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

May 15, 2025

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 : Kazunori Shimada, Joint General Manager, Administration Division,  
General Manager, Administration Division, Accounting Department  
Contact : Tel.03-3235-8606  
Scheduled date of annual general meeting of shareholders : June 27, 2025  
Scheduled date to commence dividend payments : June 30, 2025  
Scheduled date to file annual securities report : June 26, 2025  
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, 2025(April 1, 2024 – March 31, 2025)

(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	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2025	498,581	12.5	14,299	13.0	14,411	10.5	9,354	12.5
March 31, 2024	443,193	9.8	12,649	10.2	13,040	6.6	8,316	4.3

(Note) Comprehensive income For the fiscal year ended March 31, 2025 : 7,764 million yen [ (56.5)% ]  
For the fiscal year ended March 31, 2024 : 17,845 million yen [ 78.3% ]

	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
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	217.73	—	5.2	3.1	2.9
March 31, 2024	192.36	—	4.8	3.1	2.9

### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	462,533	181,829	39.3	4,236.31
March 31, 2024	467,232	180,014	38.5	4,185.54

(Reference) Equity As of March 31, 2025 : 181,829 million yen  
As of March 31, 2024 : 180,014 million yen

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
March 31, 2025	8,233	(11,990)	(16,466)	50,156
March 31, 2024	16,971	(10,778)	22,319	70,073

### 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, 2024	—	—	—	130.00	130.00	5,618	67.6	3.2
Fiscal year ended March 31, 2025	—	—	—	130.00	130.00	5,617	59.7	3.1
Fiscal year ending March 31, 2026 (Forecast)	—	80.00	—	80.00	160.00		44.6	

### 3. Forecast of Consolidated Operating Results for FY2025(April 1, 2025 – March 31, 2026)

(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
Fullyear	493,000	(1.1)	22,800	59.4	23,000	59.6	15,400	64.6	358.79

※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

(Note) For details, please refer to “1. Consolidated Financial Statements; (5) Notes on the consolidated financial statements (Notes on changes in accounting policies)” on page 12 of the Attachments.

(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, 2025	43,285,560 shares	As of March 31, 2024	43,285,560 shares
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② Number of treasury shares at the end of the period

As of March 31, 2025	363,800 shares	As of March 31, 2024	276,992 shares
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③ Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	42,964,038 shares	Fiscal year ended March 31, 2024	43,232,608 shares
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(Reference) Overview of Nonconsolidated Financial Results

(Rounded down to the nearest million yen)

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

(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	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2025	372,294	13.5	7,786	17.6	9,041	15.0	6,231	17.4
March 31, 2024	327,927	9.6	6,621	(17.7)	7,862	(22.6)	5,309	(24.1)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2025	144.68	—
March 31, 2024	122.52	—

(2) Nonconsolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	380,449	137,886	36.2	3,204.58
March 31, 2024	382,906	139,563	36.4	3,237.08

(Reference) Equity As of March 31, 2025 : 137,886 million yen

As of March 31, 2024 : 139,563 million yen

2. Forecast of Nonconsolidated Operating Results for FY2025 (April 1, 2025 – March 31, 2026)

(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	362,000	(2.8)	19,700	117.9	14,100	126.3	327.69

※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.

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# 1. Consolidated Financial Statements

## (1) Consolidated balance sheet

(millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	70,073	50,156
Notes receivable, accounts receivable from completed construction contracts and other	266,541	264,450
Costs on construction contracts in progress	8,460	7,255
Accounts receivable – other	22,117	32,113
Other	2,331	3,502
Allowance for doubtful accounts	(64)	(65)
Total current assets	369,460	357,413
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,271	25,585
Machinery, vehicles, tools, furniture and fixtures	19,471	19,867
Land	17,897	19,638
Leased assets	811	737
Construction in progress	42	57
Accumulated depreciation	(32,691)	(33,414)
Total property, plant and equipment	29,803	32,472
Intangible assets	1,592	1,725
Investments and other assets		
Investment securities	48,586	50,372
Long-term loans receivable	6,860	9,324
Long-term non-operating accounts receivable	101	98
Distressed receivables	30	30
Deferred tax assets	3,547	3,488
Other	7,447	7,833
Allowance for doubtful accounts	(196)	(225)
Total investments and other assets	66,376	70,922
Total non-current assets	97,771	105,120
Total assets	467,232	462,533

(millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	100,457	102,267
Electronically recorded obligations – operating	29,158	43,502
Short-term borrowings	10,906	8,109
Commercial papers	14,999	—
Income taxes payable	3,439	1,372
Advances received on construction contracts in progress	23,130	22,761
Deposits received	36,669	36,636
Provision for warranties for completed construction	522	609
Provision for loss on construction contracts	3,820	2,367
Provision for bonuses	4,097	4,144
Other	16,260	7,626
Total current liabilities	243,460	229,398
Non-current liabilities		
Long-term borrowings	26,474	34,026
Provision for share awards	292	263
Retirement benefit liability	16,433	16,316
Deferred tax liabilities	—	73
Other	556	625
Total non-current liabilities	43,757	51,305
Total liabilities	287,218	280,703
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus	15,170	15,170
Retained earnings	120,115	123,852
Treasury shares	(657)	(987)
Total shareholders' equity	164,737	168,143
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,437	11,467
Deferred gains or losses on hedges	3	4
Foreign currency translation adjustment	1,887	2,282
Remeasurements of defined benefit plans	(50)	(67)
Total accumulated other comprehensive income	15,276	13,686
Total net assets	180,014	181,829
Total liabilities and net assets	467,232	462,533

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

(millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales of completed construction contracts	443,193	498,581
Cost of sales of completed construction contracts	407,112	460,266
Gross profit on completed construction contracts	36,080	38,315
Selling, general and administrative expenses	23,430	24,016
Operating profit	12,649	14,299
Non-operating income		
Interest income	122	252
Dividend income	817	953
Share of profit of entities accounted for using equity method	168	157
Foreign exchange gains	108	—
Other	159	85
Total non-operating income	1,376	1,448
Non-operating expenses		
Interest expenses	379	571
Loss on sale of receivables	41	115
Commission for syndicated loans	273	238
Loss on investments in investment partnerships	122	282
Foreign exchange losses	—	28
Other	168	99
Total non-operating expenses	985	1,336
Ordinary profit	13,040	14,411
Extraordinary income		
Gain on sales of non-current assets	9	3
Gain on sale of investment securities	0	52
Compensation for damage income	67	—
Other	0	7
Total extraordinary income	77	63
Extraordinary losses		
Loss on retirement of non-current assets	17	12
Loss on valuation of shares of subsidiaries and associates	46	335
Provision of allowance for doubtful accounts	30	32
Compensation for damage	307	204
Loss on litigation	0	89
Expenses related to the anniversary project of subsidiary	77	—
Other	43	0
Total extraordinary losses	521	674
Profit before income taxes	12,595	13,799
Income taxes – current	4,888	3,646
Income taxes – deferred	(608)	798
Total income taxes	4,279	4,445
Profit	8,316	9,354
Profit attributable to owners of parent	8,316	9,354

Consolidated statement of comprehensive income

(millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	8,316	9,354
Other comprehensive income		
Valuation difference on available-for-sale securities	8,920	(1,969)
Deferred gains or losses on hedges	3	1
Foreign currency translation adjustment	514	395
Remeasurements of defined benefit plans, net of tax	87	(17)
Share of other comprehensive income of entities accounted for using equity method	3	0
Total other comprehensive income	9,529	(1,590)
Comprehensive income	17,845	7,764
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	17,845	7,764
Comprehensive income attributable to non-controlling interests	—	—

## (3) Consolidated statements of changes in equity

Fiscal year ended March 31, 2024 (Apr 1, 2023—Mar 31, 2024)

(millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	30,108	17,133	117,498	(626)	164,113
Changes during period					
Dividends of surplus			(5,698)		(5,698)
Profit attributable to owners of parent			8,316		8,316
Purchase of treasury shares				(2,027)	(2,027)
Disposal of treasury shares		0		33	34
Cancellation of treasury shares		(1,962)		1,962	—
Net changes in items other than shareholders' equity					
Total changes during period	—	(1,962)	2,617	(30)	624
Balance at end of period	30,108	15,170	120,115	(657)	164,737

