

Summary of Financial Results for the First Quarter Ended June 30, 2025 [Japan GAAP] (Consolidated)

August 7, 2025

Company TEKKEN CORPORATION Listed on the TSE
Stock Code 1815 <https://www.tekken.co.jp/>
Representative Yasushi Ito, President and Representative Director TEL: +81-3-3221-2158
Contact Kenji Iwamoto, General Manager of Accounting Department, Business Administration Division
Scheduled starting date of dividend payment: -
Preparation of supplementary financial document: Yes
Financial results briefing: No

(Rounded down to million yen)

1. Consolidated financial results for the three months ended June 2025 (April 1, 2025, through June 30, 2025)

(1) Consolidated results of operations

(% change from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 2025	44,370	0.7	1,712	536.2	1,983	250.4	1,285	-38.3
Three months ended Jun. 2024	44,057	11.1	269	-	566	-	2,085	-16.8

(Note) Comprehensive income

Three months ended June 2025: 3,075 million yen (643.0%)

Three months ended June 2024: 413 million yen (-91.5%)

	Basic earnings per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 2025	92.29	-
Three months ended Jun. 2024	143.71	-

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of June 30, 2025	241,014	71,484	29.5
As of March 31, 2025	225,102	70,116	31.0

(Reference) Shareholders' equity

As of June 30, 2025: 71,154 million yen

As of March 31, 2025: 69,810 million yen

2. Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 2025	—	—	—	122.00	122.00
Year ending Mar. 2026	—	—	—	—	—
Year ending Mar. 2026 (forecast)	—	—	—	130.00	130.00

(Note) Revisions to dividend forecast for the current quarter: No

3. Forecast of consolidated financial results for the fiscal year ending March 2026 (April 1, 2025, through March 31, 2026)

(% figures for the full year are the year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Second quarter (cumulative)	88,600	-1.9	2,100	135.6	2,100	257.0	2,400	14.9	172.29
Full year ending Mar. 2026	178,000	-3.8	3,400	-1.7	3,300	9.0	3,600	5.0	258.42

(Note) Revisions to financial forecast for the current quarter: Yes

For details on the revision of consolidated financial forecasts, please refer to the "Notice Regarding Revision of Financial Forecasts (upward revision)" announced today (August 7, 2025).

*** Notes**

(1) Significant changes in the scope of consolidation during the period under review: No

(2) Application of accounting procedures specific to preparation of the consolidated quarterly financial statements: No

(3) Changes in accounting policies, accounting estimates and restatement

- | | |
|---|------|
| 1) Changes in accounting policies associated with revision of accounting standards: | : No |
| 2) Changes in accounting policies other than 1) above | : No |
| 3) Changes in accounting estimates | : No |
| 4) Restatement | : No |

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of the period (treasury stock included)

As of June 30, 2025 14,973,956shares

As of March 31, 2025 14,973,956shares

2) Number of treasury stock at the end of the period

As of June 30, 2025 1,043,717shares

As of March 31, 2025 1,043,684shares

3) Average number of stock during period (Interim period)

Three months ended June 2025 13,930,245shares

Three months ended June 2024 14,510,476shares

* Review by certified public accountants or auditors of the accompanying quarterly consolidated financial statements

: No

* Explanation of the proper use of financial forecasts and other special notes

1. The above forecasts are based on information available as of the publication date of these financial statements. Actual financial results may differ from these forecasts due to various factors. For information on the assumptions underlying financial forecasts and the use of financial forecasts, please see page 2 of the attached document.

2. Supplementary materials for the financial results will be posted on our website on August 7, 2025.

○Table of contents of the attached documents

1. Qualitative Information on Financial Results	2
(1) Summary of Operating Results for the Quarter Period.....	2
(2) Summary of Financial Position for the Quarter Period	2
(3) Consolidated Financial Forecasts and Other Forward-Looking Information	2
2. Quarterly Consolidated Financial Statements and Major Notes.....	3
(1) Quarterly Consolidated Balance Sheets	3
(2) Quarterly Consolidated Statements of Income and Comprehensive Income.....	5
(3) Notes to the Quarter Consolidated Financial Statements	7
(Segment information).....	7
(Notes on significant changes in shareholders' equity)	8
(Notes on going concern assumption).....	8
(Notes to the consolidated statements of cash flows).....	8
3. Supplementary Information	9
(1) Individual orders received	9
(2) Individual completed works	9

1. Qualitative Information on Financial Results

(1) Summary of operating results for the quarter period

During the first quarter of the current consolidated cumulative period, the domestic economy maintained a moderate recovery trend, supported by improvements in the employment and income environment as well as the effects of various policies. On the other hand, uncertainty surrounding trade policies, including tariff measures by the United States, continues and remains a downside risk to the economy. Furthermore, continued inflation may affect personal consumption through a decline in consumer sentiment, and it is necessary to stay fully aware of the increasing uncertainties, such as fluctuations in the financial and capital markets.

