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Consolidated Financial Results for the Nine Months Ended December 31, 2025 [Japanese GAAP]

February 13, 2026

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
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 Tel. 03-3235-8606
 Scheduled date to commence dividend payments : —
 Preparation of supplementary material on financial results : None
 Holding of financial results briefing : None

(Rounded down to the nearest million yen)

1. Consolidated Results for the Nine Months Ended December 31, 2025 (April 1, 2025 – December 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	%
Nine months ended December 31, 2025	351,928	6.4	17,451	—	17,380	—	11,965	—
December 31, 2024	330,709	7.5	1,581	(82.9)	1,575	(83.1)	583	(90.1)

(Note) Comprehensive income For the nine months ended December 31, 2025 : 13,883 million yen [— %]
 For the nine months ended December 31, 2024 : 1,107 million yen [(91.2)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2025	69.66	—
December 31, 2024	3.39	—

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
December 31, 2025	456,376	186,446	40.9	1,085.07
March 31, 2025	462,533	181,829	39.3	1,059.08

(Reference) Equity As of December 31, 2025 : 186,446 million yen
 As of March 31, 2025 : 181,829 million yen

Kumagai Gumi Co., Ltd. (the "Company") conducted a 4-for-1 share split of its common stock as of October 1, 2025. "Basic earnings per share" and "Net assets per share" are calculated under the assumption that the share split occurred at the beginning of the previous fiscal year.

2. Dividends

	Annual cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2025	Yen	Yen	Yen	Yen	Yen
	—	—	—	130.00	130.00
Fiscal year ending March 31, 2026	—	80.00	—		
Fiscal year ending March 31, 2026 (Forecast)				25.00	—

(Note) Revision to the latest forecasts of cash dividends announced : None

The Company conducted a 4-for-1 share split of its common stock as of October 1, 2025. Accordingly, the year-end dividend forecast for the fiscal year ending March 31, 2026 shows an amount that takes into account the impact of said stock split. No annual dividend forecast is shown because the implementation of the stock split makes simple comparisons difficult. The year-end dividend forecast calculated without the stock split would be 100.00 yen.

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
Full year	493,000	(1.1)	22,800	59.4	23,000	59.6	18,500	97.8	107.80

(Note) Revision to the latest forecasts of consolidated operating results announced : None

The Company conducted a 4-for-1 share split of its common stock as of October 1, 2025. Accordingly, basic earnings per share shows an amount that takes into account the impact of said stock split.

※ Notes

(1) Significant changes in the scope of consolidation during the period : Yes

Newly included: 2 companies(Local Energy System CO., LTD. , KG Dino Resort CO., LTD.)

(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 shares issued (common stock)

① Number of shares issued at the end of the period (including own shares)

As of December 31, 2025	173,142,240 shares	As of March 31, 2025	173,142,240 shares
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② Number of treasury stocks at the end of the period

As of December 31, 2025	1,313,954 shares	As of March 31, 2025	1,455,198 shares
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③ Average number of shares outstanding during the period

Nine months ended December 31, 2025	171,770,414 shares	Nine months ended December 31, 2024	171,910,297 shares
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The Company conducted a 4-for-1 share split of its common stock as of October 1, 2025. “Number of shares issued at the end of the period” and “Number of treasury stocks at the end of the period” and “Average number of shares outstanding during the period” are calculated under the assumption that the share split occurred at the beginning of the previous fiscal year.

※ Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

※ Explanation regarding the appropriate use of forecasts of operating results, and other specific comments

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. Refer to “1. Overview of Operating Results, etc.

; (3) Explanation of information on future forecasts, including the consolidated earnings forecasts” on page 2 of the Attachments for matters related to earnings forecasts.