	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	4,512	—	1,372	(137)	5,747	169,860
Changes during period						
Dividends of surplus						(5,698)
Profit attributable to owners of parent						8,316
Purchase of treasury shares						(2,027)
Disposal of treasury shares						34
Cancellation of treasury shares						—
Net changes in items other than shareholders' equity	8,924	3	514	87	9,529	9,529
Total changes during period	8,924	3	514	87	9,529	10,153
Balance at end of period	13,437	3	1,887	(50)	15,276	180,014



	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

## (4) Consolidated statements of cash flows

(millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	12,595	13,799
Depreciation	2,062	2,068
Increase (decrease) in allowance for doubtful accounts	37	23
Increase (decrease) in provision for loss on construction contracts	2,825	(1,452)
Increase (decrease) in provision for contingent loss	(4)	—
Increase (decrease) in retirement benefit liability	(151)	(143)
Interest and dividend income	(939)	(1,205)
Interest expenses	379	571
Foreign exchange losses (gains)	(39)	57
Share of loss (profit) of entities accounted for using equity method	(168)	(157)
Loss on valuation of shares of subsidiaries and associates	46	335
Loss (gain) on investments in investment partnerships	122	282
Loss (gain) on sale of investment securities	(0)	(52)
Loss (gain) on sale of non-current assets	(9)	(3)
Loss on retirement of non-current assets	17	12
Decrease (increase) in trade receivables	(40,470)	2,608
Decrease (increase) in costs on construction contracts in progress	2,015	1,222
Increase (decrease) in trade payables	17,403	15,051
Increase (decrease) in advances received on construction contracts in progress	10,258	(397)
Decrease (increase) in accounts receivable – other	(3,729)	(9,995)
Increase (decrease) in deposits received	10,625	(32)
Other, net	5,150	(9,231)
Subtotal	18,027	13,360
Interest and dividends received	915	1,112
Interest paid	(380)	(568)
Income taxes paid	(1,590)	(5,670)
Net cash provided by (used in) operating activities	16,971	8,233
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,239)	(4,074)
Proceeds from sale of property, plant and equipment	9	4
Purchase of investment securities	(26)	(1,053)
Proceeds from sale of investment securities	0	73
Purchase of shares of subsidiaries and associates	(65)	(462)
Purchase of Investments in other securities of subsidiaries and associates	(1,508)	(3,381)
Loan advances	(6,607)	(2,814)
Proceeds from collection of loans receivable	62	189
Other, net	(403)	(471)
Net cash provided by (used in) investing activities	(10,778)	(11,990)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,120	1,490
Proceeds from long-term borrowings	13,971	9,070
Repayments of long-term borrowings	(908)	(5,804)
Proceeds from issuance of commercial papers	44,985	207,940
Redemption of commercial papers	(30,000)	(223,000)
Purchase of treasury shares	(2,025)	(429)
Dividends paid	(5,697)	(5,614)
Other, net	(125)	(118)
Net cash provided by (used in) financing activities	22,319	(16,466)
Effect of exchange rate change on cash and cash equivalents	586	306
Net increase (decrease) in cash and cash equivalents	29,099	(19,916)
Cash and cash equivalents at beginning of period	40,974	70,073
Cash and cash equivalents at end of period	70,073	50,156

(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, 2024 (Apr 1, 2023–Mar 31, 2024)

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	43,900	–	614	43,285

(Note) The decrease in outstanding common shares is a decrease of 614 thousand shares that resulted from cancellation of own shares.

(2) Matters related to the class and number of own share (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	280	622	626	276

(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 112 thousand shares and 101 thousand shares of the Company's shares held by the stock granting trust for officers.

2. The increase in common shares comprises 614 thousand shares reflecting the acquisition of own shares based on a resolution of the Board of Directors, 7 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.

