



A corporate group that contributes to society through technology — We are the Kawada Group.

Kawada Technologies, Inc. (Stock Code: 3443)

Financial Summary for H1 FY3/2026

(April 1, 2025 through September 30, 2025)

Note: This document is an English translation from the original Japanese document.
All financial information is prepared in accordance with Japanese GAAP.

1. Results for H1 FY3/2026
2. Forecasts for Full-Year FY3/2026
3. Progress and Partial Revisions on the Target Numbers of the 3rd Medium-Term Management Plan
4. Outlook of Shareholder Return

1. Results for H1 FY3/2026

Status of Sales and Profits for H1 FY3/2026

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Sales decreased as the projects did not make good progress in Steel construction and Civil engineering segments. Profits also decreased in comparison to the last FY, where large contract modifications were obtained.

(Million yen, unless otherwise stated)

	H1 FY3/2024		H1 FY3/2025		H1 FY3/2026		YoY (26 over 25)	
	result	% to sales	result	% to sales	result	% to sales	In amount	In %
Sales Revenues	64,325	100.0%	66,430	100.0%	55,346	100.0%	-11,084	-16.7%
Gross Profit	8,507	13.2%	10,581	15.9%	9,328	16.9%	-1,253	-11.8%
Operating Profit	3,096	4.8%	4,801	7.2%	3,172	5.7%	-1,629	-33.9%
Ordinary Profit	3,695	5.7%	6,443	9.7%	3,958	7.2%	-2,484	-38.6%
Net Income Attributable to Owners of Kawada	2,594	4.0%	5,017	7.6%	3,142	5.7%	-1,874	-37.4%
Earnings Per Share (yen)	147.82	-	290.82	-	180.53	-	-110.29	-37.9%

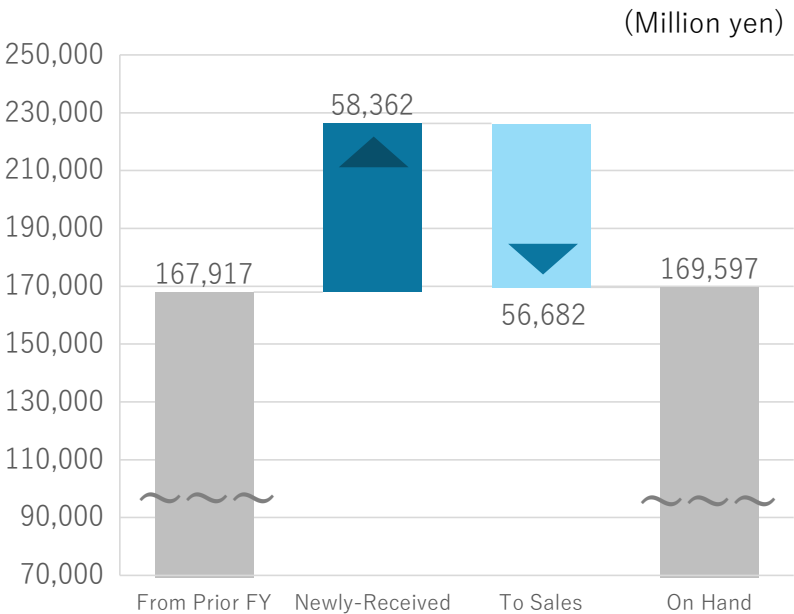
Order Status for H1 FY3/2026

Newly-Received surged YoY as we accumulated contracts for a large renovation projects of steel bridges, large projects of architectural steel frames in the metropolitan areas and so on in the Steel Construction segment. With a lack of projects’ progress, On hand has now reached the highest record level of about 170,000 million yen. It is going to be crucial how we manage this abundant On Hand.

(Million yen, unless otherwise stated)

	H1 FY3/2024	H1 FY3/2025	H1 FY3/2026	Change
From Prior FY	154,364	154,730	167,917	+13,186 +8.5%
Newly- Received	53,215	47,710	58,362	+10,651 +22.3%
To Sales	65,038	67,369	56,682	-10,687 -15.9%
On Hand	142,541	135,071	169,597	34,525 +25.6%

* Internal sales between business segments are not adjusted



Key Metrics of B/S, Status of Cash flows

With strong collections of account receivables, short-term borrowings for working capital were repaid, leading to decrease in Total asset. Equity Ratio continued to improve. Allowance for construction losses continued to mount due to the increase of projects still on their early stages, and of renovation and maintenance projects, which often require “cost-preceeding” status for longer period.

【Total Asset, Net Asset, Equity Ratio】 (Million yen, unless otherwise stated)

	Full-Year FY3/2024	Full-Year FY3/2025	H1 FY3/2026	YoY
Total Asset	160,238	165,511	162,503	-3,008 -1.8%
Net Asset	82,363	91,569	93,055	+1,486 +1.6%
Equity Ratio	51.1%	55.0%	57.0%	+2.0pts

【Cashflows】 (Million yen, unless otherwise stated)

	H1 FY3/2024	H1 FY3/2025	H1 FY3/2026	YoY
Operating	7,118	-5,038	4,061	+9,100
Investing	-859	-1,197	-39	+1,158
Financing	-8,215	4,781	489	-4,291

【Allowance for construction losses】 (Million yen, unless otherwise stated)

	Full-Year FY3/2024	Full-Year FY3/2025	H1 FY3/2026	YoY
BS計上値	1,674	2,908	3,661	+752 +25.9%
うち、鉄構セグ	1,212	1,839	2,055	+216 +11.7%
うち、土木セグ	461	1,068	1,598	+529 +49.6%