(Reference) Summary of Nonconsolidated Financial Results

(Rounded down to the nearest million yen)

1. Nonconsolidated Results for the Nine Months Ended December 31, 2025 (April 1, 2025 – December 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	%
Nine months ended								
December 31, 2025	268,682	10.9	12,840	—	15,508	—	11,454	—
December 31, 2024	242,244	4.2	(2,366)	—	(1,103)	—	(871)	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
December 31, 2025	66.52	—
December 31, 2024	(5.06)	—

(2) Nonconsolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of				
December 31, 2025	374,247	142,084	38.0	824.85
March 31, 2025	380,449	137,886	36.2	801.14

(Reference) Equity As of December 31, 2025 : 142,084 million yen

As of March 31, 2025 : 137,886 million yen

The Company conducted a 4-for-1 share split of its common stock as of October 1, 2025. “Basic earnings per share” and “Net assets per share” are calculated under the assumption that the share split occurred at the beginning of the previous fiscal year.

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	17,200	176.0	99.98

(Note) Revision to the latest forecasts of nonconsolidated operating results announced : None

The Company conducted a 4-for-1 share split of its common stock as of October 1, 2025. Accordingly, basic earnings per share shows amount that takes into account the impact of said stock split.

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1. Overview of Operating Results, etc.

(1) Overview of operating results

During the first nine months of the fiscal year under review, the Japanese economy maintained a trend of gradual recovery. Despite the negative effects of the United States' trade policies and price hikes on certain sectors, there were signs of a recovery in consumer spending, reflecting continued benefits from a range of economic measures and improvements in the employment and income environment. In addition, investments in plant and equipment, particularly in software, remained solid.

In the construction industry, although housing construction investment remained weak, there was a strong appetite for private sector construction investment on the back of improvements in the revenue environment. In addition, as public investment remained solid following the implementation of related budgets, the favorable environment for receiving orders continued overall.

Under these operating conditions, the Kumagai Gumi Group is pursuing initiatives for sustainable growth by moving forward as a team with The Kumagai Gumi Group Medium-Term Management Plan (FY2024-FY2026) – A New Path toward Sustainable Growth – which was adopted in May 2024. The plan highlights the basic policies of (i) strengthening the construction business, (ii) accelerating peripheral businesses, and (iii) enhancing management base.

Looking at the consolidated results for the first nine months under review, net sales (completed contracts) rose 21.2 billion yen (6.4%) year on year, to 351.9 billion yen, mainly attributable to progress in the execution of increased order backlogs that were carried over from the previous fiscal year.

On the profit front, the increase in net sales and improved gross profit margin (gross profit margin on completed contracts) led to an increase of 15.8 billion yen year on year in operating profit, to 17.4 billion yen, and a rise of 15.8 billion yen year on year in ordinary profit, to 17.3 billion yen. Profit attributable to owners of parent was 11.9 billion yen, up 11.3 billion yen, owing to income taxes of 5.7 billion yen and other adjustments.

(2) Overview of financial condition

Total assets at the end of the first nine months of the fiscal year under review were 456.3 billion yen, a decrease of 6.1 billion yen (1.3%) from the end of the previous fiscal year, mainly due to the collection of receivables such as notes receivable, accounts receivable from completed construction contracts and other and accounts receivable other.

Total liabilities fell 10.7 billion yen (3.8%) from the end of the previous fiscal year to 269.9 billion yen, chiefly due to a decrease in accounts payable, including notes payable, accounts payable for construction contracts and electronically recorded obligations – operating, offsetting an increase due to the issuance of commercial papers and corporate bonds, among other factors.

Net assets stood at 186.4 billion yen, up 4.6 billion yen (2.5%) from the end of the previous fiscal year, mainly reflecting an increase in retained earnings due to the posting of profit attributable to owners of parent and an increase in valuation difference on available-for-sale securities resulting from increases in the market values of listed shares owned.

The shareholders' equity ratio was 40.9%, improving 1.6 pt from 39.3% at the end of the previous fiscal year.

