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Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

May 12, 2025

Company name: SEIKITOKYU KOGYO CO., LTD.

Listing: Tokyo Stock Exchange

Securities code: 1898

URL: <https://www.seikitokyu.co.jp>

Representative: Yoshikazu Taira, Representative Director, President

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Scheduled date of annual general meeting of shareholders: June 24, 2025

Scheduled date to commence dividend payments: June 25, 2025

Scheduled date to file annual securities report: June 23, 2025

Preparation of supplementary material on financial results: None

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	99,358	12.9	5,842	42.8	5,788	41.9	3,887	41.9
March 31, 2024	88,037	(4.7)	4,091	53.3	4,078	54.0	2,740	143.2

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 4,215 million [17.8%]
Fiscal year ended March 31, 2024: ¥ 3,578 million [241.1%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	106.46	-	9.5	7.3	5.9
March 31, 2024	75.16	-	6.8	5.3	4.6

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ - million
Fiscal year ended March 31, 2024: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	82,556	41,692	50.5	1,138.86
March 31, 2024	76,042	40,533	53.3	1,111.46

(Reference) Equity: As of March 31, 2025: ¥ 41,692 million
As of March 31, 2024: ¥ 40,533 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	(971)	(1,339)	(3,376)	7,751
March 31, 2024	10,949	(2,873)	(2,823)	13,440

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	45.00	-	45.00	90.00	3,282	119.7	8.2
March 31, 2025	-	45.00	-	45.00	90.00	3,289	84.5	8.0
Fiscal year ending March 31, 2026 (Forecast)	-	35.00	-	35.00	70.00		65.7	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	46,000	2.9	1,400	(7.2)	1,400	(4.4)	900	(3.7)	24.58
Full year	100,500	1.1	5,900	1.0	5,700	(1.5)	3,900	0.3	106.53

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(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: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

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

March 31, 2025: 37,424,507 shares

March 31, 2024: 37,424,507 shares

2) Number of treasury shares at the end of the period:

March 31, 2025: 815,440 shares

March 31, 2024: 955,786 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 36,519,238 shares

Fiscal Year ended March 31, 2024: 36,462,440 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	94,511	12.9	5,247	38.9	5,194	37.3	3,488	67.1
March 31, 2024	83,705	(4.5)	3,778	55.1	3,782	57.6	2,087	103.0

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	95.53	-
March 31, 2024	57.25	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	79,362	36,082	45.5	985.61
March 31, 2024	74,170	35,623	48.0	976.81

(Reference) Equity: As of March 31, 2025: ¥ 36,082 million

As of March 31, 2024: ¥ 35,623 million

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

(Percentages indicate year-on-year changes.)

	Net sales		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	43,200	1.2	1,100	(18.9)	800	(9.9)	21.85
Full year	94,500	(0.0)	5,000	(3.7)	3,500	0.3	95.60

* 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

Financial results forecasts are based on information available and certain assumptions deemed reasonable by the Company at the time of preparation of this document, which may contain various uncertain factors. Thus, actual results and outcomes may differ from these forecasts.

1. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	13,440	7,751
Notes receivable, accounts receivable from completed construction contracts and other	30,633	40,571
Costs on construction contracts in progress	105	75
Raw materials and supplies	429	344
Other	2,545	2,489
Total current assets	47,153	51,233
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,469	13,334
Machinery, vehicles, tools, furniture and fixtures	23,021	23,531
Land	14,849	14,744
Construction in progress	-	1
Accumulated depreciation	(24,459)	(25,679)
Total property, plant and equipment	26,880	25,932
Intangible assets	266	269
Investments and other assets		
Investment securities	375	415
Deferred tax assets	925	699
Retirement benefit asset	62	3,631
Other	378	374
Total investments and other assets	1,742	5,120
Total non-current assets	28,889	31,322
Total assets	76,042	82,556