Four Business Segments

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Steel Construction

Civil Engineering

Architecture

Solution



H1 FY3/2026 (i)Steel Construction Segment

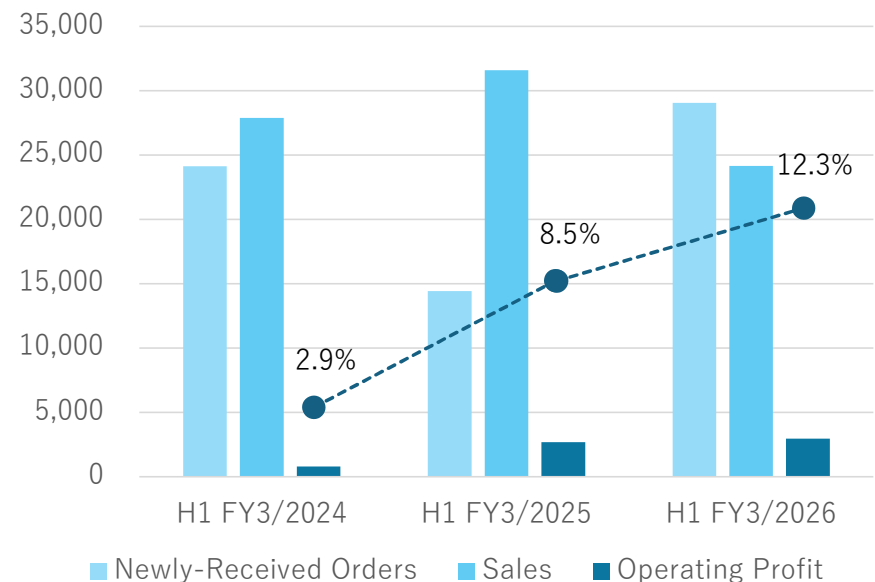
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Steel Bridge : Order Placing was sluggish, yet Newly-Received Orders soared due to a large renovation project received as a joint venture. We have more projects with long construction periods on hand under the trend toward larger scale. Although Sales decreased for projects on hand made less progress, Operating Profit and Operating Margin increased YoY with several contract modifications.

Architectural Steel Frame : In the face of harsh circumstances, Newly-Received Orders surged YoY due to large projects in metropolitan area, including Osaka-IR related. Sales decreased with the weak projects' progress. Some contract modifications contributed to Profit, but as the decrease in Sales was too large to be offset, Profit decreased.

(Million yen, unless otherwise stated)

	1H FY3/2024	1H FY3/2025	1H FY3/2026	YoY
Newly-Received Orders	24,142	14,443	29,070	+14,627 +101.3%
Orders On Hand	81,231	70,408	100,285	+29,877 +42.4%
Sales	27,901	31,597	24,158	-7,439 -23.5%
Operating Profit	798	2,695	2,975	+280 +10.4%
Operating Margin	2.9%	8.5%	12.3%	+3.8pts



* Internal sales between business segments are not adjusted

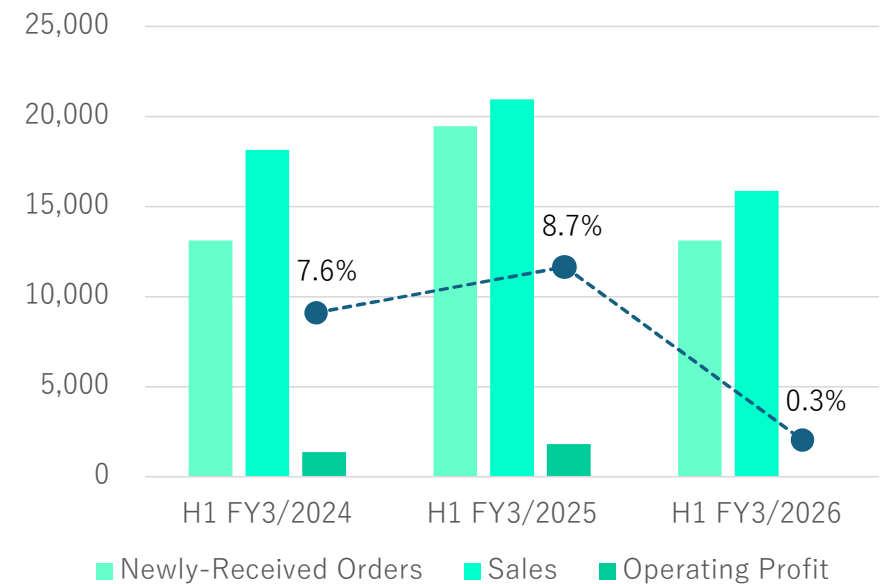
H1 FY3/2026 (ii)Civil Engineering Segment

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We piled up contracts under a difficult environment, Newly-Received Orders decreased compared to the previous FY, where large contract modifications were concentrated. Sales also decreased because projects that were received recently did not begin full operation, especially as to newly-construction and maintenance. Plus, some renovation and maintenance projects, which require extensive on-site engineering, are currently on “cost-preceeding” status, resulting in plummeted Operating Profit.

(Million yen, unless otherwise stated)

	1H FY3/2024	1H FY3/2025	1H FY3/2026	YoY
Newly-Received Orders	13,120	19,454	13,110	-6,343 -32.6%
Orders On Hand	44,069	43,686	47,947	+4,260 +9.8%
Sales	18,151	20,952	15,863	-5,088 -24.3%
Operating Profit	1,372	1,828	48	-1,779 -97.3%
Operating Margin	7.6%	8.7%	0.3%	-8.4pts