(3) Explanation of information on future forecasts, including the consolidated earnings forecasts

Going forward, it is expected that the Japanese economy will continue to recover, supported by the improvement of the employment and income environments and the effects of a range of measures implemented by the government. However, there is the risk that the automotive industry and the economies of regions which are highly dependent on exports to the United States may experience a downturn due to the impact of the trade policies of the United States, and there are also geopolitical risks related to the situations in Ukraine and the Middle East, among other places. Meanwhile, the effect of continued price increases on consumer spending is a risk that could put downward pressure on Japan's economy. Careful attention should be paid to the impact of these events, including the fluctuation of the financial and capital markets.

In the construction industry, building investment by private-sector enterprises is expected to continue to trend higher, partly due to solid corporate earnings and the response to labor-saving investment. Public investment is expected to remain firm due to encouraging factors such as the national government's FY2025 budget exceeding the previous year, mainly due to the earlier-than-planned implementation of part of the First Mid-term Plan for the Implementation of National Resilience following a Cabinet decision in June 2025, and the initial FY2026 budget bill maintaining the same level of investment as the current fiscal year. According to the mid-term plan, the scale of projects will be significantly expanded over the five-year period starting from FY2026, and it is expected that investments will be made systematically to facilitate, in particular, the prevention and mitigation of disasters in response to the increase in the intensity and frequency of natural disasters, national resilience, and the renovation of aging social infrastructure. On the other hand, as the labor shortage grows more serious every year, the construction industry needs to comply with the regulations regarding work hours, enhance safety management on construction sites, and promote industry-wide cooperation and technological innovations, such as environmentally friendly, sustainable methods of construction and material procurement, and digital transformation (DX).

An agreement was reached in August 2025 regarding the United States tariffs, which do not directly affect the Group's business or performance because the Group has no transactions involving exports or imports to or from the United States. It is possible that the Group may be indirectly impacted by the manufacturers of automobiles, automotive parts, semiconductor manufacturing equipment, and other products with a large export volume to the United States holding off on investments in plant and equipment in Japan, resulting in a decrease of orders in the factory sector. On the other hand, it is also likely that the moves to return production bases to Japan will be further intensified to avoid being affected by the tariff conflict between the United States and China, which had already begun during the first Trump administration. The impact on the construction market in Japan is therefore difficult to predict at present. The impact on construction costs is deemed to be minor despite the risk of the prices of some imported equipment increasing because the equipment is imported mostly from Asia. Risks regarding the Company's investments in real estate development in the United States include the risk of a market downturn. In light of the current amount invested, however, it is believed that this will not have a major impact. Regardless, the Company will continue to closely monitor any changes in the business environment that may be caused by the tariff measures of the United States.

Under these conditions, the Group developed The Kumagai Gumi Group Medium-Term Management Plan (FY2024-FY2026) – A New Path toward Sustainable Growth– in May 2024. As a leader in the construction service industry that is sought by society, the Group will follow the long-term vision it set out in the previous plan while also setting FY2026 financial targets of consolidated net sales of 500 billion yen, consolidated ordinary profit of 30 billion yen and the ROE of 10% or higher, as it seeks to realize a society in which limited resources are recycled and people, society, and nature continue to prosper. The Group will continue striving for sustainable growth by working as a team on this plan.

As published on January 8, 2026 in the Notice Concerning Results of Partial Sale of Shares in Sumitomo Forestry Co., Ltd. and Recording of Extraordinary Income (Gain on Sale of Investment Securities), the Company sold a portion of the common stock of Sumitomo Forestry Co., Ltd. that it held, which will be recorded in the consolidated and nonconsolidated financial results for the fourth quarter of the fiscal year ending March 31, 2026 as extraordinary income (gain on sale of investment securities (or gain on sale of shares of subsidiaries and associates in the nonconsolidated financial statements)).

In consideration of the above and the results for the first nine months under review, the Company will not change its consolidated or nonconsolidated financial results forecasts published in the Notice of Recording of Extraordinary Income (Gain on Sale of Investment Securities) and Revisions to Operating Results Forecast and Dividend Forecast on January 8, 2026.

2. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheet

(millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	50,156	48,535
Notes receivable, accounts receivable from completed construction contracts and other	264,450	256,564
Costs on construction contracts in progress	7,255	7,270
Accounts receivable – other	32,113	22,307
Other	3,502	4,398
Allowance for doubtful accounts	(65)	(67)
Total current assets	357,413	339,010
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,347	10,212
Land	19,638	19,509
Other, net	2,486	7,351
Total property, plant and equipment	32,472	37,073
Intangible assets	1,725	1,923
Investments and other assets		
Investment securities	50,372	58,364
Deferred tax assets	3,488	1,474
Other	17,287	18,772
Allowance for doubtful accounts	(225)	(243)
Total investments and other assets	70,922	78,368
Total non-current assets	105,120	117,366
Total assets	462,533	456,376

(millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	102,267	65,851
Electronically recorded obligations – operating	43,502	34,871
Short-term borrowings	8,109	12,075
Commercial papers	—	26,994
Income taxes payable	1,372	3,033
Advances received on construction contracts in progress	22,761	24,108
Deposits received	36,636	38,777
Provision for warranties for completed construction	609	632
Provision for loss on construction contracts	2,367	1,249
Provision for bonuses	4,144	2,403
Other	7,626	7,125
Total current liabilities	229,398	217,123
Non-current liabilities		
Bonds payable	—	8,500
Long-term borrowings	34,026	27,457
Provision for share awards	263	189
Retirement benefit liability	16,316	15,939
Deferred tax liabilities	73	18
Other	625	701
Total non-current liabilities	51,305	52,806
Total liabilities	280,703	269,929
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus	15,170	15,191
Retained earnings	123,852	126,344
Treasury shares	(987)	(874)
Total shareholders' equity	168,143	170,770
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,467	13,224
Deferred gains or losses on hedges	4	52
Foreign currency translation adjustment	2,282	2,436
Remeasurements of defined benefit plans	(67)	(37)
Total accumulated other comprehensive income	13,686	15,676
Total net assets	181,829	186,446
Total liabilities and net assets	462,533	456,376

(2) Quarterly consolidated statement of income and Quarterly consolidated statement of comprehensive income
Quarterly consolidated statement of income (Cumulative total)

(millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales of completed construction contracts	330,709	351,928
Cost of sales of completed construction contracts	311,598	315,584
Gross profit on completed construction contracts	19,110	36,344
Selling, general and administrative expenses	17,529	18,892
Operating profit	1,581	17,451
Non-operating income		
Interest income	164	264
Dividend income	536	623
Share of profit of entities accounted for using equity method	75	—
Foreign exchange gains	73	141
Other	66	262
Total non-operating income	917	1,292
Non-operating expenses		
Interest expenses	394	695
Share of loss of entities accounted for using equity method	—	67
Commission for syndicated loans	227	69
Loss on investments in investment partnerships	204	267
Other	96	263
Total non-operating expenses	923	1,363
Ordinary profit	1,575	17,380
Extraordinary income		
Gain on sales of non-current assets	4	37
Gain on sale of investment securities	1	405
Other	1	1
Total extraordinary income	6	444
Extraordinary losses		
Loss on retirement of non-current assets	9	19
Compensation for damage	102	33
Provision of allowance for doubtful accounts	19	16
Loss on litigation	75	—
Other	1	23
Total extraordinary losses	209	92
Profit before income taxes	1,373	17,732
Income taxes – current	879	4,624
Income taxes – deferred	(89)	1,142
Total income taxes	790	5,767
Profit	583	11,965
Loss attributable to non-controlling interests	—	(0)
Profit attributable to owners of parent	583	11,965

Quarterly consolidated statement of comprehensive income (Cumulative total)

(millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	583	11,965
Other comprehensive income		
Valuation difference on available-for-sale securities	848	1,737
Deferred gains or losses on hedges	(45)	(11)
Foreign currency translation adjustment	(283)	154
Remeasurements of defined benefit plans, net of tax	5	30
Share of other comprehensive income of entities accounted for using equity method	(0)	6
Total other comprehensive income	524	1,918
Comprehensive income	1,107	13,883
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,107	13,883
Comprehensive income attributable to non-controlling interests	—	(0)

