

Translation

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Consolidated Financial Results for the Six Months Ended September 30, 2025 (Based on Japanese GAAP)

November 6, 2025

Company name: RAITO KOGYO CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 1926 URL <https://www.raito.co.jp>
 Representative: President and Representative Director Kazuhiro Akutsu
 Senior Managing Director, General Manager
 of Corporate Planning Headquarters Makoto Nishi TEL 03-3265-2555
 Scheduled date to file Semi-annual Securities Report: November 7, 2025
 Scheduled date to commence dividend payments: December 2, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

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	%
Six months ended September 30, 2025	65,063	18.4	6,908	25.5	7,082	26.5	5,015	33.1
Six months ended September 30, 2024	54,967	(0.2)	5,503	4.6	5,598	4.2	3,768	5.0

Note: Comprehensive income Six months ended September 30, 2025: ¥5,263 million [67.3%]
 Six months ended September 30, 2024: ¥3,145 million [(35.5)%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	114.55	—
Six months ended September 30, 2024	79.83	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2025	121,367	86,964	71.0	1,995.57
As of March 31, 2025	122,209	88,674	71.9	1,972.70

Reference: Equity

As of September 30, 2025: ¥86,155 million
 As of March 31, 2025: ¥87,833 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	—	30.00	—	70.00	100.00
Year ending March 31, 2026	—	40.00	—	—	—
Year ending March 31, 2026 (Forecast)	—	—	—	67.00	107.00

Note: Revisions to the most recently announced consolidated dividend forecasts: None

3. Forecast of consolidated financial results for the year ending March 31, 2026 (from 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	127,500	5.0	13,700	6.9	13,850	5.2	9,500	(4.2)	213.36

Note: Revisions to the most recently announced consolidated earnings forecasts: None

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30, 2025: No

(2) Application of special accounting methods for preparing semi-annual consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2025	45,467,550 shares	As of March 31, 2025	45,467,550 shares
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Number of treasury shares at the end of the period

As of September 30, 2025	2,294,233 shares	As of March 31, 2025	942,865 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	43,783,991 shares	Six months ended September 30, 2024	47,198,605 shares
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* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* Explanation of the appropriate use of earnings forecasts and other special notes

The earnings forecasts are prepared based on information available as of the date of publication of this document, and actual results may differ from the forecasts due to various factors in the future.

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1. Overview of Operating Results

(1) Overview of Operating Results for the Six Months Ended September 30, 2025

During the six months under review, the Japanese economy has maintained a gradual recovery trend under improvements in the employment and income environment. However, the economic outlook remains uncertain due to deteriorating consumer sentiment resulting from the rising price of goods, and global economic slowdowns due to the U.S. tariff policy changes, which could put downward pressure on Japan's economy.

In the construction industry, private-sector, non-residential construction investment shows steady growth, particularly in corporate capital investment supported by steady corporate earnings. Government construction investment also remained at a high level, driven mainly by disaster prevention and mitigation, national resilience, and future-oriented measures to address aging infrastructure. Due to this and other factors, a favorable environment for orders has continued.

In this environment, the Raito Kogyo Group recorded ¥86,676 million in orders received (up 9.4% year on year) during the six months under review, driven by significant year-on-year increases in orders for foundations and ground improvement at the Company and overseas subsidiaries.

Net sales recorded ¥65,063 million (up 18.4% year on year) due to steady progress in executing a substantial number of on-hand construction projects at the Company and overseas subsidiaries.

In terms of profit, gross profit was ¥13,261 million (up 13.8% year on year) due to an increase in net sales and improved profitability at consolidated subsidiaries.

Due to an increase in gross profit, operating profit and ordinary profit increased to ¥6,908 million (up 25.5% year on year) and ¥7,082 million (up 26.5% year on year), respectively.

Profit attributable to owners of parent was ¥5,015 million (up 33.1% year on year).

In the six months ended September 30, 2025, orders received, net sales, and construction contracts carried forward were as shown below.

(Millions of yen)

By business/ construction type	Orders received		Net sales		Construction contracts carried forward	
	Six months ended September 30, 2024	Six months ended September 30, 2025	Six months ended September 30, 2024	Six months ended September 30, 2025	Six months ended September 30, 2024	Six months ended September 30, 2025
Slope stabilization and protection	24,844	24,530	14,384	17,422	26,760	29,021
Foundations and ground improvement	32,025	41,250	26,181	29,328	38,324	45,177
Repair and reinforcement	5,095	3,721	4,263	4,187	8,138	6,908
Environmental remediation	1,618	1,943	461	1,473	1,869	2,087
General civil engineering	1,987	2,188	2,164	1,178	2,867	2,659
Building construction	12,603	11,883	6,662	10,525	22,022	22,403
Other construction	1,069	1,157	697	842	900	655
Construction segment total	79,244	86,676	54,816	64,958	100,884	108,914
Product and materials sales segment	—	—	151	105	—	—
Total	79,244	86,676	54,967	65,063	100,884	108,914

(2) Overview of Financial Position for the Six Months Ended September 30, 2025

Assets

Assets decreased by ¥842 million from the end of the previous fiscal year due to a decrease in cash and deposits, which exceeded increases in notes receivable, accounts receivable from completed construction contracts and other, and electronically recorded monetary claims - operating.