* Internal sales between business segments are not adjusted

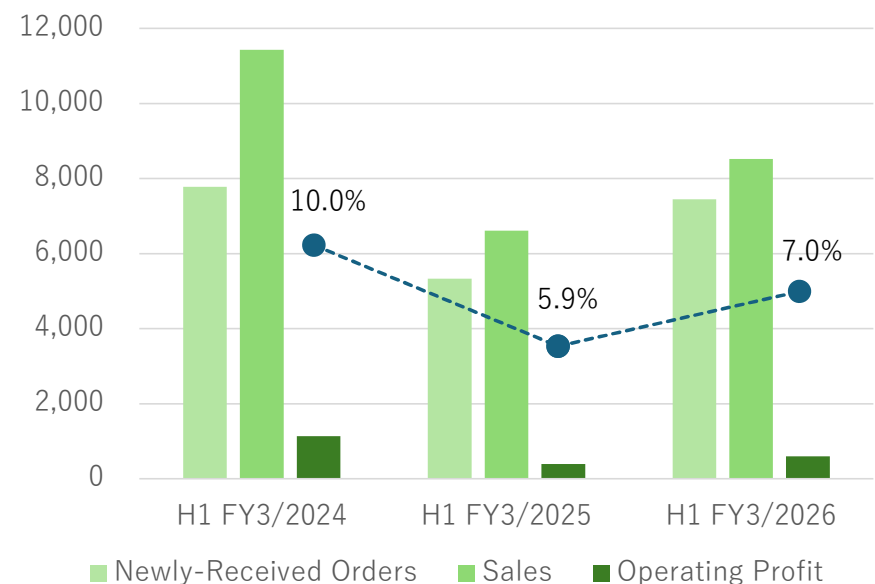
H1 FY3/2026 (iii)Architecture Segment

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Newly-Received Orders increased as we received the construction contract for a large pre-engineered metal building project, following its design contract that we had already received. Contrary to Steel Contraction or Civil Engineering segments, projects progressed steadily, centering on large projects, resulting in Sales increase. Progress on profitable projects and cost reductions on near-completion projects contributed to Operating Profit.

(Million yen, unless otherwise stated)

	1H FY3/2024	1H FY3/2025	1H FY3/2026	YoY
Newly-Received Orders	7,777	5,332	7,451	+2,118 +39.7%
Orders On Hand	12,877	16,584	16,713	+128 +0.8%
Sales	11,427	6,610	8,525	+1,915 +29.0%
Operating Profit	1,137	393	598	+205 +52.2%
Operating Margin	10.0%	5.9%	7.0%	+1.1pts



* Internal sales between business segments are not adjusted

H1 FY3/2026 (iv)Solution Segment

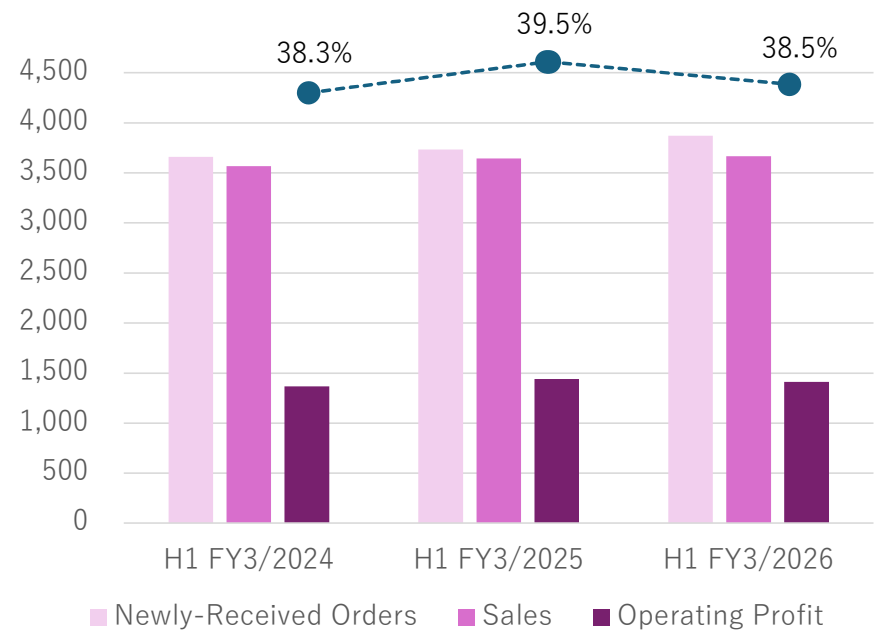
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Software : Our cloud service, adding to “V-nas Clair” series, 3D-CAD system, performed well. Proactive promotion reduced Profit slightly.

Robot : Direct sales increased, pushing up Newly-Received Orders YoY. Profit only dipped while Sales decreased.

(Million yen, unless otherwise stated)

	1H FY3/2024	1H FY3/2025	1H FY3/2026	YoY
Newly-Received Orders	3,659	3,733	3,872	+139 +3.7%
Orders On Hand	3,448	3,588	3,809	+220 +6.1%
Sales	3,567	3,643	3,666	+23 +0.6%
Operating Profit	1,367	1,440	1,411	-29 -2.1%
Operating Margin	38.3%	39.5%	38.5%	-1.0pts



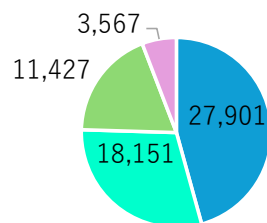
* Internal sales between business segments are not adjusted

H1 FY3/2026 Overview of Sales and Profit by Segment

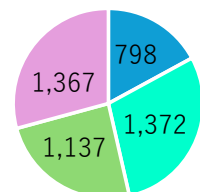
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(Million yen, unless otherwise stated)

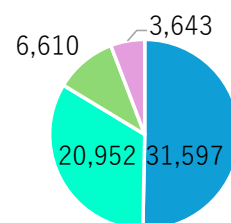
	H1 FY3/2024			H1 FY3/2025			H1 FY3/2026		
	Sales	Operating Profit	Operating Margin	Sales	Operating Profit	Operating Margin	Sales	Operating Profit	Operating Margin
Steel Construction	27,901	798	2.9%	31,597 +13.2%	2,695 +237.6%	8.5% +5.6pts	24,158 -23.5%	2,975 +10.4%	12.3% +3.8pts
Civil Engineering	18,151	1,372	7.6%	20,952 +15.4%	1,828 +33.2%	8.7% +1.1pts	15,863 -24.3%	48 -97.3%	0.3% -8.4pts
Architecture	11,427	1,137	10.0%	6,610 -42.2%	393 -65.4%	5.9% -4.1pts	8,525 +29.0%	598 +52.2%	7.0% +1.1pts
Solution	3,567	1,367	38.3%	3,643 +2.1%	1,440 +5.4%	39.5% +1.2pts	3,666 +0.6%	1,411 -2.1%	38.5% -1.0pts