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Segment Information)

Nine months ended December 31, 2024 (Apr 1, 2024—Dec 31, 2024)

Reportable segment sales, profit or loss and revenue breakdown information

(millions of yen)

	Reportable segments				Adjustments (Note1)	Amounts on Quarterly consolidated statement of income (Note2)
	Civil engineering	Building construction	Subsidiaries	Total		
Net Sales						
Revenue from contracts with customers	74,253	167,690	87,481	329,425	—	329,425
Other revenue	—	299	984	1,283	—	1,283
Sales to customers	74,253	167,990	88,465	330,709	—	330,709
Intersegment sales and transfers	—	0	6,982	6,982	(6,982)	—
Total	74,253	167,990	95,447	337,692	(6,982)	330,709
Segment profit (loss)	3,775	(6,141)	3,931	1,564	17	1,581

(Note1) The segment profit (loss) adjustment is for the elimination of intersegment transactions.

(Note2) Segment profit (loss) is adjusted with operating profit recorded under the quarterly consolidated statement of income.

(Note3) Other revenue is a rental income based on the Accounting Standard for Lease Transactions (ASBJ statement No. 13 issued on March 30, 2007).

Nine months ended December 31, 2025 (Apr 1, 2025—Dec 31, 2025)

Reportable segment sales, profit or loss and revenue breakdown information

(millions of yen)

	Reportable segments				Adjustments (Note1)	Amounts on Quarterly consolidated statement of income (Note2)
	Civil engineering	Building construction	Subsidiaries	Total		
Net Sales						
Revenue from contracts with customers	84,839	182,673	82,960	350,473	—	350,473
Other revenue	—	344	1,111	1,455	—	1,455
Sales to customers	84,839	183,017	84,072	351,928	—	351,928
Intersegment sales and transfers	—	825	7,658	8,483	(8,483)	—
Total	84,839	183,843	91,730	360,412	(8,483)	351,928
Segment profit	4,561	8,278	4,756	17,597	(145)	17,451

(Note1) The segment profit adjustment is for the elimination of intersegment transactions.

(Note2) Segment profit is adjusted with operating profit recorded under the quarterly consolidated statement of income.

(Note3) Other revenue is a rental income based on the Accounting Standard for Lease Transactions (ASBJ statement No. 13 issued on March 30, 2007).

(Notes in the case of significant changes in shareholders' equity)

Not applicable

(Notes related to the going concern assumption)

Not applicable

(Notes on quarterly consolidated statements of cash flows)

The Company did not prepare quarterly consolidated statements of cash flows for the first nine months of the fiscal year under review. Depreciation (including amortization of intangible assets excluding goodwill) for the first nine months of the fiscal year under review is as follows.

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Depreciation	1,517 million yen	1,522 million yen

(Significant subsequent events)

(Sale of investment securities)

At a meeting of the Board of Directors held on January 8, 2026, the Company resolved to sell a portion of the investment securities it owned, and it sold them on January 8, 2026. Accordingly, the Company will record a gain on sale of investment securities (extraordinary income) in the fourth quarter of the fiscal year ending March 31, 2026.

1. Reasons for the sale of investment securities

To improve capital efficiency and strengthen the Company's financial position.

2. Details of the sale of investment securities

(1) Stock to be sold	Sumitomo Forestry Co., Ltd.
(2) Date of sale	January 8, 2026
(3) Number of shares sold	4,777,600 shares
(4) Value of shares sold	6,903 million yen
(5) Gain on sale of investment securities	3,763 million yen

(Acquisition of own shares)

At a meeting of the Board of Directors held on January 8, 2026, the Company resolved to acquire treasury shares pursuant to Article 459, Paragraph 1 of the Companies Act and Article 33 of the Articles of Incorporation of the Company, as detailed below.