3. The decrease in common shares is a decrease of 614 thousand shares that resulted from cancellation of own shares, 300 shares sold by the Company in response to claims to purchase additional odd-lot shares, and 7 thousand issued shares and 3 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 29, 2023	Common shares	5,698	130	March 31, 2023	June 30, 2023

(Note) The total amount of dividends includes the dividend of 14 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, 2024	Common shares	5,618	Retained earnings	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.

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.

### (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; 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. The Company has also introduced the same stock compensation plan for its executive officers.

#### 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 609 million yen and the number of the said shares was 183,046.

(Notes on changes in accounting policies)

(Application of the Accounting Standard for Current Income Taxes, etc.)

The Company has applied Accounting Standard for Current Income Taxes (Accounting Standards Board of Japan(ASBJ) Statement No. 27, October 28, 2022; hereinafter referred to as the “Revised Accounting Standard 2022”)effective from beginning of the fiscal year under review.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “Revised Implementation Guidance 2022”). This change in accounting policies has no impact on the consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred or tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the fiscal year under review. This change in accounting policies is applied retroactively, and the change is reflected in the consolidated financial statements and consolidated financial statements for the previous fiscal year. This change in accounting policies has no impact on the consolidated financial statements and consolidated financial statements for the previous fiscal year.

(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 27, 2024).

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, 2024 (Apr 1, 2023–Mar 31, 2024)

(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	100,128	227,481	113,904	441,514	–	441,514
Other revenue	–	315	1,362	1,678	–	1,678
Sales to customers	100,128	227,797	115,267	443,193	–	443,193
Intersegment sales and transfers	–	1	9,940	9,942	(9,942)	–
Total	100,128	227,799	125,207	453,135	(9,942)	443,193
Segment profit	4,498	2,123	5,998	12,620	29	12,649
Others						
Depreciation	366	786	862	2,015	(4)	2,011

(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, 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).



(Notes on per share information)

Fiscal year ended March 31, 2024 (Apr 1, 2023–Mar 31, 2024)		Fiscal year ended March 31, 2025 (Apr 1, 2024–Mar 31, 2025)	
Net assets per share	4,185.54 yen	Net assets per share	4,236.31 yen
Basic earnings per share	192.36 yen	Basic earnings per share	217.73 yen

(Notes) 1. Diluted earnings per share is not stated because there are no dilutive shares.

2. 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 (101 thousand shares for the previous consolidated fiscal year and 183 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 (102 thousand shares in the previous fiscal year and 144 thousand shares in the fiscal year under review).

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

	Fiscal year ended March 31, 2024 (Apr 1, 2023–Mar 31, 2024)	Fiscal year ended March 31, 2025 (Apr 1, 2024–Mar 31, 2025)
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	8,316	9,354
Amount not attributable to common shareholders (millions of yen)	–	–
Profit attributable to owners of parent concerning common shares (millions of yen)	8,316	9,354
Average number of common shares outstanding during the period (thousand shares)	43,232	42,964

(Notes on significant subsequent events)

Not applicable

## 2. Nonconsolidated Financial Statements

### (1) Nonconsolidated balance sheet

(millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	39,226	21,856
Notes receivable – trade	1,193	1,101
Accounts receivable from completed construction contracts	227,565	229,866
Costs on construction contracts in progress	7,389	5,967
Accounts receivable – other	21,583	26,625
Other	1,352	2,585
Allowance for doubtful accounts	(25)	(27)
Total current assets	298,284	287,975
Non-current assets		
Property, plant and equipment		
Buildings	13,846	14,887
Accumulated depreciation	(8,189)	(8,600)
Buildings, net	5,657	6,286
Structures	1,255	1,266
Accumulated depreciation	(1,063)	(1,082)
Structures, net	191	183
Machinery and equipment	3,070	3,518
Accumulated depreciation	(2,587)	(2,810)
Machinery and equipment, net	483	708
Vehicles	144	145
Accumulated depreciation	(82)	(103)
Vehicles, net	62	41
Tools, furniture and fixtures	3,015	3,028
Accumulated depreciation	(2,645)	(2,568)
Tools, furniture and fixtures, net	370	460
Land	14,939	16,680
Leased assets	58	114
Accumulated depreciation	(51)	(25)
Leased assets, net	6	89
Construction in progress	25	37
Total property, plant and equipment	21,736	24,489
Intangible assets	1,409	1,583
Investments and other assets		
Investment securities	10,853	11,361
Shares of subsidiaries and associates	36,289	35,108
Investments in other securities of subsidiaries and associates	4,525	7,624
Long-term loans receivable from employees	154	152
Long-term loans receivable from subsidiaries and associates	6,569	8,964
Long-term prepaid expenses	62	75
Deferred tax assets	2,274	2,359
Other	747	755
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	61,476	66,400
Total non-current assets	84,622	92,474
Total assets	382,906	380,449

(millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes payable – trade	1,225	94
Electronically recorded obligations – operating	28,203	41,726
Accounts payable for construction contracts	68,061	72,970
Short-term borrowings	10,706	11,909
Commercial papers	14,999	—
Lease liabilities	3	16
Income taxes payable	1,826	558
Advances received on construction contracts in progress	21,816	20,873
Deposits received	34,896	34,418
Provision for warranties for completed construction	465	564
Provision for loss on construction contracts	3,787	2,245
Provision for bonuses	2,718	2,713
Deposits received from employees	3,089	3,104
Other	10,481	2,723
Total current liabilities	202,280	193,919
Non-current liabilities		
Long-term borrowings	26,474	34,026
Lease liabilities	4	65
Provision for share awards	292	263
Provision for retirement benefits	13,966	13,867
Asset retirement obligations	64	104
Other	260	316
Total non-current liabilities	41,062	48,643
Total liabilities	243,342	242,563
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus		
Legal capital surplus	7,000	7,000
Other capital surplus	8,170	8,170
Total capital surpluses	15,170	15,170
Retained earnings		
Legal retained earnings	559	559
Other retained earnings		
Retained earnings brought forward	80,868	81,481
Total retained earnings	81,428	82,041
Treasury shares	(527)	(856)
Total shareholders' equity	126,179	126,464
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	13,381	11,417
Deferred gains or losses on hedges	3	4
Total valuation and translation adjustments	13,384	11,421
Total net assets	139,563	137,886
Total liabilities and net assets	382,906	380,449

## (2) Nonconsolidated statement of income

(millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales of completed construction contracts	327,927	372,294
Cost of sales of completed construction contracts	303,289	346,073
Gross profit on completed construction contracts	24,638	26,220
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	304	316
Employees' salaries and allowances	6,623	6,641
Retirement benefit expenses	281	256
Legal welfare expenses	1,088	1,014
Welfare expenses	129	111
Repair and maintenance expenses	45	120
Stationery expenses	846	908
Communication and transportation expenses	857	930
Power utilities expenses	89	89
Research study expenses	2,733	2,893
Advertising expenses	589	605
Provision of allowance for doubtful accounts	5	2
Entertainment expenses	436	386
Donations	67	51
Rent expenses on land and buildings	602	736
Depreciation	204	179
Taxes and dues	806	850
Insurance expenses	87	125
Miscellaneous expenses	2,217	2,214
Total selling, general and administrative expenses	18,016	18,434
Operating profit	6,621	7,786
Non-operating income		
Interest income	62	150
Dividend income	1,941	2,374
Rental income	54	54
Foreign exchange gains	91	—
Other	85	25
Total non-operating income	2,234	2,604
Non-operating expenses		
Interest expenses	425	612
Foreign exchange losses	—	7
Commission for syndicated loans	273	238
Loss on investments in investment partnerships	122	282
Loss on sale of receivables	41	115
Other	130	93
Total non-operating expenses	994	1,349
Ordinary profit	7,862	9,041
Extraordinary income		
Gain on sale of investment securities	0	52
Compensation for damage income	67	—
Other	0	2
Total extraordinary income	67	54
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	—	59
Compensation for damage	307	146
Loss on litigation	0	89
Other	22	4
Total extraordinary losses	330	299
Profit before income taxes	7,599	8,796
Income taxes – current	2,941	1,994
Income taxes – deferred	(651)	570
Total income taxes	2,289	2,564
Profit	5,309	6,231