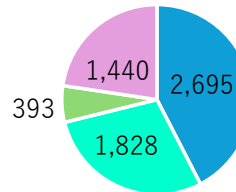
Sales



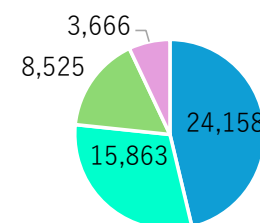
Operating Profit



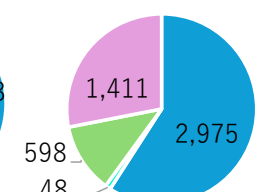
Sales



Operating Profit



Sales



Operating Profit

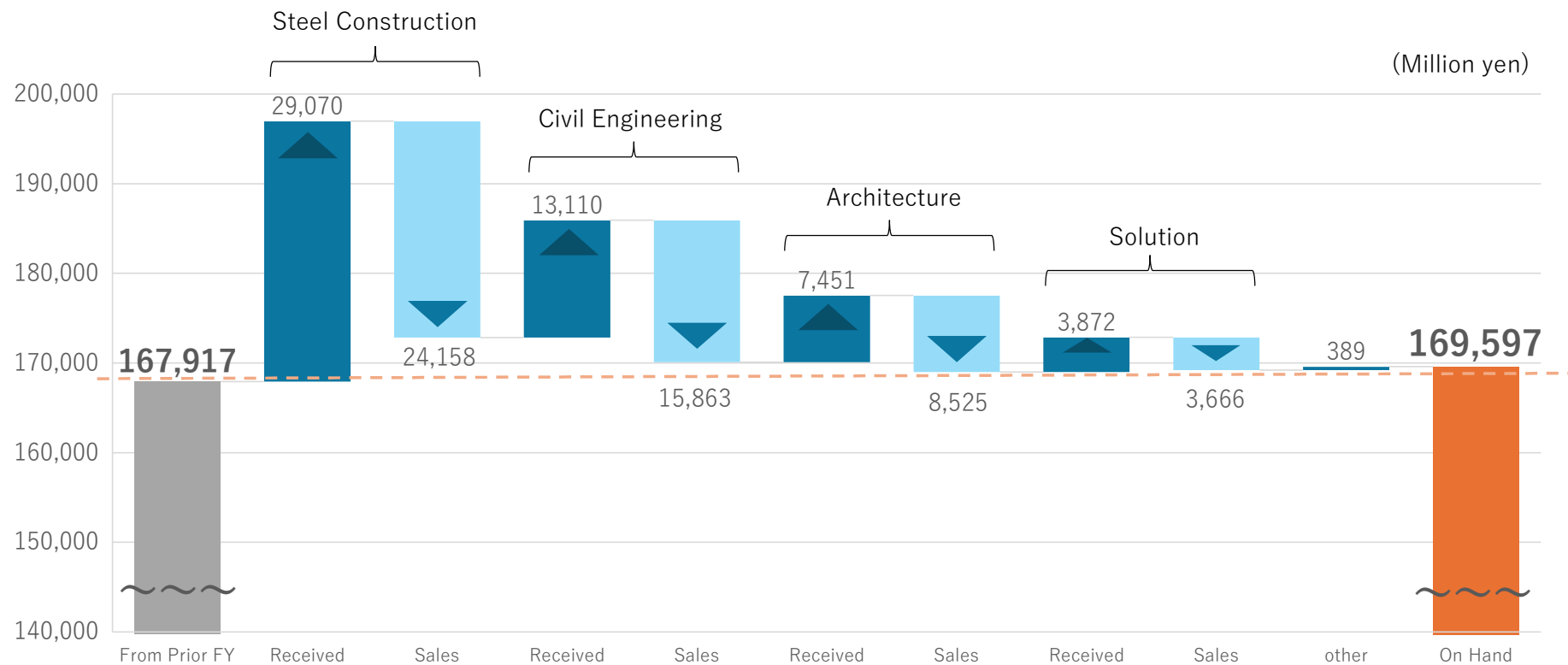
* Steel Construction Civil Engineering Architecture Solution

* Internal sales between business segments are not adjusted

H1 FY3/2026 Order Status by Segment

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Orders on hand is at the record high level. But it is effectively even higher as we have several design works with “the right of first negotiation” for receiving the following fabrication and construction contracts, which are not included in the numbers yet. It is key to handle this amount steadily. Sales recording are concerned to become slower due to the scarcity of labors, lengthening of projects periods in the face of the trend toward larger scale, etc.



* Internal sales between business segments are not adjusted

2. Forecasts for Full-Year FY3/2026

Forecast for Full-Year FY3/2026

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Projects on hand are predicted to progress slower than expected at the beginning of the FY in Steel Construction, Civil Engineering, and Architecture, therefore the Sales forecast are revised downward. Yet with more contract modifications expected for projects near completion now, each profits forecasts are kept unchanged.

