Resolution)	Class of shares	Total amount of dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date
Annual shareholders' meeting on June 27, 2025	Common shares	5,617	130	March 31, 2025	June 30, 2025
Board of Directors meeting on November 13, 2025	Common shares	3,456	80	September 30, 2025	December 8, 2025

(Notes) 1. The total amount of dividends resolved at the ordinary general meeting of shareholders on June 27, 2025 includes dividends of 23 million yen for the shares of the Company held by the stock granting trust for officers..

2. The total amount of dividends resolved at the Board of Directors meeting on November 13, 2025 includes dividends of 11 million yen for the shares of the Company held by the stock granting trust for officers.

(2) Dividends with a record date in the fiscal year under review but an effective date in the following fiscal year. The following item is scheduled to be submitted for approval at the ordinary general meeting of shareholders to be held on June 26, 2026.

(Resolution)	Class of shares	Total amount of dividends (millions of yen)	Source of dividends	Dividends per share (yen)	Record date	Effective date
Annual shareholders' meeting on June 26, 2026	Common shares	4,614	Retained earnings	27	March 31, 2026	June 29, 2026

(Note) The total amount of dividends includes the dividend of 15 million yen for the shares of the Company held by the stock granting trust for officers.

(Notes on additional information)

(Stock compensation plan using a trust for directors and executive officers)

The Company has introduced a stock compensation plan using a trust (the "Plan") to make a clearer link between the compensation for its directors (excluding outside directors and part-time non-executive directors; the same applies hereinafter) and the share value of the Company, to raise the awareness of directors of their contribution to improving the Company's medium- to long-term business performance and corporate value.

1. Transaction overview

The Plan is a stock compensation plan where a trust (the "Trust") established and paid for by the Company acquires shares of the Company and delivers shares to each director and executive officer according to the number of points that the Company grants to each director and executive officer.

2. The Company's shares remaining in the Trust

The Company's shares remaining in the Trust are posted as treasury shares in the net assets section at the book value in the Trust. As of the end of the consolidated fiscal year under review, the book value of the said treasury shares was 483 million yen and the number of the said shares was 580,276.

(Notes on segment Information)

(1) Overview of reportable segments

The reportable segments of the Company are units constituting the Company that are to be regularly examined by the Board of Directors, etc. to determine the allocation of management resources and evaluate the business results, as their financial information is available separately from that of others.

The Company has divisions at head office, which are divided according to the type of construction project, and each division conducts business activities in Japan and other countries under comprehensive strategies. In addition, the Company gives directions and support for planning of comprehensive strategies by Group companies. The Company's business is thus divided into segments based on divisions and consolidated subsidiaries, and the Company has three reportable segments of civil engineering, building construction, and subsidiaries.

In the civil engineering segment, the Company engages in investigations, planning, design, construction, supervision, and other general engineering management, etc. of civil engineering work, including forest conservation, flood control, and work on railways and roads. In the building construction segment, the Company engages in investigations, planning, design, construction, supervision, and other general engineering management, etc. of construction work, including the construction of housing complexes, offices, government buildings, factories, and power plants. Businesses in the segment of subsidiaries include construction, manufacturing and sales of construction materials and equipment, and the provision of construction technology products.

(2) Methods for calculating net sales, profit or loss, assets, liabilities, and other items in each reportable segment

The accounting method for reported business segments is generally the same as the details stated in the "Important basic matters for the preparation of consolidated financial statements" in the recent annual securities report (submitted on June 26, 2025).

The profit figures stated in the reportable segments are based on operating profit. The intersegment revenues and transfers are based on actual market prices or prices used in transactions between third parties. Assets are not allocated to business segments but depreciation is allocated to them.

(3) Reportable segment sales, profit or loss, assets, liabilities and other information and revenue breakdown information

Fiscal year ended March 31, 2025 (Apr 1, 2024–Mar 31, 2025) (millions of yen)

	Reportable segments				Adjustments (Note 1) (Note 2)	Amounts on consolidated financial statements (Note 3)
	Civil engineering	Building construction	Subsidiaries	Total		
Net sales						
Revenue from contracts with customers	105,107	266,773	125,007	496,888	–	496,888
Other revenue	–	412	1,281	1,693	–	1,693
Sales to customers	105,107	267,185	126,288	498,581	–	498,581
Intersegment sales and transfers	–	0	9,587	9,588	(9,588)	–
Total	105,107	267,186	135,876	508,170	(9,588)	498,581
Segment profit	6,940	846	6,480	14,267	32	14,299
Others						
Depreciation	322	859	854	2,036	(3)	2,033

(Notes) 1. The segment profit adjustment is for the elimination of intersegment transactions.