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	21,363	23,359
Short-term borrowings	106	5,106
Income taxes payable	939	1,354
Advances received on construction contracts in progress	641	797
Provision for warranties for completed construction	18	127
Provision for loss on construction contracts	19	28
Provision for bonuses	1,735	1,613
Other	3,889	4,269
Total current liabilities	28,713	36,656
Non-current liabilities		
Long-term borrowings	6,700	1,600
Retirement benefit liability	-	2,525
Other	95	81
Total non-current liabilities	6,795	4,207
Total liabilities	35,509	40,863
Net assets		
Shareholders' equity		
Share capital	2,000	2,000
Capital surplus	512	623
Retained earnings	37,816	38,421
Treasury shares	(786)	(671)
Total shareholders' equity	39,541	40,373
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	103	137
Foreign currency translation adjustment	(37)	(38)
Remeasurements of defined benefit plans	925	1,220
Total accumulated other comprehensive income	992	1,319
Total net assets	40,533	41,692
Total liabilities and net assets	76,042	82,556

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales		
Net sales of completed construction contracts	70,311	80,366
Net sales of finished goods	17,637	18,911
Net sales on power business and other	88	81
Total net sales	88,037	99,358
Cost of sales		
Cost of sales of completed construction contracts	62,270	69,893
Cost of finished goods sold	15,736	17,373
Cost of sales on power business and other	83	58
Total cost of sales	78,091	87,325
Gross profit		
Gross profit on completed construction contracts	8,041	10,472
Gross profit - finished goods	1,900	1,537
Gross profit on power business and other	4	22
Total gross profit	9,946	12,033
Selling, general and administrative expenses	5,854	6,191
Operating profit	4,091	5,842
Non-operating income		
Interest income	0	6
Dividend income	8	9
Rental income	20	20
Foreign exchange gains	42	17
Miscellaneous income	34	26
Total non-operating income	106	79
Non-operating expenses		
Interest expenses	55	65
Guarantee commission	18	24
Syndicated loan origination fee	21	21
Miscellaneous expenses	24	22
Total non-operating expenses	119	133
Ordinary profit	4,078	5,788

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Extraordinary income		
Gain on sale of non-current assets	35	13
Gain on reversal of liabilities	155	-
Settlement income	120	-
Total extraordinary income	310	13
Extraordinary losses		
Loss on sale of non-current assets	2	2
Loss on retirement of non-current assets	30	101
Impairment losses	300	287
Other	29	-
Total extraordinary losses	363	391
Profit before income taxes	4,025	5,410
Income taxes - current	1,210	1,864
Income taxes - deferred	74	(341)
Total income taxes	1,285	1,522
Profit	2,740	3,887
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	2,740	3,887

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	2,740	3,887
Other comprehensive income		
Valuation difference on available-for-sale securities	69	33
Foreign currency translation adjustment	(16)	(1)
Remeasurements of defined benefit plans, net of tax	785	295
Total other comprehensive income	838	327
Comprehensive income	3,578	4,215
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,578	4,215
Comprehensive income attributable to non-controlling interests	-	-

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income				Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	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	2,000	500	37,810	(803)	39,506	34	(20)	139	153	39,660
Changes during period										
Dividends of surplus			(2,734)		(2,734)					(2,734)
Profit attributable to owners of parent			2,740		2,740					2,740
Purchase of treasury shares				(0)	(0)					(0)
Disposal of treasury shares		12		17	29					29
Net changes in items other than shareholders' equity						69	(16)	785	838	838
Total changes during period	-	12	6	16	34	69	(16)	785	838	873
Balance at end of period	2,000	512	37,816	(786)	39,541	103	(37)	925	992	40,533

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income				Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	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	2,000	512	37,816	(786)	39,541	103	(37)	925	992	40,533
Changes during period										
Dividends of surplus			(3,283)		(3,283)					(3,283)
Profit attributable to owners of parent			3,887		3,887					3,887
Purchase of treasury shares				(0)	(0)					(0)
Disposal of treasury shares		111		116	227					227
Net changes in items other than shareholders' equity						33	(1)	295	327	327
Total changes during period	-	111	604	115	831	33	(1)	295	327	1,159
Balance at end of period	2,000	623	38,421	(671)	40,373	137	(38)	1,220	1,319	41,692