(Million yen, unless otherwise stated)

	Full-Year FY3/2025	H1 FY3/2026	Full-Year FY3/2026 (previous forecast) *1	Full-Year FY3/2026 (current forecast)*2	Change	
					Fr. FY2025 to FY2026	Fr. Previous to Current forecast
Sales Revenues	132,905	55,346	125,000	115,000	-17,905 -13.5%	-10,000 -8.0%
Operating Profit	9,684	3,172	7,800	7,800	-1,884 -19.5%	-
Ordinary Profit	12,616	3,958	9,600	9,600	-3,016 -23.9%	-
Net Income Attributable to Owners of Kawada	11,107	3,142	7,500	7,500	-3,607 -32.5%	-
Earning Per Share(yen)	642.96	180.53	431.42	430.05	-212.91 -33.1%	-

*1 Announced on May 13th, 2025 *2 Announced on November 11th, 2025

Forecast for FY3/2026 (i)Steel Construction Segment

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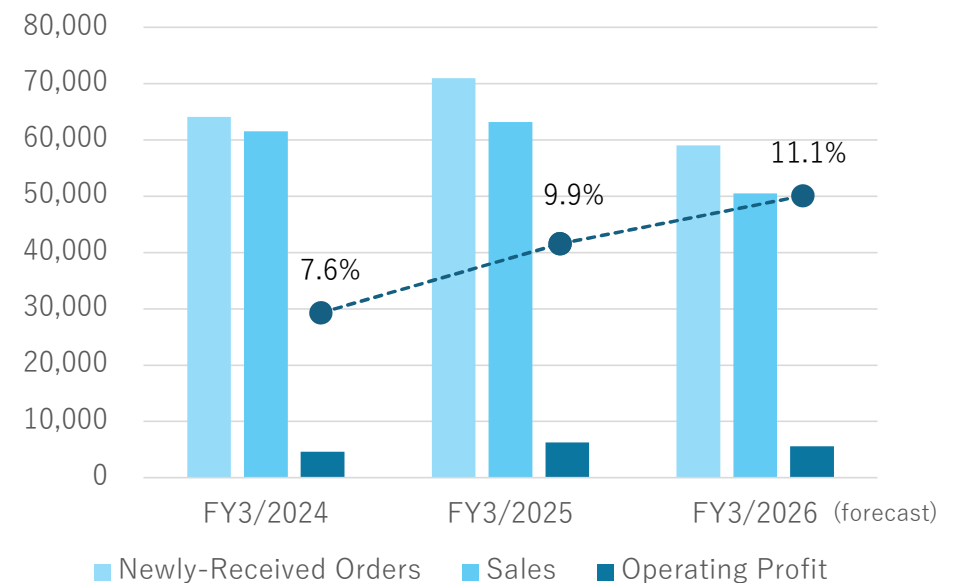
Sales target decreased, while Profit target increased.

Steel bridge: New-construction market is on the downward tread in the long term, but renovation and maintenance market remains at a certain scale, and the overall market is on the increasing trend. Although a big project is to begin operation fully in several years, the environment is harsh for current FY.

Architectural: Some projects are delayed due to multiple factors including surged construction costs, labor shortage, so-called work style revolution. Large projects are still being planed, such as ones in metropolitan areas or Osaka-IR related, and we expect solid demand overall.

(Million yen, unless otherwise stated)

	FY3/2024	FY3/2025	FY3/2026 (previous forecast)	FY3/2026 (previous forecast)	Change
Newly-Received Orders	64,091	70,983	59,000	59,000	-11,983 -16.9%
Orders On Hand	87,561	95,372	98,372	103,872	+8,500 +8.9%
Sales	61,519	63,172	56,000	50,500	-12,672 -20.1%
Operating Profit	4,648	6,274	5,250	5,600	-674 -10.7%
Operating Margin	7.6%	9.9%	9.4%	11.1%	+1.2pts



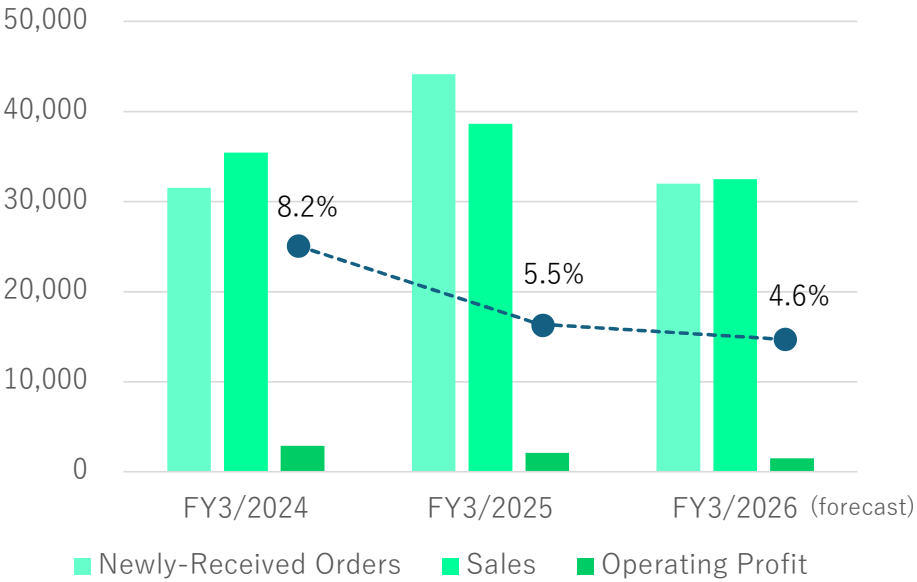
* Internal sales between business segments are not adjusted

Forecast for FY3/2026 (ii)Civil Engineering Segment

Same as steel bridges, the market for pre-stressed concrete, or PC, bridges, is on the downward trend in the long term. Highway companies' placings for large floor slab replacement are currently weak under temporal budget constraints, labor scarcity etc. Although fierce competition for receiving orders continues, the target for Newly-received orders is kept unchanged. Orders on hand is not expected to progress good, and targets for Sales and Operating profit are revised downward.