## (3) Nonconsolidated statements of changes in equity

Fiscal year ended March 31, 2024 (Apr 1, 2023—Mar 31, 2024)

(millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		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	10,133	17,133	559	81,257	81,817
Changes during period							
Dividends of surplus						(5,698)	(5,698)
Profit						5,309	5,309
Purchase of treasury shares							
Disposal of treasury shares			0	0			
Cancellation of treasury shares			(1,962)	(1,962)			
Net changes in items other than shareholders' equity							
Total changes during period	—	—	(1,962)	(1,962)	—	(389)	(389)
Balance at end of period	30,108	7,000	8,170	15,170	559	80,868	81,428

	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	(499)	128,560	4,489	—	4,489	133,049
Changes during period						
Dividends of surplus		(5,698)				(5,698)
Profit		5,309				5,309
Purchase of treasury shares	(2,025)	(2,025)				(2,025)
Disposal of treasury shares	33	34				34
Cancellation of treasury shares	1,962	—				—
Net changes in items other than shareholders' equity			8,891	3	8,894	8,894
Total changes during period	(28)	(2,380)	8,891	3	8,894	6,514
Balance at end of period	(527)	126,179	13,381	3	13,384	139,563

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

(millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		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

### 3. Supplementary Information

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

(millions of yen)

			Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2025		Change	
			Amount	Composition ratio %	Amount	Composition ratio %	Amount	%
		Public	47,455	12.6	63,263	16.7	15,808	33.3
		Private	44,750	11.9	47,169	12.4	2,419	5.4
	Domestic		92,205	24.5	110,433	29.1	18,228	19.8
	Overseas		14,220	3.8	538	0.1	(13,681)	(96.2)
	<b>Civil engineering</b>		106,425	28.3	110,971	29.2	4,546	4.3
		Public	27,400	7.3	21,765	5.7	(5,634)	(20.6)
		Private	241,736	64.4	242,508	64.0	771	0.3
	Domestic		269,136	71.7	264,273	69.7	(4,863)	(1.8)
	Overseas		26	0.0	4,118	1.1	4,092	—
	<b>Building construction</b>		269,163	71.7	268,392	70.8	(770)	(0.3)
		Public	74,855	19.9	85,029	22.4	10,173	13.6
		Private	286,486	76.3	289,678	76.4	3,191	1.1
	Domestic		361,342	96.2	374,707	98.8	13,365	3.7
	Overseas		14,246	3.8	4,656	1.2	(9,589)	(67.3)
	<b>Orders received—Total</b>		375,589	100	379,364	100	3,775	1.0
		Public	54,743	16.7	59,598	16.0	4,855	8.9
		Private	44,702	13.6	42,160	11.3	(2,542)	(5.7)
	Domestic		99,445	30.3	101,758	27.3	2,313	2.3
	Overseas		683	0.2	3,349	0.9	2,666	390.3
	<b>Civil engineering</b>		100,128	30.5	105,107	28.2	4,979	5.0
		Public	28,133	8.6	30,718	8.3	2,585	9.2
		Private	199,269	60.8	236,438	63.5	37,168	18.7
	Domestic		227,403	69.4	267,157	71.8	39,753	17.5
	Overseas		395	0.1	28	0.0	(366)	(92.7)
	<b>Building construction</b>		227,799	69.5	267,186	71.8	39,387	17.3
		Public	82,876	25.3	90,316	24.3	7,440	9.0
		Private	243,972	74.4	278,598	74.8	34,626	14.2
	Domestic		326,848	99.7	368,915	99.1	42,066	12.9
	Overseas		1,078	0.3	3,378	0.9	2,299	213.2
	<b>Net sales—Total</b>		327,927	100	372,294	100	44,366	13.5
		Public	74,357	12.8	78,023	13.2	3,665	4.9
		Private	113,511	19.5	118,520	20.2	5,009	4.4
	Domestic		187,869	32.3	196,544	33.4	8,675	4.6
	Overseas		13,401	2.3	10,277	1.7	(3,123)	(23.3)
	<b>Civil engineering</b>		201,270	34.6	206,822	35.1	5,551	2.8
		Public	55,925	9.6	46,971	8.0	(8,953)	(16.0)
		Private	325,217	55.8	331,301	56.2	6,083	1.9
	Domestic		381,142	65.4	378,273	64.2	(2,869)	(0.8)
	Overseas		—	—	3,811	0.7	3,811	—
	<b>Building construction</b>		381,142	65.4	382,084	64.9	941	0.2
		Public	130,283	22.4	124,995	21.2	(5,287)	(4.1)
		Private	438,729	75.3	449,822	76.4	11,093	2.5
	Domestic		569,012	97.7	574,818	97.6	5,805	1.0
	Overseas		13,401	2.3	14,088	2.4	687	5.1
	<b>Carried-forward—Total</b>		582,413	100	588,907	100	6,493	1.1