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	4,025	5,410
Depreciation	2,118	2,040
Increase (decrease) in allowance for doubtful accounts	(8)	(8)
Increase (decrease) in provision for bonuses	80	(121)
Decrease (increase) in retirement benefit asset	(62)	(3,090)
Increase (decrease) in retirement benefit liability	(330)	2,904
Interest and dividend income	(9)	(15)
Interest expenses	55	65
Loss (gain) on sale of property, plant and equipment	(33)	(11)
Loss on retirement of property, plant and equipment	30	101
Impairment losses	300	287
Decrease (increase) in trade receivables	8,205	(9,929)
Decrease (increase) in costs on construction contracts in progress	123	29
Increase (decrease) in trade payables	(1,899)	1,995
Increase (decrease) in advances received on construction contracts in progress	(929)	156
Increase (decrease) in accrued consumption taxes	689	(278)
Decrease (increase) in accounts receivable - other	250	(58)
Other, net	(1,107)	972
Subtotal	11,499	449
Interest and dividends received	9	15
Interest paid	(54)	(57)
Income taxes paid	(504)	(1,378)
Net cash provided by (used in) operating activities	10,949	(971)
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,933)	(1,336)
Proceeds from sale of property, plant and equipment	45	64
Other, net	14	(67)
Net cash provided by (used in) investing activities	(2,873)	(1,339)
Cash flows from financing activities		
Repayments of long-term borrowings	(100)	(100)
Purchase of treasury shares	(0)	(0)
Dividends paid	(2,723)	(3,275)
Net cash provided by (used in) financing activities	(2,823)	(3,376)
Effect of exchange rate change on cash and cash equivalents	14	(0)
Net increase (decrease) in cash and cash equivalents	5,267	(5,688)
Cash and cash equivalents at beginning of period	8,173	13,440
Cash and cash equivalents at end of period	13,440	7,751

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes on changes in accounting policies)

(Application of “Accounting Standard for Current Income Taxes” and others)

“Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27 of October 28, 2022. Hereinafter, “2022 Revised Accounting Standards”) and others have been applied since the beginning of the fiscal year ended March 31, 2025.

Regarding the revisions to the recording of classification of income taxes (taxation of other comprehensive income), the transitional treatments specified in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standards and the proviso to Paragraph 65-2, Item (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28 of October 28, 2022. Hereinafter, “2022 Revised Accounting Guidance”) have been followed. In addition, there are no impacts to the consolidated financial statements due to changes in this accounting policy.

(Segment information, etc.)

1. Overview of reportable segments

Reportable segments of the Group are components of the Group about each of which financial information is separately available and that are regularly evaluated by the Board of Directors, etc. to decide the allocation of management resources and assess financial results.

The Group, primarily each business control division of the Company, formulates a comprehensive strategy for the construction business and the pavement materials manufacturing and sales business and performs business activities.

Accordingly, the Group has the two reportable segments of the “construction business” and the “pavement materials manufacturing and sales business.”

The “construction business” engages in businesses concerning pavement, civil engineering and other construction work in general, and the “pavement materials manufacturing and sales business” in manufacture and sale of pavement materials such as asphalt mixtures.

2. Information on net sales and profit (loss) by reportable segment

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment			Others (Note 1)	Adjustments (Note 2)	Amount recorded in Consolidated Statements of Income (Note 3)
	Construction business	Pavement materials manufacturing and sales business	Total			
Net sales						
(1) Net sales to outside customers	70,311	17,637	87,948	88	—	88,037
(2) Inter-segment internal sales or transfers	—	13,747	13,747	865	(14,613)	—
Total	70,311	31,384	101,696	953	(14,613)	88,037
Segment profit (loss)	5,563	1,841	7,405	172	(3,486)	4,091

(Note 1) The segment “Others,” which is a business segment not included in the reportable segments, comprises power business, etc.

(Note 2) A major item of the adjustments for the segment profit is general and administrative expenses for the administrative divisions of the head office, etc. of ¥(3,490) million, which are not attributable to any business segment.

(Note 3) Segment profit (loss) is adjusted with operating profit on the Consolidated Statements of Income.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment			Others (Note 1)	Adjustments (Note 2)	Amount recorded in Consolidated Statements of Income (Note 3)
	Construction business	Pavement materials manufacturing and sales business	Total			
Net sales						
(1) Net sales to outside customers	80,366	18,911	99,277	81	—	99,358
(2) Inter-segment internal sales or transfers	—	15,023	15,023	891	(15,915)	—
Total	80,366	33,935	114,301	972	(15,915)	99,358
Segment profit (loss)	8,070	1,488	9,558	158	(3,875)	5,842

(Note 1) The segment “Others,” which is a business segment not included in the reportable segments, comprises power business, etc.