2. The depreciation adjustment is for the write-off of unrealized gains.

3. Segment profit is adjusted with operating profit recorded under the consolidated financial statements.

4. Other revenue is a rental income based on the Accounting Standard for Lease Transactions (ASBJ statement No. 13 issued on March 30, 2007).

Fiscal year ended March 31, 2026 (Apr 1, 2025–Mar 31, 2026) (millions of yen)

	Reportable segments				Adjustments (Note 1) (Note 2)	Amounts on consolidated financial statements (Note 3)
	Civil engineering	Building construction	Subsidiaries	Total		
Net sales						
Revenue from contracts with customers	115,978	255,079	114,714	485,772	–	485,772
Other revenue	–	458	1,467	1,925	–	1,925
Sales to customers	115,978	255,537	116,182	487,698	–	487,698
Intersegment sales and transfers	–	1,569	10,160	11,729	(11,729)	–
Total	115,978	257,106	126,343	499,428	(11,729)	487,698
Segment profit	6,053	14,160	7,086	27,301	(209)	27,092
Others						
Depreciation	382	867	861	2,111	(4)	2,107

(Notes) 1. The segment profit adjustment is for the elimination of intersegment transactions.
2. The depreciation adjustment is for the write-off of unrealized gains.
3. Segment profit is adjusted with operating profit recorded under the consolidated financial statements.
4. Other revenue is a rental income based on the Accounting Standard for Lease Transactions (ASBJ statement No. 13 issued on March 30, 2007).

(Notes on per share information)

Fiscal year ended March 31, 2025 (Apr 1, 2024–Mar 31, 2025)		Fiscal year ended March 31, 2026 (Apr 1, 2025–Mar 31, 2026)	
Net assets per share	1,059.08 yen	Net assets per share	1,105.63 yen
Basic earnings per share	54.43 yen	Basic earnings per share	116.94 yen

(Notes) 1. The Company conducted a 4-for-1 share split of its common stock as of October 1, 2025. "Net assets per share" and "Basic earnings per share" are calculated under the assumption that the share split occurred at the beginning of the previous fiscal year.

2. Diluted earnings per share is not stated because there are no dilutive shares.

3. In the calculation of net assets per share, the shares of the Company that are held by the stock granting trust for officers are included in the own shares that are deducted from the total number of shares issued and outstanding at the end of the fiscal year (732 thousand shares for the previous consolidated fiscal year and 580 thousand shares for the consolidated fiscal year under review). They are included in the own shares that are deducted in the calculation of the average number of shares during the fiscal year, which is used in the calculation of basic earnings per share (576 thousand shares in the previous fiscal year and 627 thousand shares in the fiscal year under review).

4. The basis of calculating basic earnings per share is as follows.

	Fiscal year ended March 31, 2025 (Apr 1, 2024–Mar 31, 2025)	Fiscal year ended March 31, 2026 (Apr 1, 2025–Mar 31, 2026)
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	9,354	20,068
Amount not attributable to common shareholders (millions of yen)	–	–
Profit attributable to owners of parent concerning common shares (millions of yen)	9,354	20,068
Average number of common shares outstanding during the period (thousand shares)	171,856	171,615

(Notes on significant subsequent events)

Not applicable

4. Nonconsolidated Financial Statements

(1) Nonconsolidated balance sheet

(millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	21,856	33,861
Notes receivable – trade	1,101	112
Accounts receivable from completed construction contracts	229,866	205,300
Costs on construction contracts in progress	5,967	6,694
Accounts receivable – other	26,625	18,054
Other	2,585	2,660
Allowance for doubtful accounts	(27)	(26)
Total current assets	287,975	266,657
Non-current assets		
Property, plant and equipment		
Buildings	14,887	14,838
Accumulated depreciation	(8,600)	(9,054)
Buildings, net	6,286	5,784
Structures	1,266	1,298
Accumulated depreciation	(1,082)	(1,102)
Structures, net	183	196
Machinery and equipment	3,518	3,708
Accumulated depreciation	(2,810)	(3,015)
Machinery and equipment, net	708	693
Vehicles	145	170
Accumulated depreciation	(103)	(129)
Vehicles, net	41	40
Tools, furniture and fixtures	3,028	3,104
Accumulated depreciation	(2,568)	(2,642)
Tools, furniture and fixtures, net	460	462
Land	16,680	16,551
Leased assets	114	150
Accumulated depreciation	(25)	(47)
Leased assets, net	89	102
Construction in progress	37	224
Total property, plant and equipment	24,489	24,055
Intangible assets	1,583	1,898
Investments and other assets		
Investment securities	11,361	14,132
Shares of subsidiaries and associates	35,108	27,245
Investments in other securities of subsidiaries and associates	7,624	11,643
Long-term loans receivable from employees	152	120
Long-term loans receivable from subsidiaries and associates	8,964	13,018
Long-term prepaid expenses	75	56
Deferred tax assets	2,359	3,403
Other	755	2,782
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	66,400	72,401
Total non-current assets	92,474	98,355
Total assets	380,449	365,013

(millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable – trade	94	—
Electronically recorded obligations – operating	41,726	28,003
Accounts payable for construction contracts	72,970	50,586
Short-term borrowings	11,909	17,375
Lease obligations	16	22
Income taxes payable	558	6,829
Advances received on construction contracts in progress	20,873	16,309
Deposits received	34,418	38,401
Provision for warranties for completed construction	564	543
Provision for loss on construction contracts	2,245	711
Provision for bonuses	2,713	2,997
Deposits received from employees	3,104	2,975
Other	2,723	8,135
Total current liabilities	193,919	172,891
Non-current liabilities		
Bonds payable	—	8,500
Long-term borrowings	34,026	28,801
Lease obligations	65	78
Provision for stock payments	263	205
Provision for retirement benefits	13,867	13,496
Asset retirement obligations	104	140
Other	316	265
Total non-current liabilities	48,643	51,488
Total liabilities	242,563	224,379
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus		
Legal capital surplus	7,000	7,000
Other capital surplus	8,170	8,171
Total capital surpluses	15,170	15,171
Retained earnings		
Legal retained earnings	559	559
Other retained earnings		
Retained earnings brought forward	81,481	90,544
Total retained earnings	82,041	91,104
Treasury shares	(856)	(4,243)
Total shareholders' equity	126,464	132,139
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	11,417	8,494
Deferred gains or losses on hedges	4	(0)
Total valuation and translation adjustments	11,421	8,494
Total net assets	137,886	140,633
Total liabilities and net assets	380,449	365,013

(2) Nonconsolidated statement of income

(millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales of completed construction contracts	372,294	373,085
Cost of sales of completed construction contracts	346,073	332,772
Gross profit on completed construction contracts	26,220	40,312
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	316	289
Employees' salaries and allowances	6,641	7,131
Retirement benefit expenses	256	277
Legal welfare expenses	1,014	1,084
Welfare expenses	111	145
Repair and maintenance expenses	120	114
Stationery expenses	908	991
Communication and transportation expenses	930	964
Power utilities expenses	89	97
Research study expenses	2,893	3,086
Advertising expenses	605	739
Provision of allowance for doubtful accounts	2	—
Entertainment expenses	386	385
Donations	51	70
Rent expenses on land and buildings	736	1,063
Depreciation	179	165
Taxes and dues	850	1,003
Insurance expenses	125	149
Miscellaneous expenses	2,214	2,335
Total selling, general and administrative expenses	18,434	20,098
Operating profit	7,786	20,214
Non-operating income		
Interest income	150	222
Dividend income	2,374	3,941
Gain on investments in silent partnerships	—	65
Foreign exchange gains	—	156
Other	80	172
Total non-operating income	2,604	4,558
Non-operating expenses		
Interest expenses	612	1,007
Foreign exchange losses	7	—
Commission for syndicated loans	238	79
Loss on investments in investment partnerships	282	470
Loss on sale of receivables	115	246
Other	93	207
Total non-operating expenses	1,349	2,011
Ordinary profit	9,041	22,762
Extraordinary income		
Gain on sale of non-current assets	0	12
Gain on sale of investment securities	52	446
Gain on sale of shares of subsidiaries and associates	—	3,763
Gain on sale of membership	1	22
Total extraordinary income	54	4,244
Extraordinary losses		
Loss on valuation of investment securities	—	49
Loss on valuation of shares of subsidiaries and associates	59	—
Compensation for damage	146	73
Loss on litigation	89	429
Impairment losses	—	548
Other	4	26
Total extraordinary losses	299	1,126
Profit before income taxes	8,796	25,881
Income taxes - current	1,994	7,440
Income taxes - deferred	570	303
Total income taxes	2,564	7,744
Profit	6,231	18,136

(3) Nonconsolidated statements of changes in equity

Fiscal year ended March 31, 2025 (Apr 1, 2024－Mar 31, 2025)

(millions of yen)