(Million yen, unless otherwise stated)

	FY3/2024	FY3/2025	FY3/2026 (previous forecast)	FY3/2026 (previous forecast)	Change
Newly-Received Orders	31,516	44,137	32,000	32,000	-12,137 -27.5%
Orders On Hand	45,184	50,700	47,700	50,200	-500 -1.0%
Sales	35,432	38,622	35,000	32,500	-6,122 -15.9%
Operating Profit	2,891	2,106	1,900	1,500	-606 -28.8%
Operating Margin	8.2%	5.5%	5.4%	4.6%	-0.9pts



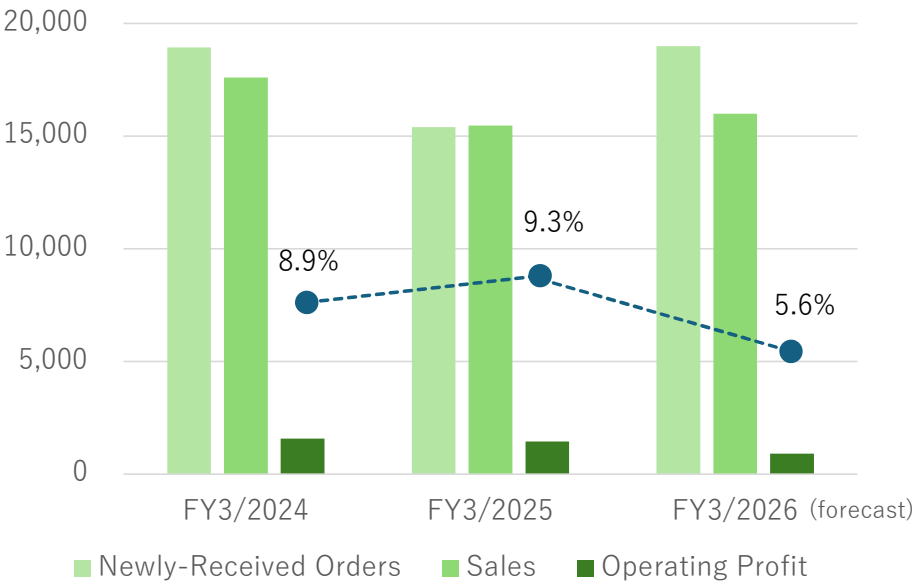
* Internal sales between business segments are not adjusted

Forecast for FY3/2026 (iii)Architecture Segment

Demands for multiple-floored distribution warehouses in urban outskirts are now shifted to large low-rise distribution warehouses in local cities. We expect that the trend of manufacture sites relocations inbound stimulates new demands. As some design works tend to require more time due to specification changes, entering into contracts for the following construction parts are concerned to be delayed to the next FY. Sales forecast is lowered as projects that are quick to be sold were not received in the first half as many as expected. A multiple-floored warehouse, which we tackle as joint venture with Sato Kyogo, is now completing, and we will pursue to improve its profitability.

(Million yen, unless otherwise stated)

	FY3/2024	FY3/2025	FY3/2026 (previous forecast)	FY3/2026 (previous forecast)	Change
Newly-Received Orders	18,936	15,398	19,000	19,000	+3,602 +23.4%
Orders On Hand	17,862	17,788	18,788	20,788	+3,000 +16.9%
Sales	17,601	15,473	18,000	16,000	+527 +3.4%
Operating Profit	1,574	1,444	850	900	-544 -37.7%
Operating Margin	8.9%	9.3%	4.7%	5.6%	-3.7pts



* Internal sales between business segments are not adjusted

Forecast for FY3/2026 (iv)Solution Segment

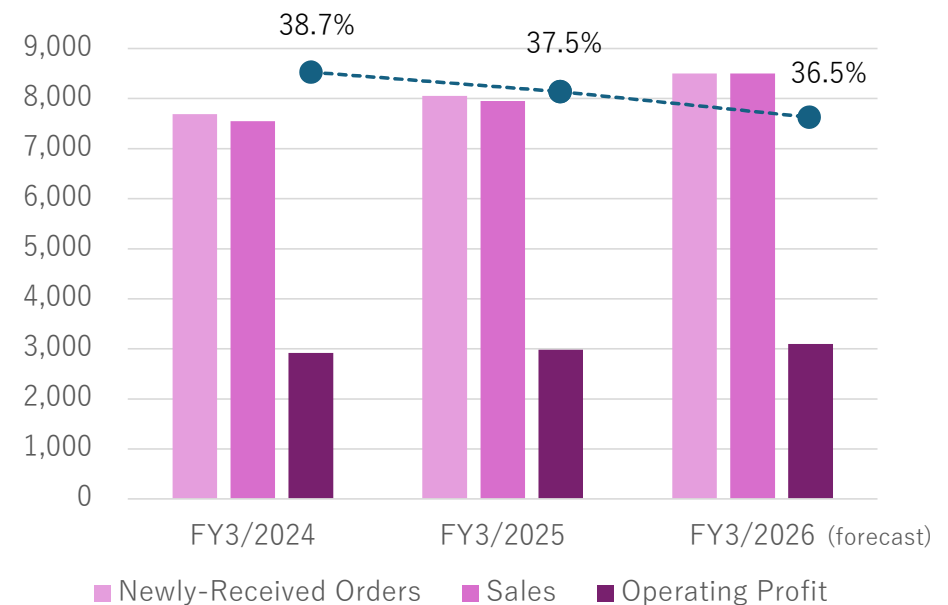
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Software: Our 3D-CAD system and cloud service are expected to be in good form continuously. While aiming to transform from software company to “Information Service Consultant”, we will contribute to public infrastructure fields through visualizing underground water pipes, electricity and communication conduits.

Robot : Amid AI’s accelerating development and widening usage, adding to labor shortage, real-world application of robots is now proceeding faster. We continue to go into the black.