(Note 2) A major item of the adjustments for the segment profit is general and administrative expenses for the administrative divisions of the head office, etc. of ¥(3,868) million, which are not attributable to any business segment.

(Note 3) Segment profit (loss) is adjusted with operating profit on the Consolidated Statements of Income.

(Per share information)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net assets per share	¥1,111.46	¥1,138.86
Basic earnings per share	¥75.16	¥106.46

(Notes) 1. Diluted earnings per share is not described because no potential share exists.

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

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	2,740	3,887
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent relating to common shares (Millions of yen)	2,740	3,887
Average number of common shares outstanding during the period (Thousand shares)	36,462	36,519

(Notes) 3. The basis for the calculation of the net assets per share is as follows.

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Total amount of net assets (Millions of yen)	40,533	41,692
Balance of net assets relating to common shares at end of period (Millions of yen)	40,533	41,692
Number of common shares used for the calculation of net assets per share (Thousand shares)	36,468	36,609

(Significant subsequent events)

Not applicable.

(6) Status of Manufacture, Orders and Sales

(Millions of yen)

Segment			For the fiscal year ended March 31, 2024		For the fiscal year ended March 31, 2025		Year-on- year changes
			Amount	Share (%)	Amount	Share (%)	Amount
Orders	Construction business	Asphalt pavement	57,243	59.7	57,944	61.0	700
		Concrete pavement	1,126	1.1	1,480	1.5	354
		Civil engineering, etc.	19,818	20.7	16,584	17.5	(3,234)
		Total	78,189	81.5	76,009	80.0	(2,179)
	Pavement materials manufacturing and sales business		17,637	18.4	18,911	19.9	1,274
	Power business, etc.		88	0.1	81	0.1	(7)
	Total		95,914	100.0	95,001	100.0	(912)
Net sales	Construction business	Asphalt pavement	52,114	59.2	59,818	60.2	7,704
		Concrete pavement	1,257	1.5	1,553	1.6	295
		Civil engineering, etc.	16,939	19.2	18,994	19.1	2,054
		Total	70,311	79.9	80,366	80.9	10,054
	Pavement materials manufacturing and sales business		17,637	20.0	18,911	19.0	1,274
	Power business, etc.		88	0.1	81	0.1	(7)
	Total		88,037	100.0	99,358	100.0	11,321
Carryforward	Construction business	Asphalt pavement	27,546	62.2	25,671	64.3	(1,874)
		Concrete pavement	605	1.4	533	1.4	(72)
		Civil engineering, etc.	16,110	36.4	13,700	34.3	(2,409)
		Total	44,261	100.0	39,905	100.0	(4,356)
	Pavement materials manufacturing and sales business		—	—	—	—	—
	Power business, etc.		—	—	—	—	—
	Total		44,261	100.0	39,905	100.0	(4,356)

2. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	12,675	6,805
Notes receivable - trade	881	785
Electronically recorded monetary claims - operating	878	864
Accounts receivable from completed construction contracts	21,332	31,133
Accounts receivable - trade	6,775	6,754
Costs on construction contracts in progress	60	34
Raw materials and supplies	425	337
Short-term loans receivable	408	15
Accounts receivable - other	1,914	1,935
Other	565	420
Allowance for doubtful accounts	(430)	-
Total current assets	45,485	49,085
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,527	7,113
Machinery and vehicles, net	3,245	2,807
Tools, furniture and fixtures, net	199	197
Land	14,290	14,229
Construction in progress	-	1
Total property, plant and equipment	25,262	24,349
Intangible assets	134	149
Investments and other assets		
Investment securities	316	348
Shares of subsidiaries and associates	1,782	1,782
Deferred tax assets	858	1,181
Prepaid pension costs	-	2,148
Other	455	454
Allowance for doubtful accounts	(125)	(137)
Total investments and other assets	3,287	5,777
Total non-current assets	28,684	30,276
Total assets	74,170	79,362

