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November 9, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: NIPPON RIETEC CO.,LTD.
Listing: Tokyo Stock Exchange
Securities code: 1938
URL: https://www.j-rietec.co.jp/
Representative: Kimito Kubo , Representative Director and President Executive Officer
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Scheduled date to file semi-annual securities report: November 11, 2026
Scheduled date to commence dividend payments: December 2, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	31,491	10.0	2,628	78.2	3,114	78.3	2,088	98.9
September 30, 2025	28,629	6.1	1,475	87.5	1,746	58.8	1,050	35.4

Note: Comprehensive income For the six months ended September 30, 2026: ¥ 2,201 million [24.1%]
For the six months ended September 30, 2025: ¥ 1,773 million [314.7%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	84.26	-
September 30, 2025	42.42	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	100,190	69,537	69.4
March 31, 2026	101,335	69,269	68.4

Reference: Equity
As of September 30, 2026: ¥ 69,537 million
As of March 31, 2026: ¥ 69,269 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	-	-	82.00	82.00
Fiscal year ending March 31, 2027	-	47.00			
Fiscal year ending March 31, 2027 (Forecast)			-	60.00	107.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

Note: Breakdown of the second quarter dividend for the fiscal year ending March 31, 2027 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	78,500	6.0	8,000	12.5	9,010	15.2	6,980	25.7	281.23

Note: Revisions to the financial result forecast most recently announced: Yes

*** Notes**

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

Newly included: - companies( )

Excluded: - companies( )

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

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2026	25,117,717 shares
As of March 31, 2026	25,117,717 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2026	297,832 shares
As of March 31, 2026	337,168 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2026	24,791,787 shares
Six months ended September 30, 2025	24,759,570 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, including the consolidated forecasts, stated in these materials are based on information currently available to the Company and certain assumptions deemed reasonable. Results may differ from the consolidated forecasts due to various factors.

Semi-annual Consolidated Financial Statements and Primary Notes

Semi-annual Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	8,394,704	6,911,031
Notes receivable, accounts receivable from completed construction contracts and other	48,217,880	44,377,506
Costs on construction contracts in progress	1,072,630	3,128,532
Merchandise and finished goods	55,689	46,624
Work in process	6,435	11,054
Raw materials and supplies	292,478	381,895
Other	694,996	1,659,798
Total current assets	58,734,813	56,516,444
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,897,302	10,612,368
Machinery and vehicles, net	377,789	400,025
Tools, furniture and fixtures, net	366,989	474,355
Land	9,036,220	9,388,956
Leased assets, net	1,176,356	1,011,221
Construction in progress	562,541	114,544
Total property, plant and equipment	21,417,198	22,001,473
Intangible assets	339,552	282,099
Investments and other assets		
Investment securities	20,062,615	20,310,609
Other	785,807	1,084,320
Allowance for doubtful accounts	(4,425)	(4,425)
Total investments and other assets	20,843,997	21,390,505
Total non-current assets	42,600,748	43,674,078
Total assets	101,335,561	100,190,522

(Thousands of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	10,434,186	6,313,315
Electronically recorded obligations - operating	1,367,243	1,743,750
Short-term borrowings	-	5,500,000
Income taxes payable	1,937,616	369,901
Advances received on construction contracts in progress	1,259,143	1,173,453
Provision for warranties for completed construction	3,050	3,168
Provision for bonuses	2,842,608	1,176,712
Other	7,520,448	6,814,987
Total current liabilities	25,364,299	23,095,288
Non-current liabilities		
Retirement benefit liability	4,770,192	4,997,302
Provision for retirement benefits for directors (and other officers)	22,600	21,321
Other	1,908,857	2,538,900
Total non-current liabilities	6,701,649	7,557,524
Total liabilities	32,065,948	30,652,813
Net assets		
Shareholders' equity		
Share capital	1,430,962	1,430,962
Capital surplus	2,792,611	2,856,681
Retained earnings	60,525,462	60,582,426
Treasury shares	(299,478)	(264,539)
Total shareholders' equity	64,449,557	64,605,530
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,654,291	4,849,296
Remeasurements of defined benefit plans	165,763	82,881
Total accumulated other comprehensive income	4,820,055	4,932,178
Total net assets	69,269,613	69,537,709
Total liabilities and net assets	101,335,561	100,190,522

Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Thousands of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Net sales	28,629,638	31,491,970
Cost of sales	24,497,673	25,976,326
Gross profit	4,131,964	5,515,644
Selling, general and administrative expenses	2,656,706	2,887,454
Operating profit	1,475,257	2,628,189
Non-operating income		
Interest income	3,839	6,148
Dividend income	161,158	213,144
Gain on sale of goods	105,864	151,284
Share of profit of entities accounted for using equity method	3,699	119,954
Other	40,603	32,384
Total non-operating income	315,166	522,916
Non-operating expenses		
Interest expenses	32,028	23,970
Other	11,645	12,143
Total non-operating expenses	43,674	36,113
Ordinary profit	1,746,749	3,114,992
Extraordinary income		
Gain on sale of non-current assets	-	1,599
Total extraordinary income	-	1,599
Extraordinary losses		
Loss on sale and retirement of non-current assets	156,628	7,308
Compensation for damage	-	35,000
Other	-	5,353
Total extraordinary losses	156,628	47,661
Profit before income taxes	1,590,121	3,068,931
Income taxes - current	54,466	255,782
Income taxes - deferred	485,440	724,179
Total income taxes	539,906	979,961
Profit	1,050,214	2,088,969
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	1,050,214	2,088,969

Semi-annual Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit	1,050,214	2,088,969
Other comprehensive income		
Valuation difference on available-for-sale securities	967,651	219,629
Remeasurements of defined benefit plans, net of tax	(276,059)	(82,881)
Share of other comprehensive income of entities accounted for using equity method	32,011	(24,624)
Total other comprehensive income	723,603	112,122
Comprehensive income	1,773,817	2,201,092
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,773,817	2,201,092
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual Consolidated Statement of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	1,590,121	3,068,931
Depreciation	748,679	787,329
Share-based payment expenses	10,436	33,656
Increase (decrease) in provision for bonuses	(1,206,820)	(1,665,895)
Increase (decrease) in provision for bonuses for directors (and other officers)	(76,757)	(103,974)
Increase (decrease) in provision for warranties for completed construction	76	117
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(1,996)	(1,278)
Increase (decrease) in retirement benefit liability	(363,185)	(52,972)
Decrease (increase) in retirement benefit asset	-	(26,664)
Interest and dividend income	(164,997)	(219,293)
Interest expenses	32,028	23,970
Share of loss (profit) of entities accounted for using equity method	(3,699)	(119,954)
Loss (gain) on sale and retirement of property, plant and equipment	156,628	5,708
Loss on compensation for damage	-	35,000
Decrease (increase) in trade receivables	(1,056,466)	3,840,373
Decrease (increase) in costs on construction contracts in progress	(1,878,846)	(2,055,902)
Decrease (increase) in other assets	(972,003)	(1,085,875)
Increase (decrease) in trade payables	(2,683,525)	(3,744,364)
Increase (decrease) in accrued expenses	(185,810)	(271,246)
Increase (decrease) in advances received on construction contracts in progress	601,773	(85,690)
Increase (decrease) in other liabilities	434,754	(634,331)
Subtotal	(5,019,609)	(2,272,356)
Interest and dividends received	317,786	387,242
Interest paid	(31,131)	(23,970)
Income taxes paid	(1,701,274)	(1,552,682)
Compensation paid for damage	-	(80,988)
Net cash provided by (used in) operating activities	(6,434,228)	(3,542,754)
Cash flows from investing activities		
Purchase of property, plant and equipment	(708,216)	(1,142,125)
Proceeds from sale of property, plant and equipment	-	1,600
Advance received from sales of property, plant and equipment	-	20,000
Payments for retirement of property, plant and equipment	(115,103)	(165)
Purchase of intangible assets	(29,381)	(39,782)
Loan advances	(13,600)	(9,850)
Proceeds from collection of loans receivable	10,455	11,274
Other, net	-	385
Net cash provided by (used in) investing activities	(855,845)	(1,158,662)

(Thousands of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	9,000,000	5,500,000
Repayments of finance lease liabilities	(263,700)	(250,249)
Purchase of treasury shares	(44)	-
Dividends paid	(1,896,685)	(2,032,005)
Net cash provided by (used in) financing activities	6,839,569	3,217,745
Effect of exchange rate change on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	(450,504)	(1,483,672)
Cash and cash equivalents at beginning of period	8,304,766	8,384,704
Cash and cash equivalents at end of period	7,854,261	6,901,031