In the construction industry, public investment remained stable, while private investment was generally flat in terms of housing construction. However, driven by improvements in corporate earnings and demand for labor-saving investment, capital investment continued to show signs of recovery. In addition, structural issues such as a shortage of skilled labor and persistently high material prices remain unresolved, and close attention must continue to be paid to the business environment surrounding the construction industry.

Under such economic conditions, the Group's consolidated results for the first quarter of the current consolidated cumulative period were as follows: net sales were 44,370 million yen (up 0.7% YoY), operating profit was 1,712 million yen (up 536.2% YoY), ordinary profit was 1,983 million yen (up 250.4% YoY), and profit attributable to owners of parent was 1,285 million yen (down 38.3% YoY).

It should be noted that in the construction business, which is the Group's core business, due to the concentration of project completions and deliveries in the fourth quarter of the consolidated fiscal year, completed contract revenue tends to be higher in the fourth quarter compared to the first through third quarters, resulting in seasonal fluctuations.

(2) Summary of financial position for the quarter

Total assets at the end of the first quarter of the current consolidated accounting period increased by 15,911 million yen from the end of the previous consolidated fiscal year to 241,014 million yen. The main factors were an increase of 9,847 million yen in notes receivable, accounts receivable from completed construction contracts, etc., an increase of 2,956 million yen in other current assets, and an increase of 2,572 million yen in investment securities. Total liabilities increased by 14,543 million yen from the end of the previous consolidated fiscal year to 169,529 million yen. The main factors were an increase of 27,304 million yen in short-term borrowings and a decrease of 8,401 million yen in accounts payable. Total net assets increased by 1,367 million yen from the end of the previous consolidated fiscal year to 71,484 million yen. The main factors were an increase of 1,764 million yen in valuation difference on other securities and a decrease of 419 million yen in retained earnings.

(3) Consolidated financial forecasts and other forward-looking information

Based on recent performance trends, we have revised our financial forecast for the second quarter (interim period) of the fiscal year ending March 2026 on August 7, 2025.

There is no change to the consolidated financial forecast for the fiscal year ending March 2026 from the full-year forecast announced on May 13, 2025.

Current outlook

Earnings forecast for the second quarter (interim period) of the fiscal year ending March 2026.

(Millions of yen)

	Consolidated		Non-consolidated	
	Forecast figure	Year-on-year change	Forecast figure	Year-on-year change
Net sales	88,600	-1.9%	85,300	-3.0%
Operating profit	2,100	135.6%	1,600	294.8%
Ordinary profit	2,100	257.0%	1,600	-
Interim net profit	2,400	14.9%	2,000	18.9

*Consolidated interim net profit represents interim profit attributable to owners of parent.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	16,529	16,932
Notes receivable, accounts receivable from completed construction contracts and other	106,293	116,140
Receivables from sideline businesses	24	4
Real estate for sale	1,685	486
Costs on construction contracts in progress	267	322
Expenditure on sideline business	9,317	11,112
Other inventories	71	64
Other	11,804	14,761
Allowance for doubtful accounts	-34	-37
Total current assets	145,960	159,787
Non-current assets		
Property, plant and equipment	37,279	37,188
Intangible assets	1,859	1,882
Investments and other assets		
Investment securities	36,215	38,788
Retirement benefit asset	1,244	1,262
Other	5,119	4,591
Allowance for doubtful accounts	-2,576	-2,485
Total investments and other assets	40,003	42,156
Total non-current assets	79,142	81,226
Total assets	225,102	241,014