1. Reason for Acquisition of Own Shares

To enhance shareholder return and improve capital efficiency in consideration of the offering of shares of the Company and the sale of shares of Sumitomo Forestry Co., Ltd. as announced in the Notice Concerning the Secondary Offering of Shares on January 8, 2026.

2. Details of the acquisition

(1) Type of shares to be acquired	Shares of common stock of the Company
(2) Total number of shares to be acquired	3,000 thousand shares (maximum) (1.7% of the total number of shares outstanding (excluding treasury shares))
(3) Total acquisition value of shares	3.5 billion yen (maximum)
(4) Acquisition period	From January 30, 2026 to March 31, 2026
(5) Method of acquisition	Purchase on the market of the Tokyo Stock Exchange

3. Quarterly Nonconsolidated Financial Statements

(1) Quarterly nonconsolidated balance sheet

(millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	21,856	22,216
Notes receivable, accounts receivable from completed construction contracts and other	230,967	218,638
Costs on construction contracts in progress	5,967	6,021
Other	29,211	23,261
Allowance for doubtful accounts	(27)	(24)
Total current assets	287,975	270,114
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,470	6,493
Land	16,680	16,551
Other, net	1,338	1,252
Total property, plant and equipment	24,489	24,297
Intangible assets	1,583	1,805
Investments and other assets		
Investment securities	11,361	14,207
Shares of subsidiaries and associates	35,108	36,701
Deferred tax assets	2,359	423
Other	17,572	26,698
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	66,400	78,030
Total non-current assets	92,474	104,132
Total assets	380,449	374,247

(millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	73,065	39,417
Electronically recorded obligations – operating	41,726	31,907
Short-term borrowings	11,909	15,575
Commercial papers	—	26,994
Lease obligations	16	20
Advances received on construction contracts in progress	20,873	21,974
Deposits received	34,418	36,140
Provision for warranties for completed construction	564	595
Provision for loss on construction contracts	2,245	1,034
Provision for bonuses	2,713	1,519
Other	6,386	7,638
Total current liabilities	193,919	182,818
Non-current liabilities		
Bonds payable	—	8,500
Long-term borrowings	34,026	26,717
Lease obligations	65	78
Provision for stock payments	263	189
Provision for retirement benefits	13,867	13,453
Other	420	405
Total non-current liabilities	48,643	49,344
Total liabilities	242,563	232,162
Net assets		
Shareholders' equity		
Share capital	30,108	30,108
Capital surplus	15,170	15,171
Retained earnings	82,041	84,422
Treasury shares	(856)	(741)
Total shareholders' equity	126,464	128,960
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	11,417	13,130
Deferred gains or losses on hedges	4	(6)
Total valuation and translation adjustments	11,421	13,123
Total net assets	137,886	142,084
Total liabilities and net assets	380,449	374,247

(2) Quarterly nonconsolidated statement of income (Cumulative total)

(millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales of completed construction contracts	242,244	268,682
Cost of sales of completed construction contracts	231,212	241,429
Gross profit on completed construction contracts	11,032	27,253
Selling, general and administrative expenses	13,399	14,412
Operating profit (loss)	(2,366)	12,840
Non-operating income		
Interest income	108	152
Dividend income	1,957	3,503
Foreign exchange gains	83	111
Other	55	166
Total non-operating income	2,205	3,935
Non-operating expenses		
Interest expenses	419	724
Commission for syndicated loans	227	69
Loss on investments in investment partnerships	204	267
Other	90	206
Total non-operating expenses	942	1,267
Ordinary profit (loss)	(1,103)	15,508
Extraordinary income		
Gain on sales of non-current assets	0	12
Gain on sale of investment securities	1	405
Gain on sales of memberships	1	0
Total extraordinary income	3	419
Extraordinary losses		
Compensation for damage	45	33
Loss on litigation	75	—
Loss on sale of investment securities	—	6
Other	3	16
Total extraordinary losses	124	56
Profit (loss) before income taxes	(1,224)	15,870
Income taxes – current	130	3,264
Income taxes – deferred	(482)	1,151
Total income taxes	(352)	4,416
Profit (loss)	(871)	11,454