(Million yen, unless otherwise stated)

	FY3/2024	FY3/2025	FY3/2026 (previous forecast)	FY3/2026 (previous forecast)	Change
Newly-Received Orders	7,692	8,053	8,500	8,500	+447 +5.6%
Orders On Hand	3,498	3,603	3,603	3,603	-
Sales	7,550	7,949	8,500	8,500	+551 +6.9%
Operating Profit	2,919	2,982	3,100	3,100	+118 +4.0%
Operating Margin	38.7%	37.5%	36.5%	36.5%	-1.0pts



* Internal sales between business segments are not adjusted

3. Progress and Partial Revisions on the Target Numbers of the 3rd Medium-Term Management Plan

Outline of the 3rd Medium-Term Management Plan (through FY3/2024 to FY3/2025) 21 / 26

Purpose	To realize KAWADA VISION, we aim for both sustainable growth of our group and realization of the sustainable society. Business environments changing substantially, we face sincerely with the <u>Business Challenges</u> , tackling them quickly and flexibly <u>to become a resilient company.</u>		
Business Challenge	Promote management to <u>(1)increase ROE</u> , considering capital costs, and <u>(2)enhance management base</u>	(1) Increase ROE	Increase profitability in the core businesses, expand business fields in other growing businesses, and shift to capital-efficient management
		(2) Enhance Management Base	Increase productivity through securing talents, talent trainings and DX, building IP landscape, promoting sustainable management for the sustainable society.

Theme : Transforming to a resilient company to realize KAWADA VISION

Principles	Sustainable Growth of Core Businesses	Participate in big projects and the expanding bridge renewal and maintenance market with technologies we have attained for over 100years.
	Enhance and Create Growing Businesses	Allocate management resources into promising business fields and generate new business opportunities with KAWADA-original value creation.
	Promoting Sustainability Management	Maximize our long-term corporate value, solving social issues with sincere and responsible corporate management under our philosophy of “Creation of a Safe, Comfortable and Sustainable Society”,
	Shifting to Capital-Efficient Management	Pushing forward ROE-focused management in the spirit of our “Eight-Way Satisfaction”.

Partial Revision of Targets (Sales Revised Downward)

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(Million yen, unless otherwise stated)

	The 1 st Plan (result)	The 2 nd Plan (result)	The 3 rd Plan (original)	The 3 rd Plan (previous)	The 3rd Plan (present, amended on Nov. 11 th , 2025)
Sales Revenues (3-year cumulative)	352,600	337,300	391,000 or more	391,000 or more	377,000 or more (-3.6%)
Operating Profit (3-year cumulative)	17,200	17,000	18,600 or more	26,100 or more	26,100 or more
Net Income (i) (3-year cumulative)	16,500	15,700	15,600 or more	26,100 or more	26,100 or more
Net Income (ii) (3-year cumulative, excluding the effect of equity-method application)	10,900	10,900	12,100 or more	19,600 or more	19,600 or more
ROE (i) (at the 3 rd FY)	11.3%	5.8%	8.0% or more	8.0% or more	8.0% or more
ROE (ii) (at the 3 rd FY, excluding the effect of equity-method application)	15.8%	7.3%	11.0% or more	11.0% or more	11.0% or more
Shareholders Return (average for 3 years)	8.5%	16.0%	30.0% target	30.0% target	30.0% target

Progress for Target Numbers

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Sales Target is revised downward (from 391,000 mil to 377,000 mil, in 3-year cumulative), but others kept unchanged

(Million yen, unless otherwise stated)

	Original Target (on May 13, 2024)	Current Target Amended on Nov. 11, 2025	Progress								
			FY3/2024 (1 st year)		FY3/2025 (2 nd year)			FY3/2026 (3 rd year, forecast)			
			result	progress	result	In total	Progress	forecast	In total	progress	% to original
Sales Revenues (3-year cumulative)	391,000	377,000	129,100	33.0%	132,900	262,000	67.0%	115,000	377,000	100.0%	96.4%
Operating Profit (3-year cumulative)	18,600	26,100	8,700	33.5%	9,600	18,400	70.6%	7,800	26,200	100.4%	141.0%
Net Income (i) (3-year cumulative)	15,600	26,100	7,500	28.9%	11,100	18,600	71.5%	7,500	26,100	100.2%	167.6%
Net Income (ii) (3-year cumulative, excluding the effect of equity-method application)	12,100	19,600	5,800	29.7%	8,000	13,800	70.8%	5,800	19,600	100.4%	162.6%
ROE (i) (at the 3 rd FY)	8.0%	8.0%	9.6%	-	12.8%	-	-	8.0%	-	To achieve	
ROE (ii) (at the 3 rd FY, excluding the effect of equity- method application)	11.0%	11.0%	13.8%	-	17.0%	-	-	11.1%	-	To achieve	
Shareholders Return (average for 3 years)	roughly 30.0%	roughly 30.0%	30.2%	-	29.6%*	-	-	30.2%	30.0%	To achieve	

*Based on the Dividend Policy, the profits and losses caused by non-recurring special factors are excluded. If included, the ratio is 22.6%.

4. Outlook of Shareholder Return

Outlook for Shareholder Return

Annual dividend is predicted to be 130 yen. Interim dividend is 65 yen, and year-end dividend is also 65 yen

Dividend Policy (amended on Nov. 12th, 2024)

- We recognize shareholders return as one of the primary initiatives, as well as increasing company value
- Basic idea is to continue stable dividend with a target for consolidated dividend ratio of roughly 30%, excluding profits and losses caused by non-recurring special factors (please refer to the right box)
- Annual 90 yen per share is the floor set for the remaining period of the 3rd mid-term plan (FY3/2026)