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	40,233	36,175
Short-term borrowings	39,845	67,149
Accounts payable - other	12,368	3,967
Advances received on construction contracts in progress	7,948	6,852
Provision for loss on construction contracts	2,336	1,972
Other provisions	1,740	906
Other	23,051	24,797
Total current liabilities	127,524	141,821
Non-current liabilities		
Long-term borrowings	16,082	15,097
Deferred tax liabilities for land revaluation	1,575	1,576
Retirement benefit liability	5,908	5,929
Provision for share awards for directors	14	25
Other	3,880	5,080
Total non-current liabilities	27,461	27,708
Total liabilities	154,986	169,529
Net assets		
Shareholders' equity		
Share capital	18,293	18,293
Capital surplus	5,331	5,331
Retained earnings	34,365	33,945
Treasury shares	-2,458	-2,458
Total shareholders' equity	55,532	55,112
Accumulated other comprehensive income		
Valuation difference on marketable securities	11,441	13,206
Revaluation reserve for land	2,721	2,720
Remeasurements of defined benefit plans	115	114
Total accumulated other comprehensive income	14,277	16,041
Non-controlling interests	306	330
Total net assets	70,116	71,484
Total liabilities and net assets	225,102	241,014

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
(Quarterly Consolidated Statements of Income)

(Millions of yen)

	For the three months ended June, 2024	For the three months ended June 30, 2025
Net sales		
Net sales of completed construction contracts	43,594	42,223
Net sales in sideline businesses	462	2,147
Total net sales	44,057	44,370
Cost of sales		
Cost of sales of completed construction contracts	40,597	38,263
Cost of sales in sideline businesses	223	1,470
Total cost of sales	40,821	39,733
Gross profit		
Gross profit on completed construction contracts	2,997	3,959
Gross profit on sideline businesses	238	677
Total gross profit	3,235	4,637
Selling, general and administrative expenses	2,966	2,924
Operating profit	269	1,712
Non-operating income		
Dividend income	334	458
Foreign exchange gains	64	—
Gain on investments in silent partnerships	—	232
Other	28	26
Total non-operating income	427	717
Non-operating expenses		
Interest expenses	126	225
Foreign exchange losses	—	191
Other	4	30
Total non-operating expenses	130	447
Ordinary profit	566	1,983
Extraordinary income		
Gain on sale of non-current assets	52	—
Gain on sale of investment securities	2,611	—
Other	0	—
Total extraordinary income	2,664	—
Extraordinary losses		
Loss on sale of non-current assets	0	—
Cost of removing non-current assets	53	—
Loss on retirement of non-current assets	—	43
Provision for doubtful accounts	90	25
Other	35	—
Total extraordinary losses	180	68
Profit before income taxes	3,050	1,914
Income taxes - current	701	212
Income taxes - deferred	270	390
Total income taxes	971	603
Profit	2,078	1,311
Profit (loss) attributable to non-controlling interests	-7	25
Profit attributable to owners of parent	2,085	1,285

(Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	For the three months ended June, 2024	For the three months ended June 30, 2025
Profit	2,078	1,311
Other comprehensive income		
Valuation difference on available-for-sale securities	-1,652	1,764
Revaluation reserve for land	—	-0
Remeasurements of defined benefit plans, net of tax	-12	-0
Total other comprehensive income	-1,664	1,763
Comprehensive income	413	3,075
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	421	3,049
Comprehensive income attributable to non-controlling interests	-7	25

(3) Notes to the quarterly consolidated financial statements

(Notes to segment information, etc.)

【Segment information】

I Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

Information about sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segments					Other (Note 1)	Total	Adjustment account (Note 2)	Quarterly consolidated statements of income (Note 3)
	Civil Engineering	Architectural Construction	Real Estate	Incidental Business	Subtotal				
Sales									
Sales to external customers	22,017	21,577	362	35	43,993	64	44,057	—	44,057
Intersegment sales or transfers	—	—	58	736	794	—	794	-794	—
Total	22,017	21,577	421	771	44,788	64	44,852	-794	44,057
Segment profit (loss)	582	-467	51	38	205	62	268	0	269

- (Notes)
1. The 'Other' segment is not included in the reportable segments; it includes insurance agencies and other businesses.
 2. Adjustments to segment profit or loss refer to eliminating inter-segment transactions.
 3. Segment profit or loss is adjusted with an operating profit in the quarterly consolidated statement of income.

II Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

Information about sales and profit (loss) by reportable segment

(Millions of yen)

	Reportable segments					Other (Note 1)	Total	Adjustment account (Note 2)	Quarterly consolidated statements of income (Note 3)
	Civil Engineering	Architectural Construction	Real Estate	Incidental Business	Subtotal				
Sales									
Sales to external customers	21,756	20,466	2,034	32	44,290	80	44,370	—	44,370
Intersegment sales or transfers	—	208	59	765	1,034	—	1,034	-1,034	—
Total	21,756	20,675	2,094	797	45,324	80	45,404	-1,034	44,370
Segment profit	1,036	141	444	13	1,635	78	1,713	-1	1,712

- (Notes)
1. The 'Other' segment is not included in the reportable segments; it includes insurance agencies and other businesses.
 2. Adjustments to segment profit refer to eliminating inter-segment transactions.
 3. Segment profit is adjusted with an operating profit in the quarterly consolidated statement of income.

(Notes on significant changes in shareholders' equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes to the consolidated statements of cash flows)

The Company has not prepared a consolidated statement of cash flows for the first quarter of the current consolidated cumulative period. Depreciation and amortization (including amortization of intangible assets) for the first quarter of the current consolidated cumulative period is as follows.

	For the three months ended June, 2024	For the three months ended June 30, 2025
Depreciation	265 million yen	267 million yen

3. Supplementary Information

(1) Individual orders received

(i) Orders received

(Millions of yen)

Classification			For the three months ended June, 2024		For the three months ended June 30, 2025		Increase / decrease	Percentage change
Construction works business	Engineering	Domestic public	3,015	7.1%	20,747	35.6%	17,731	588.0%
		Domestic private	16,337	38.2%	13,072	22.4%	-3,264	-20.0%
		Overseas	1,102	2.6%	-368	-0.6%	-1,471	-133.4%
		Total	20,455	47.9%	33,451	57.4%	12,995	63.5%
	Architectural	Domestic public	9	0.0%	371	0.7%	362	—
		Domestic private	22,304	52.1%	24,407	41.9%	2,102	9.4%
		Overseas	0	0.0%	1	0.0%	1	613.5%
		Total	22,314	52.1%	24,780	42.6%	2,466	11.1%
	Total	Domestic public	3,025	7.1%	21,118	36.3%	18,093	598.1%
		Domestic private	38,642	90.3%	37,480	64.3%	-1,162	-3.0%
		Overseas	1,102	2.6%	-367	-0.6%	-1,469	-133.3%
		Total	42,770	100.0%	58,232	100.0%	15,461	36.2%
		of which railway	16,534	38.7%	14,732	25.3%	-1,801	-10.9%

(Notes) 1. Percentages are composition ratios.

2. Construction contracts received before the period under review, where there is an increase or decrease in the contract amount due to a change in the contract, the increase or decrease is included in the amount of orders received during the period under review. The same applies to orders received in foreign currency before the period under review, where there is an increase or decrease in the contract amount due to fluctuations in exchange rates during the period under review.

(ii) Individual order forecast

	Full year	
FY3/2026 forecast	178,000 million yen	-1.7%
FY3/2025 actual results	181,002 million yen	-4.2%

(Notes) Percentages represent year-on-year changes.

(2) Individual completed works

(Millions of yen)

Classification			For the three months ended June, 2024		For the three months ended June 30, 2025		Increase / decrease	Percentage change
Construction works business	Engineering	Domestic public	11,694	27.0%	10,595	25.1%	-1,099	-9.4%
		Domestic private	8,941	20.7%	9,481	22.5%	540	6.0%
		Overseas	1,042	2.4%	1,394	3.3%	351	33.7%
		Total	21,679	50.1%	21,471	50.9%	-207	-1.0%
	Architectural	Domestic public	1,900	4.4%	3,645	8.7%	1,744	91.8%
		Domestic private	19,610	45.3%	16,824	39.9%	-2,786	-14.2%
		Overseas	65	0.2%	205	0.5%	139	212.7%
		Total	21,577	49.9%	20,675	49.1%	-901	-4.2%
	Total	Domestic public	13,595	31.4%	14,241	33.8%	645	4.7%
		Domestic private	28,552	66.0%	26,306	62.4%	-2,245	-7.9%
		Overseas	1,108	2.6%	1,600	3.8%	491	44.4%
		Total	43,256	100.0%	42,147	100.0%	-1,109	-2.6%
		of which railway	15,717	36.3%	14,725	34.9%	-991	-6.3%

(Notes) Percentages are composition ratios.