4. Supplementary Information

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

(millions of yen)

	Nine months ended December 31, 2024		Nine months ended December 31, 2025		Change	
	Amount	Composition ratio %	Amount	Composition ratio %	Amount	%
Public	38,339	13.3	43,149	23.1	4,809	12.5
Private	30,875	10.6	26,572	14.2	(4,302)	(13.9)
Domestic	69,215	23.9	69,721	37.3	506	0.7
Overseas	538	0.2	—	—	(538)	(100.0)
Civil engineering	69,753	24.1	69,721	37.3	(31)	(0.0)
Public	11,388	3.9	17,872	9.6	6,484	56.9
Private	204,478	70.6	98,513	52.7	(105,965)	(51.8)
Domestic	215,867	74.5	116,386	62.3	(99,481)	(46.1)
Overseas	4,103	1.4	739	0.4	(3,363)	(82.0)
Building construction	219,970	75.9	117,126	62.7	(102,844)	(46.8)
Public	49,728	17.2	61,022	32.7	11,293	22.7
Private	235,353	81.2	125,086	66.9	(110,267)	(46.9)
Domestic	285,082	98.4	186,108	99.6	(98,974)	(34.7)
Overseas	4,641	1.6	739	0.4	(3,901)	(84.1)
Orders received—Total	289,723	100	186,847	100	(102,876)	(35.5)
Public	39,793	16.4	47,526	17.7	7,733	19.4
Private	31,682	13.1	33,933	12.6	2,251	7.1
Domestic	71,476	29.5	81,460	30.3	9,984	14.0
Overseas	2,777	1.2	3,378	1.3	601	21.6
Civil engineering	74,253	30.7	84,839	31.6	10,585	14.3
Public	18,823	7.8	23,553	8.8	4,730	25.1
Private	149,153	61.5	158,577	59.0	9,423	6.3
Domestic	167,976	69.3	182,130	67.8	14,154	8.4
Overseas	14	0.0	1,712	0.6	1,697	—
Building construction	167,990	69.3	183,843	68.4	15,852	9.4
Public	58,616	24.2	71,080	26.5	12,463	21.3
Private	180,835	74.6	192,511	71.6	11,675	6.5
Domestic	239,452	98.8	263,591	98.1	24,138	10.1
Overseas	2,791	1.2	5,090	1.9	2,298	82.3
Net sales—Total	242,244	100	268,682	100	26,437	10.9
Public	72,904	11.6	73,645	14.5	741	1.0
Private	112,703	17.9	111,159	21.9	(1,544)	(1.4)
Domestic	185,608	29.5	184,805	36.4	(802)	(0.4)
Overseas	11,328	1.8	7,066	1.4	(4,261)	(37.6)
Civil engineering	196,936	31.3	191,871	37.8	(5,064)	(2.6)
Public	48,490	7.7	41,291	8.1	(7,199)	(14.8)
Private	380,687	60.4	271,287	53.5	(109,399)	(28.7)
Domestic	429,178	68.1	312,579	61.6	(116,599)	(27.2)
Overseas	4,089	0.6	2,878	0.6	(1,211)	(29.6)
Building construction	433,267	68.7	315,457	62.2	(117,810)	(27.2)
Public	121,394	19.3	114,937	22.6	(6,457)	(5.3)
Private	493,391	78.3	382,447	75.4	(110,944)	(22.5)
Domestic	614,786	97.6	497,384	98.0	(117,401)	(19.1)
Overseas	15,417	2.4	9,944	2.0	(5,473)	(35.5)
Carried-forward—Total	630,204	100	507,329	100	(122,875)	(19.5)

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

Nine months ended December 31, 2024: Increased by 310 million yen

Nine months ended December 31, 2025: Increased by 256 million yen

(2) Financial Highlights

Consolidated

(100 millions of yen)