Q. What is “profits and losses caused by non-recurring special factors”?

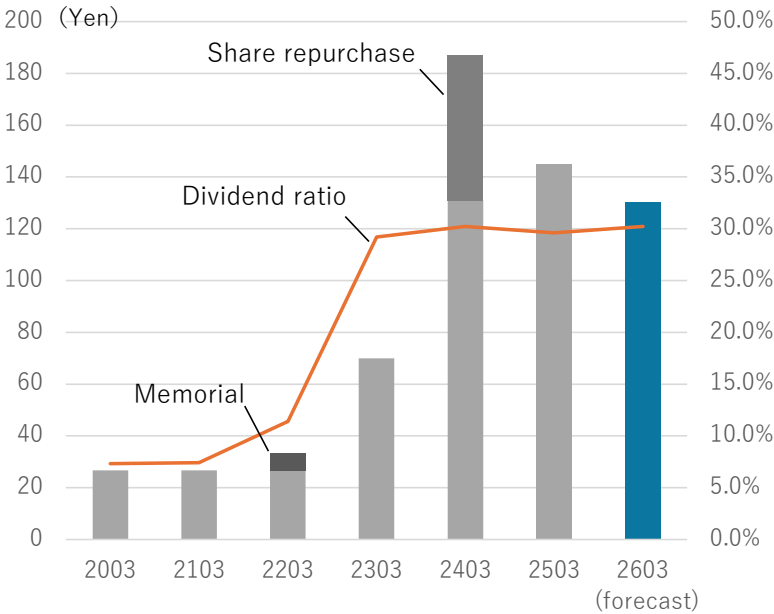
- A. It’s purely accounting profits and losses, accrued outside of normal business activities, with no future cash-flow expected to follow
- * it does not necessarily mean items in “extraordinary items” on P/L

	FY3/2024	FY3/2025	FY3/2026 (forecast)
EPS *1	434.06 yen	642.96 yen	430.05 yen
Dividend per Share *2	131 yen	145 yen (incl. interim 45 yen)	130 yen (incl. interim 65 yen)
Dividend Ratio	30.2%	29.6% *2	30.2%
Share Repurchase	999 million yen	-	TBD
Total Payout Ratio	43.2%	29.6% *2	30.2%

*1 Calculated as if the stock split of April 1, 2024 took effect at the beginning of the presented period.

*2 Calculated excluding the effects of “fair value adjustment from Sato Kogyo’s new implementation of equity-method” and “income tax-deferred due to the review of recoverability of deferred tax asset”, according to the dividend policy. If not, the ratio is 22.6%.

Trend of total shareholders return per stock *1



“Integrated Report 2025” is out, please have a look!

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Messages from President



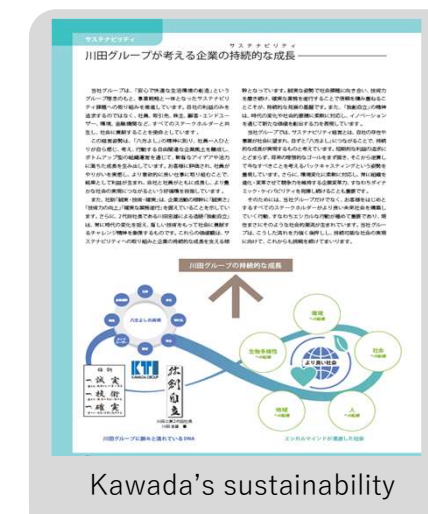
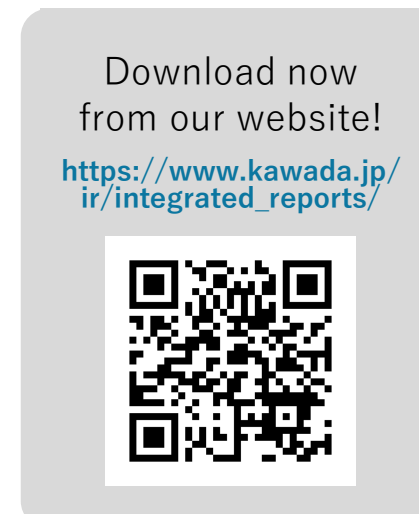
Zooming in on Kawada Technosystem



Initiatives for changing construction sites



Three outside directors gathered to talk



Kawada's sustainability

(ref.) Financial Indicators of The Last 5 FY

(Million yen, unless otherwise stated)

	FY3/2022	FY3/2023	FY3/2024	FY3/2025	1H FY3/2026
Sales Revenues	103,760	118,086	129,127	132,905	55,346
Operating Profit	6,412	5,025	8,734	9,684	3,172
Ordinary Profit	7,689	6,298	10,538	12,616	3,958
Net Income attributable to owners of Kawada	5,176	4,231	7,541	11,107	3,142
Earnings Per Share (yen) *	292.54	239.94	434.06	642.96	180.53
Net income / equity (%)	7.6	5.8	9.6	12.8	3.42%
Ordinary Profit / Total Asset (%)	5.5	4.3	6.5	7.7	2.41%
Operating Profit / Sales (%)	6.2	4.3	6.8	7.3	5.73%
Total Asset	133,337	162,158	160,238	165,511	162,503
Net Asset	71,921	76,697	82,363	91,569	93,055
Equity Ratio (%)	53.2	46.6	51.1	55.0	57.0%
Net Asset per share (yen) *	4,009.61	4,288.11	4,754.54	5,238.20	5,307.07
Cashflow from Operating activities	20,391	-9,673	13,320	9,839	4,061
Cashflows from Investing Activities	-1,948	-1,504	-2,553	-2,981	-39
Cashflows from Financing Activities	-15,811	12,213	-10,337	-8,659	489
Yearly Dividend per share (yen) *	33.33円 (うち記念配当6.67円)	70円	131円	145円 (うち、中間期45円)	130円予定 (うち、中間期65円)

* Calculated as if the stock split of April 1, 2024 took effect at the beginning of the presented period.

The information in this document is based on assumption considering information available as of the date of announcement of this material, and the factors of uncertainty that may possibly impact the future results of operations. These forward-looking statements involve risks, uncertainties and other factors that may cause actual results and achievements to differ from those anticipated in these statements.

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