	Shareholders' equity						
		Capital surplus			Retained earnings		
	Share capital	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	30,108	7,000	8,170	15,170	559	80,868	81,428
Changes during period							
Dividends of surplus						(5,618)	(5,618)
Profit						6,231	6,231
Purchase of treasury shares							
Disposal of treasury shares			0	0			
Net changes in items other than shareholders' equity							
Total changes during period	―	―	0	0	―	613	613
Balance at end of period	30,108	7,000	8,170	15,170	559	81,481	82,041

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(527)	126,179	13,381	3	13,384	139,563
Changes during period						
Dividends of surplus		(5,618)				(5,618)
Profit		6,231				6,231
Purchase of treasury shares	(429)	(429)				(429)
Disposal of treasury shares	100	100				100
Net changes in items other than shareholders' equity			(1,963)	1	(1,962)	(1,962)
Total changes during period	(328)	284	(1,963)	1	(1,962)	(1,677)
Balance at end of period	(856)	126,464	11,417	4	11,421	137,886

Fiscal year ended March 31, 2026 (Apr 1, 2025—Mar 31, 2026)

(millions of yen)

	Shareholders' equity						
		Capital surplus			Retained earnings		
	Share capital	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings: Retained earnings brought forward	Total retained earnings
Balance at beginning of period	30,108	7,000	8,170	15,170	559	81,481	82,041
Changes during period							
Dividends of surplus						(9,074)	(9,074)
Profit						18,136	18,136
Purchase of treasury shares							
Disposal of treasury shares			0	0			
Net changes in items other than shareholders' equity							
Total changes during period	—	—	0	0	—	9,062	9,062
Balance at end of period	30,108	7,000	8,171	15,171	559	90,544	91,104

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(856)	126,464	11,417	4	11,421	137,886
Changes during period						
Dividends of surplus		(9,074)				(9,074)
Profit		18,136				18,136
Purchase of treasury shares	(3,514)	(3,514)				(3,514)
Disposal of treasury shares	127	127				127
Net changes in items other than shareholders' equity			(2,922)	(5)	(2,927)	(2,927)
Total changes during period	(3,387)	5,675	(2,922)	(5)	(2,927)	2,747
Balance at end of period	(4,243)	132,139	8,494	(0)	8,494	140,633

5. Supplementary Information

(1) Orders received, net sales and carried-forward (Nonconsolidated)

(millions of yen)

	Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026		Change	
	Amount	Composition ratio %	Amount	Composition ratio %	Amount	%
Public	63,263	16.7	68,415	21.6	5,151	8.1
Private	47,169	12.4	44,112	14.0	(3,057)	(6.5)
Domestic	110,433	29.1	112,527	35.6	2,094	1.9
Overseas	538	0.1	—	—	(538)	(100.0)
Civil engineering	110,971	29.2	112,527	35.6	1,556	1.4
Public	21,765	5.7	20,659	6.6	(1,105)	(5.1)
Private	242,508	64.0	182,118	57.5	(60,389)	(24.9)
Domestic	264,273	69.7	202,778	64.1	(61,495)	(23.3)
Overseas	4,118	1.1	890	0.3	(3,228)	(78.4)
Building construction	268,392	70.8	203,668	64.4	(64,723)	(24.1)
Public	85,029	22.4	89,075	28.2	4,046	4.8
Private	289,678	76.4	226,231	71.5	(63,446)	(21.9)
Domestic	374,707	98.8	315,306	99.7	(59,400)	(15.9)
Overseas	4,656	1.2	890	0.3	(3,766)	(80.9)
Orders received-Total	379,364	100	316,196	100	(63,167)	(16.7)
Public	59,598	16.0	71,502	19.2	11,904	20.0
Private	42,160	11.3	40,306	10.8	(1,854)	(4.4)
Domestic	101,758	27.3	111,808	30.0	10,050	9.9
Overseas	3,349	0.9	4,169	1.1	819	24.5
Civil engineering	105,107	28.2	115,978	31.1	10,870	10.3
Public	30,718	8.3	34,542	9.2	3,823	12.4
Private	236,438	63.5	220,132	59.0	(16,305)	(6.9)
Domestic	267,157	71.8	254,675	68.2	(12,481)	(4.7)
Overseas	28	0.0	2,431	0.7	2,402	—
Building construction	267,186	71.8	257,106	68.9	(10,079)	(3.8)
Public	90,316	24.3	106,045	28.4	15,728	17.4
Private	278,598	74.8	260,439	69.8	(18,159)	(6.5)
Domestic	368,915	99.1	366,484	98.2	(2,431)	(0.7)
Overseas	3,378	0.9	6,600	1.8	3,222	95.4
Net sales-Total	372,294	100	373,085	100	791	0.2
Public	78,023	13.2	74,936	14.1	(3,087)	(4.0)
Private	118,520	20.2	122,327	23.0	3,806	3.2
Domestic	196,544	33.4	197,263	37.1	719	0.4
Overseas	10,277	1.7	6,275	1.2	(4,002)	(38.9)
Civil engineering	206,822	35.1	203,538	38.3	(3,283)	(1.6)
Public	46,971	8.0	33,089	6.2	(13,882)	(29.6)
Private	331,301	56.2	293,329	55.1	(37,972)	(11.5)
Domestic	378,273	64.2	326,418	61.3	(51,855)	(13.7)
Overseas	3,811	0.7	2,359	0.4	(1,451)	(38.1)
Building construction	382,084	64.9	328,778	61.7	(53,306)	(14.0)
Public	124,995	21.2	108,025	20.3	(16,969)	(13.6)
Private	449,822	76.4	415,656	78.1	(34,166)	(7.6)
Domestic	574,818	97.6	523,682	98.4	(51,135)	(8.9)
Overseas	14,088	2.4	8,635	1.6	(5,453)	(38.7)
Carried-forward-Total	588,907	100	532,317	100	(56,589)	(9.6)