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

Fiscal year ended March 31, 2024: Decreased by 89 million yen

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

## (2) Financial Highlights

Consolidated

(Operating Results)

	A Fiscal year ended March 31, 2024	B Fiscal year ended March 31, 2025	B - A		C Fiscal year ending March 31, 2026 (Forecast)	C - B	
				%			%
Net sales	4,432	4,986	554	12.5	4,930	(56)	(1.1)
Gross profit	361	383	22	6.2	490	107	27.9
(Ratio)	8.1%	7.7%	(0.4)%		9.9%	2.2%	
SG&A expenses	234	240	6		262	22	
Operating profit	126	143	16	13.0	228	85	59.4
(Ratio)	2.9%	2.9%	0.0%		4.6%	1.7%	
Non-operating income - net	4	1	(3)		2	1	
Ordinary profit	130	144	14	10.5	230	86	59.6
Extraordinary income - net	(4)	(6)	(2)		(1)	5	
Profit before income taxes	126	138	12	9.6	229	91	65.9
Income taxes and others	43	44	2		75	31	
Profit attributable to owners of parent	83	94	10	12.5	154	60	64.6

Nonconsolidated

(Operating Results)

Operating Results)

			A	B	B - A		C	C - B	
			Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025		%	Fiscal year ending March 31, 2026 (Forecast)		%
		Civil engineering	922	1,104	182		1,150	46	
		Building construction	2,691	2,643	(49)		2,360	(283)	
	Domestic		3,613	3,747	134		3,510	(237)	
	Overseas		142	47	(96)		90	43	
	Orders received		3,756	3,794	38	1.0	3,600	(194)	(5.1)
		Civil engineering	994	1,018	23		1,050	32	
		Building construction	2,274	2,672	398		2,500	(172)	
	Domestic		3,268	3,689	421		3,550	(139)	
	Overseas		11	34	23		70	36	
	Net sales		3,279	3,723	444	13.5	3,620	(103)	(2.8)
		Civil engineering	123	153	29		125	(28)	
		(Ratio)	12.4%	15.0%	2.6%		11.9%	(3.1)%	
	Building construction	122	107	(15)		240	133		
		(Ratio)	5.4%	4.0%	(1.4)%		9.6%	5.6%	
	Domestic		245	260	15		365	105	
	(Ratio)		7.5%	7.0%	(0.5)%		10.3%	3.3%	
	Overseas		1	3	1		5	2	
	(Ratio)		11.4%	7.5%	(3.9)%		7.1%	(0.4)%	
	Gross profit		246	262	16	6.4	370	108	41.1
	(Ratio)		7.5%	7.0%	(0.5)%		10.2%	3.2%	
SG&A expenses		180	184	4		200	16		
Operating profit		66	78	12	17.6	170	92	118.3	
(Ratio)		2.0%	2.1%	0.1%		4.7%	2.6%		
Non-operating income - net		12	13	0		27	14		
Ordinary profit		79	90	12	15.0	197	107	117.9	
Extraordinary income - net		(3)	(2)	0		0	2		
Profit before income taxes		76	88	12	15.7	197	109	124.0	
Income taxes and others		23	26	3		56	30		
Profit		53	62	9	17.4	141	79	126.3	