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes payable - trade	2,555	3,053
Electronically recorded obligations - operating	4,004	4,870
Accounts payable for construction contracts	10,172	10,948
Accounts payable - trade	4,341	4,152
Short-term borrowings	3,060	8,185
Income taxes payable	844	1,210
Advances received on construction contracts in progress	620	698
Provision for warranties for completed construction	18	127
Provision for loss on construction contracts	19	28
Provision for bonuses	1,650	1,528
Other	3,653	4,016
Total current liabilities	30,940	38,819
Non-current liabilities		
Long-term borrowings	6,700	1,600
Provision for retirement benefits	819	2,778
Other	86	81
Total non-current liabilities	7,606	4,460
Total liabilities	38,547	43,279
Net assets		
Shareholders' equity		
Share capital	2,000	2,000
Capital surplus		
Legal capital surplus	500	500
Other capital surplus	12	123
Total capital surplus	512	623
Retained earnings		
Other retained earnings		
Retained earnings brought forward	33,815	34,021
Total retained earnings	33,815	34,021
Treasury shares	(786)	(671)
Total shareholders' equity	35,540	35,973
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	82	108
Total valuation and translation adjustments	82	108
Total net assets	35,623	36,082
Total liabilities and net assets	74,170	79,362

(2) Non-consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales		
Net sales of completed construction contracts	65,588	75,118
Net sales of finished goods	18,116	19,393
Total net sales	83,705	94,511
Cost of sales		
Cost of sales of completed construction contracts	58,701	65,959
Cost of finished goods sold	16,017	17,694
Total cost of sales	74,719	83,654
Gross profit		
Gross profit on completed construction contracts	6,886	9,159
Gross profit - finished goods	2,099	1,698
Total gross profit	8,986	10,857
Selling, general and administrative expenses	5,208	5,610
Operating profit	3,778	5,247
Non-operating income		
Interest income	18	11
Dividend income	7	8
Rental income	23	23
Operating fee	6	6
Foreign exchange gains	40	31
Miscellaneous income	25	15
Total non-operating income	121	95
Non-operating expenses		
Interest expenses	56	67
Guarantee commission	18	23
Bill fluidizing commission	5	4
Syndicated loan origination fee	21	21
Loss on debt forgiveness to subsidiaries and affiliates	-	15
Miscellaneous expenses	16	16
Total non-operating expenses	117	149
Ordinary profit	3,782	5,194

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Extraordinary income		
Gain on sale of non-current assets	4	-
Gain on reversal of liabilities	155	-
Settlement income	120	-
Total extraordinary income	280	-
Extraordinary losses		
Loss on sale of non-current assets	2	2
Loss on retirement of non-current assets	29	101
Loss on valuation of shares of subsidiaries and associates	43	-
Provision of allowance for doubtful accounts for subsidiaries and associates	454	11
Impairment losses	300	286
Other	29	-
Total extraordinary losses	859	402
Profit before income taxes	3,203	4,791
Income taxes - current	1,038	1,631
Income taxes - deferred	77	(328)
Total income taxes	1,115	1,303
Profit	2,087	3,488

(3) Non-consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity					
	Share capital	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	2,000	500	-	500	34,462	34,462
Changes during period						
Dividends of surplus					(2,734)	(2,734)
Profit					2,087	2,087
Purchase of treasury shares						
Disposal of treasury shares			12	12		
Net changes in items other than shareholders' equity						
Total changes during period	-	-	12	12	(647)	(647)
Balance at end of period	2,000	500	12	512	33,815	33,815

	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	(803)	36,158	31	31	36,190
Changes during period					
Dividends of surplus		(2,734)			(2,734)
Profit		2,087			2,087
Purchase of treasury shares	(0)	(0)			(0)
Disposal of treasury shares	17	29			29
Net changes in items other than shareholders' equity			50	50	50
Total changes during period	16	(618)	50	50	(567)
Balance at end of period	(786)	35,540	82	82	35,623

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity					
	Share capital	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	2,000	500	12	512	33,815	33,815
Changes during period						
Dividends of surplus					(3,283)	(3,283)
Profit					3,488	3,488
Purchase of treasury shares						
Disposal of treasury shares			111	111		
Net changes in items other than shareholders' equity						
Total changes during period	-	-	111	111	205	205
Balance at end of period	2,000	500	123	623	34,021	34,021

	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	(786)	35,540	82	82	35,623
Changes during period					
Dividends of surplus		(3,283)			(3,283)
Profit		3,488			3,488
Purchase of treasury shares	(0)	(0)			(0)
Disposal of treasury shares	116	227			227
Net changes in items other than shareholders' equity			26	26	26
Total changes during period	115	432	26	26	459
Balance at end of period	(671)	35,973	108	108	36,082