(Operating Results)

	A Nine months ended December 31, 2024	B Nine months ended December 31, 2025	B - A	
				%
Net sales	3,307	3,519	212	6.4
Gross profit	191	363	172	90.2
(Ratio)	5.8%	10.3%	4.5%	
SG&A expenses	175	189	14	
Operating profit	16	175	159	—
(Ratio)	0.5%	5.0%	4.5%	
Non-operating income – net	(0)	(1)	(1)	
Ordinary profit	16	174	158	—
Extraordinary income – net	(2)	4	6	
Profit before income taxes	14	177	164	—
Income taxes and others	8	58	50	
Profit	6	120	114	—
Loss attributable to non-controlling interests	—	(0)	(0)	—
Profit attributable to owners of parent	6	120	114	—

(Forecasts of Operating Results for Full year)

	C Fiscal year ended March 31, 2025	D Fiscal year ending March 31, 2026 (Forecast)	D - C	
				%
	4,986	4,930	(56)	(1.1)
	383	490	107	27.9
	7.7%	9.9%	2.2%	
	240	262	22	
	143	228	85	59.4
	2.9%	4.6%	1.7%	
	1	2	1	
	144	230	86	59.6
	(6)	41	47	
	138	271	133	96.4
	44	86	42	
	94	185	91	97.8
	—	—	—	—
	94	185	91	97.8

Nonconsolidated

(Operating Results)

	A Nine months ended December 31, 2024	B Nine months ended December 31, 2025	B - A	
				%
Civil engineering	692	697	5	
Building construction	2,159	1,164	(995)	
Domestic	2,851	1,861	(990)	
Overseas	46	7	(39)	
Orders received	2,897	1,868	(1,029)	(35.5)
Civil engineering	715	815	100	
Building construction	1,680	1,821	142	
Domestic	2,395	2,636	241	
Overseas	28	51	23	
Net sales	2,422	2,687	264	10.9
Civil engineering	98	111	12	
(Ratio)	13.7%	13.6%	(0.1)%	
Building construction	10	159	149	
(Ratio)	0.6%	8.7%	8.1%	
Domestic	108	270	161	
(Ratio)	4.5%	10.2%	5.7%	
Overseas	2	3	1	
(Ratio)	6.6%	5.7%	(0.9)%	
Gross profit	110	273	162	147.0
(Ratio)	4.6%	10.1%	5.5%	
SG&A expenses	134	144	10	
Operating profit (loss)	(24)	128	152	—
(Ratio)	(1.0)%	4.8%	5.8%	
Non-operating income – net	13	27	14	
Ordinary profit (loss)	(11)	155	166	—
Extraordinary income – net	(1)	4	5	
Profit (loss) before income taxes	(12)	159	171	—
Income taxes and others	(4)	44	48	
Profit (loss)	(9)	115	123	—

(Forecasts of Operating Results for Full year)

	C Fiscal year ended March 31, 2025	D Fiscal year ending March 31, 2026 (Forecast)	D - C	
				%
	1,104	1,150	46	
	2,643	2,360	(283)	
	3,747	3,510	(237)	
	47	90	43	
	3,794	3,600	(194)	(5.1)
	1,018	1,050	32	
	2,672	2,500	(172)	
	3,689	3,550	(139)	
	34	70	36	
	3,723	3,620	(103)	(2.8)
	153	125	(28)	
	15.0%	11.9%	(3.1)%	
	107	240	133	
	4.0%	9.6%	5.6%	
	260	365	105	
	7.0%	10.3%	3.3%	
	3	5	2	
	7.5%	7.1%	(0.4)%	
	262	370	108	41.1
	7.0%	10.2%	3.2%	
	184	200	16	
	78	170	92	118.3
	2.1%	4.7%	2.6%	
	13	27	14	
	90	197	107	117.9
	(2)	42	44	
	88	239	151	171.7
	26	67	41	
	62	172	110	176.0