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Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]

July 31, 2025

Company name: NIPPON DENSETSU KOGYO CO., LTD.

Listing: Tokyo Stock Exchange

Securities code: 1950

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

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

, President and Representative Director
, General Manager of Finance Department

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 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	%
Three months ended June 30, 2025	30,234	(8.4)	(858)	-	(71)	-	592	-
June 30, 2024	33,011	15.5	(774)	-	(149)	-	(42)	-

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 2,266 million [-%]
Three months ended June 30, 2024: ¥ (520) million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	10.13	-
June 30, 2024	(0.72)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	258,084	205,642	74.4
March 31, 2025	296,388	209,649	66.0

(Reference) Equity: As of June 30, 2025: ¥ 191,988 million
As of March 31, 2025: ¥ 195,716 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	-	-	90.00	90.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		-	-	92.00	92.00

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2026 :

Commemorative dividend - yen
Special dividend - yen

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
Full year	230,480	6.2	17,660	(1.5)	18,900	(2.6)	13,380	1.4	228.87

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

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

Newly included: - (Company name:)
Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) 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

(4) Number of issued shares (common shares)

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

June 30, 2025: 61,537,219 shares
March 31, 2025: 61,537,219 shares

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

June 30, 2025: 3,164,819 shares
March 31, 2025: 2,865,085 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 58,461,993 shares
Three months ended June 30, 2024: 58,971,829 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

* Proper use of earnings forecasts, and other special matters

Quarterly Consolidated Financial Statements and Primary Notes
Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	14,979	14,076
Notes receivable, accounts receivable from completed construction contracts and other	135,948	84,468
Electronically recorded monetary claims - operating	852	1,690
Securities	12,187	18,391
Costs on construction contracts in progress	4,517	10,113
Other	9,326	8,298
Allowance for doubtful accounts	(9)	(6)
Total current assets	177,804	137,033
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,993	25,760
Land	29,201	29,250
Other, net	6,396	6,544
Total property, plant and equipment	61,592	61,556
Intangible assets	6,254	5,938
Investments and other assets		
Investment securities	41,318	44,009
Deferred tax assets	3,049	3,166
Other	6,371	6,382
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	50,737	53,556
Total non-current assets	118,584	121,050
Total assets	296,388	258,084
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	35,564	16,694
Electronically recorded obligations - operating	6,718	6,273
Short-term borrowings	4,100	200
Income taxes payable	7,034	121
Advances received on construction contracts in progress	3,963	5,888
Provision for warranties for completed construction	51	51
Provision for loss on construction contracts	514	397
Provision for bonuses	8,607	2,380
Provision for bonuses for directors (and other officers)	104	6
Other	6,498	5,456
Total current liabilities	73,157	37,471
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	105	92
Retirement benefit liability	9,326	9,557
Provision for share awards	157	169
Other	3,991	5,150
Total non-current liabilities	13,581	14,969
Total liabilities	86,739	52,441

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Net assets		
Shareholders' equity		
Share capital	8,494	8,494
Capital surplus	7,595	7,595
Retained earnings	168,859	164,032
Treasury shares	(5,689)	(6,328)
Total shareholders' equity	179,259	173,793
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,720	14,653
Remeasurements of defined benefit plans	3,736	3,542
Total accumulated other comprehensive income	16,457	18,195
Non-controlling interests	13,933	13,654
Total net assets	209,649	205,642
Total liabilities and net assets	296,388	258,084

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statement of Income
For the three months ended June 30, 2025

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales of completed construction contracts	33,011	30,234
Cost of sales of completed construction contracts	30,117	27,320
Gross profit on completed construction contracts	2,893	2,914
Selling, general and administrative expenses	3,667	3,772
Operating loss	(774)	(858)
Non-operating income		
Interest income	10	59
Dividend income	581	735
Other	118	63
Total non-operating income	710	858
Non-operating expenses		
Interest expenses	0	3
Share of loss of entities accounted for using equity method	85	67
Total non-operating expenses	85	71
Ordinary loss	(149)	(71)
Extraordinary income		
Gain on sale of non-current assets	-	0
Gain on sale of investment securities	-	750
Total extraordinary income	-	751
Extraordinary losses		
Loss on sale and retirement of non-current assets	19	1
Total extraordinary losses	19	1
Profit (loss) before income taxes	(168)	678
Income taxes	(61)	169
Profit (loss)	(107)	508
Loss attributable to non-controlling interests	(64)	(84)
Profit (loss) attributable to owners of parent	(42)	592

Quarterly Consolidated Statement of Comprehensive Income
For the three months ended June 30, 2025

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit (loss)	(107)	508
Other comprehensive income		
Valuation difference on available-for-sale securities	(285)	1,943
Remeasurements of defined benefit plans, net of tax	(119)	(194)
Share of other comprehensive income of entities accounted for using equity method	(8)	9
Total other comprehensive income	(413)	1,758
Comprehensive income	(520)	2,266
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(429)	2,330
Comprehensive income attributable to non-controlling interests	(91)	(63)