(Note) The carried-forward amount of foreign currency denominated project has been translated at the closing rate.

Fiscal year ended March 31, 2025: Decreased by 576 million yen

Fiscal year ended March 31, 2026: Increased by 299 million yen

（2）Financial Highlights

Consolidated

（Operating Results）

	A Fiscal year ended March 31, 2025	B Fiscal year ended March 31, 2026	B − A	%	C Fiscal year ending March 31, 2027 (Forecast)	C− B	%
Net sales	4,986	4,877	(109)	(2.2)	5,000	123	2.5
Gross profit	383	532	149	39.0	581	49	9.1
(Ratio)	7.7%	10.9%	3.2%		11.6%	0.7%	
SG&A expenses	240	261	21		272	11	
Operating profit	143	271	128	89.5	309	38	14.1
(Ratio)	2.9%	5.6%	2.7%		6.2%	0.6%	
Non-operating income − net	1	(0)	(2)		1	1	
Ordinary profit	144	270	126	87.7	310	40	14.6
Extraordinary income − net	(6)	29	35		(1)	(30)	
Profit before income taxes	138	299	161	116.9	309	10	3.2
Income taxes and others	44	99	54		105	6	
Profit	94	201	107	114.5	204	3	1.7
Loss attributable to non-controlling interests	—	(0)	(0)		0	0	
Profit attributable to owners of parent	94	201	107	114.5	204	3	1.7

Nonconsolidated

（Operating Results）

	A Fiscal year ended March 31, 2025	B Fiscal year ended March 31, 2026	B − A	%	C Fiscal year ending March 31, 2027 (Forecast)	C− B	%
Civil engineering	1,104	1,125	21		1,200	75	
Building construction	2,643	2,028	(615)		2,606	578	
Domestic	3,747	3,153	(594)		3,806	653	
Overseas	47	9	(38)		73	64	
Orders received	3,794	3,162	(632)	(16.7)	3,879	717	22.7
Civil engineering	1,018	1,118	101		1,200	82	
Building construction	2,672	2,547	(125)		2,505	(42)	
Domestic	3,689	3,665	(24)		3,705	40	
Overseas	34	66	32		65	(1)	
Net sales	3,723	3,731	8	0.2	3,770	39	1.0
Civil engineering	153	151	(2)		150	(1)	
(Ratio)	15.0%	13.5%	(1.5)%		12.5%	(1.0)%	
Building construction	107	248	141		300	52	
(Ratio)	4.0%	9.8%	5.8%		12.0%	2.2%	
Domestic	260	399	140		450	51	
(Ratio)	7.0%	10.9%	3.9%		12.1%	1.2%	
Overseas	3	4	1		4	0	
(Ratio)	7.5%	5.9%	(1.6)%		6.2%	0.3%	
Gross profit	262	403	141	53.7	454	51	12.6
(Ratio)	7.0%	10.8%	3.8%		12.0%	1.2%	
SG&A expenses	184	201	17		207	6	
Operating profit	78	202	124	159.6	247	45	22.2
(Ratio)	2.1%	5.4%	3.3%		6.6%	1.2%	
Non-operating income − net	13	25	13		38	13	
Ordinary profit	90	228	137	151.8	285	57	25.2
Extraordinary income − net	(2)	31	34		0	(31)	
Profit before income taxes	88	259	171	194.2	285	26	10.1
Income taxes and others	26	77	52		86	9	
Profit	62	181	119	191.1	199	18	9.7