Liabilities

Liabilities increased by ¥868 million from the end of the previous fiscal year due to an increase in advances received on construction contracts in progress, which exceeded decreases in notes payable, accounts payable for construction contracts and other, and electronically recorded obligations - operating.

Net assets

Net assets decreased by ¥1,710 million from the end of the previous fiscal year as the decrease due to the purchase of treasury shares exceeded the increase in retained earnings due to the recording of profit attributable to owners of parent.

(3) Explanation of Forecasts of Consolidated Financial Results and Other Forward-looking Statements

There are no revisions to the forecasts of consolidated financial results for the fiscal year ending March 31, 2026, announced on May 14, 2025.

2. Semi-annual Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	30,947	21,953
Notes receivable, accounts receivable from completed construction contracts and other	40,484	47,259
Electronically recorded monetary claims - operating	2,089	3,216
Costs on construction contracts in progress	1,492	2,156
Merchandise and finished goods	24	16
Raw materials and supplies	798	763
Accounts receivable - other	763	192
Other	1,846	1,916
Allowance for doubtful accounts	(33)	(33)
Total current assets	78,411	77,443
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,622	8,408
Machinery and vehicles, net	6,022	5,985
Land	11,058	11,058
Leased assets, net	132	118
Construction in progress	213	355
Other, net	672	580
Total property, plant and equipment	26,722	26,506
Intangible assets		
Goodwill	360	326
Other	284	295
Total intangible assets	644	621
Investments and other assets		
Investment securities	8,313	9,048
Retirement benefit asset	4,088	4,060
Deferred tax assets	563	—
Other	3,831	4,048
Allowance for doubtful accounts	(365)	(361)
Total investments and other assets	16,431	16,796
Total non-current assets	43,798	43,924
Total assets	122,209	121,367

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	10,536	10,398
Electronically recorded obligations - operating	7,626	6,740
Short-term borrowings	1,447	1,501
Income taxes payable	1,985	2,190
Advances received on construction contracts in progress	1,134	4,348
Provision for warranties for completed construction	79	93
Provision for loss on construction contracts	32	293
Accrued expenses	2,986	3,176
Other	5,892	4,185
Total current liabilities	31,721	32,928
Non-current liabilities		
Long-term accounts payable - other	30	10
Lease liabilities	114	121
Deferred tax liabilities	708	394
Deferred tax liabilities for land revaluation	769	769
Provision for share awards for directors	129	118
Other	61	61
Total non-current liabilities	1,813	1,474
Total liabilities	33,534	34,403
Net assets		
Shareholders' equity		
Share capital	6,119	6,119
Capital surplus	6,447	6,447
Retained earnings	73,300	75,188
Treasury shares	(2,071)	(5,918)
Total shareholders' equity	83,795	81,837
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,678	2,254
Revaluation reserve for land	(1,059)	(1,059)
Foreign currency translation adjustment	1,895	1,695
Remeasurements of defined benefit plans	1,523	1,427
Total accumulated other comprehensive income	4,037	4,318
Non-controlling interests	841	809
Total net assets	88,674	86,964
Total liabilities and net assets	122,209	121,367

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

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales		
Net sales from completed construction contracts	54,816	64,958
Net sales from sideline businesses	151	105
Total net sales	54,967	65,063
Cost of sales		
Cost of sales of completed construction contracts	43,204	51,735
Cost of sales of sideline businesses	107	66
Total cost of sales	43,312	51,802
Gross profit		
Gross profit on completed construction contracts	11,611	13,222
Gross profit on sideline businesses	44	38
Total gross profit	11,655	13,261
Selling, general and administrative expenses	6,152	6,352
Operating profit	5,503	6,908
Non-operating income		
Interest income	64	71
Dividend income	93	95
Royalty income	7	11
Insurance claim income	33	58
Rental income	206	206
Share of profit of entities accounted for using equity method	16	11
Other	53	63
Total non-operating income	476	520
Non-operating expenses		
Interest expenses	49	53
Commission expenses	9	5
Guarantee commission	25	31
Rental costs	208	198
Foreign exchange losses	32	9
Other	57	47
Total non-operating expenses	381	345
Ordinary profit	5,598	7,082
Extraordinary income		
Gain on sale of non-current assets	1	0
Total extraordinary income	1	0
Extraordinary losses		
Loss on sale and retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	5,600	7,082
Income taxes - current	1,464	2,053
Income taxes - deferred	398	25
Total income taxes	1,862	2,078
Profit	3,737	5,003
Loss attributable to non-controlling interests	(30)	(11)
Profit attributable to owners of parent	3,768	5,015

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	3,737	5,003
Other comprehensive income		
Valuation difference on available-for-sale securities	(16)	576
Foreign currency translation adjustment	(338)	(89)
Remeasurements of defined benefit plans, net of tax	(39)	(95)
Share of other comprehensive income of entities accounted for using equity method	(197)	(131)
Total other comprehensive income	(591)	259
Comprehensive income	3,145	5,263
Comprehensive income attributable to:		
Owners of parent	3,208	5,295
Non-controlling interests	(63)	(32)

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	5,600	7,082
Depreciation	1,449	1,456
Amortization of goodwill	22	21
Loss (gain) on sale and retirement of non-current assets	(1)	(0)
Share of loss (profit) of entities accounted for using equity method	(16)	(11)
Increase (decrease) in allowance for doubtful accounts	(10)	(3)
Increase (decrease) in provision for warranties for completed construction	1	13
Increase (decrease) in provision for loss on construction contracts	(204)	260
Decrease (increase) in retirement benefit asset	(44)	(109)
Increase (decrease) in provision for share awards for directors	9	(11)
Interest and dividend income	(158)	(167)
Interest expenses	49	53
Loss on sale of notes receivable - trade	5	13
Decrease (increase) in trade receivables	3,343	(7,986)
Decrease (increase) in costs on construction contracts in progress	(871)	(665)
Decrease (increase) in inventories	181	40
Increase (decrease) in trade payables	(118)	(1,021)
Increase (decrease) in advances received on construction contracts in progress	1,013	3,214
Other, net	(511)	(1,251)
Subtotal	9,738	926
Interest and dividends received	162	161
Interest paid	(49)	(53)
Payments for sale of notes receivable - trade	(5)	(13)
Income taxes paid	(1,529)	(1,675)
Net cash provided by (used in) operating activities	8,316	(654)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,883)	(1,061)
Proceeds from sale of property, plant and equipment	101	0
Purchase of intangible assets	(31)	(37)
Purchase of investment securities	(78)	(12)
Collection of loans receivable from subsidiaries and associates	2	2
Proceeds from sale of investment property	280	—
Purchase of insurance funds	(296)	(238)
Proceeds from maturity of insurance funds	182	—
Other, net	49	(31)
Net cash provided by (used in) investing activities	(1,673)	(1,378)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	219	95
Repayments of long-term borrowings	(30)	(28)
Repayments of lease liabilities	(8)	(18)
Purchase of treasury shares	(3,777)	(3,886)
Dividends paid	(3,364)	(3,122)
Net cash provided by (used in) financing activities	(6,961)	(6,960)
Effect of exchange rate change on cash and cash equivalents	(126)	(1)
Net increase (decrease) in cash and cash equivalents	(444)	(8,993)
Cash and cash equivalents at beginning of period	34,933	30,947
Cash and cash equivalents at end of period	34,489	21,953

(4) Notes to the Semi-annual Consolidated Financial Statements

Notes on Segment Information, Etc.

I Six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

1. Information on the amounts of net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable Segment	Other (Note)	Total
	Construction Business		
Net sales			
Net sales to external customers	54,816	151	54,967
Inter-segment sales and transfers	23	573	597
Total	54,839	725	55,564
Segment profit	5,482	20	5,503

Note: Other is a business segment not included in the reportable segment and includes the product and materials sales business, the leasing business, and the home-visit care business.

2. Difference between the total amount of profit or loss of reportable segments and the amount recorded in the semi-annual consolidated statements of income and the main details of such difference (matters concerning reconciliation)

(Millions of yen)

Profit	Amount
Reportable segment total	5,482
Profit of Other	20
Inter-segment eliminations	0
Operating profit in semi-annual consolidated statements of income	5,503

3. Information on impairment loss on non-current assets, goodwill, etc. by reportable segment

No relevant items to report.

II Six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

1. Information on the amounts of net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable Segment	Other (Note)	Total
	Construction Business		
Net sales			
Net sales to external customers	64,958	105	65,063
Inter-segment sales and transfers	—	492	492
Total	64,958	598	65,556
Segment profit	6,899	8	6,907

Note: Other is a business segment not included in the reportable segment and includes the product and materials sales business, the leasing business, and the home-visit care business.

2. Difference between the total amount of profit or loss of reportable segments and the amount recorded in the semi-annual consolidated statements of income and the main details of such difference (matters concerning reconciliation)

(Millions of yen)

Profit	Amount
Reportable segment total	6,899
Profit of Other	8
Inter-segment eliminations	0
Operating profit in semi-annual consolidated statements of income	6,908

3. Information on impairment loss on non-current assets, goodwill, etc. by reportable segment

No relevant items to report.

Notes on Premise of Going Concern

No relevant items to report.

Significant Changes in Shareholders' Equity

No relevant items to report.