November 11, 2026

Consolidated Financial Results for the First Half of the Fiscal Year Ending March 31, 2027 [Japanese GAAP]

Company: Hibiya Engineering, Ltd.
Stock exchange listing: Tokyo Stock Exchange (Prime Market)
Stock code: 1982
URL: https://www.hibiya-eng.co.jp/English
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Scheduled date to file semi-annual securities report	November 11, 2026
Scheduled date to commence dividend payments:	December 7, 2026
Preparation of supplementary explanatory documents:	Yes
Holding of earnings presentation:	Yes (for institutional investors and analysts)

(Yen in millions, rounded down, figures in parentheses indicate negative amounts or percentages.)

1. Consolidated financial results for the first half of the fiscal year ending March 31, 2027 (April 1, 2026–September 30, 2026)

(1) Consolidated results of operations (Year-to-date) (Percentage figures represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
First half ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2026	38,936	(4.0)	4,807	33.0	5,236	31.0	3,584	26.5
September 30, 2025	40,542	7.7	3,615	11.7	3,998	11.8	2,833	10.1

Note: Comprehensive income: First half of FY3/27: 1,694 million yen [(63.7)%]
First half of FY3/26: 4,664 million yen [248.1%]

	Basic earnings per share	Diluted earnings per share
First half ended	Yen	Yen
September 30, 2026	86.03	85.71
September 30, 2025	65.07	64.81

Note: The Company carried out a 2-for-1 stock split of the Company's common shares on April 1, 2026. Basic earnings per share and diluted earnings per share are calculated assuming that the stock split has been carried out at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
September 30, 2026	107,739	73,705	67.2	1,755.13
March 31, 2026	110,935	80,669	71.6	1,843.99

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income):
As of September 30, 2026: 72,425 million yen
As of March 31, 2026: 79,418 million yen

Note: The Company carried out a 2-for-1 stock split of the Company's common shares on April 1, 2026. Net assets per share is calculated assuming that the stock split has been carried out at the beginning of the previous fiscal year.

2. Dividends

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	50.00	–	100.00	150.00
Fiscal year ending March 31, 2027	–	55.00			
Fiscal year ending March 31, 2027 (Forecast)			–	55.00	110.00

Notes: 1. Change in the forecast of dividends from the latest announcement: No

2 Breakdown of the forecast annual dividend for the fiscal year ending March 31, 2027:
Common share: 100.00 yen; commemorative dividend: 10.00 yen

3. The Company carried out a 2-for-1 stock split of the Company's common shares on April 1, 2026. For the fiscal year ended March 31, 2026, the actual dividend amounts before the stock split are presented. For the fiscal year ending March 31, 2027 (forecast), the amounts after the stock split are presented. Without considering the impact of the stock split, the forecast annual dividend for the fiscal year ending March 31, 2027 would be 220.00 yen.

3. Consolidated forecast for the fiscal year ending March 31, 2027 (April 1, 2026–March 31, 2027)

(Percentage figures represent year-on-year changes.)

	Net sales		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	105,000	11.6	11,000	3.1	11,800	2.9	8,700	0.2	202.00

Note: Change in the forecast from the latest announcement: No

*** Notes**

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

(2) Use of accounting methods specifically for the preparation of the semi-annual consolidated financial statements: No

(3) Changes in accounting policies, accounting estimates, and restatement
- (a) Changes in accounting policies due to revisions of accounting standards and other regulations: No
- (b) Changes in accounting policies due to reasons other than (a): No
- (c) Changes in accounting estimates: No
- (d) Restatement: No

(4) Number of shares issued (common shares)

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

As of September 30, 2026: 44,000,000 As of March 31, 2026: 44,000,000

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

As of September 30, 2026: 2,734,960 As of March 31, 2026: 930,962

(c) Average number of shares outstanding during the period

Period ended September 30, 2026: 41,663,879 Period ended September 30, 2025: 43,548,146

Note: The Company carried out a 2-for-1 stock split of the Company's common shares on April 1, 2026. Total number of shares issued at the end of the period, number of treasury shares at the end of the period, and average number of shares outstanding during the period are calculated assuming that the stock split has been carried out at the beginning of the previous fiscal year.

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

Forward-looking statements, important notes, etc.

The forward-looking statements such as the forecasts of financial results stated in this report are based on the information currently available to the Company and certain assumptions that the Company judges as rational. These statements are not guarantees of future performance. Actual results may be materially different from the above forecasts for a number of reasons. For more information about these assumptions and other conditions that form the basis of these forecasts, please see page 3 of the Supplementary Information, "1. Results of Operations etc. (3) Forecast for the fiscal year ending March 31, 2027."

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1. Results of Operations etc.

(1) Overview of semi-annual consolidated business performance

During the first half of the fiscal year ending March 31, 2027 (the “fiscal year under review”), although the outlook for the Japanese economy became increasingly uncertain against the backdrop of continued price increases, geopolitical risks, the impact of U.S. trade policy, and fluctuations in the financial and capital markets, the economy showed gradual recovery, against the backdrop of improvements in the employment and income environment, growing demand for AI-related services, and the effects of various government policies, among other factors. Meanwhile, close attention continues to be required regarding the impact of the situation in the Middle East and the resulting trends in crude oil prices, as well as the U.S. trade policy, natural disasters, fluctuations in financial and foreign exchange markets, and the impact of cyberattacks on social and economic activities.

In the construction industry, construction demand remained firm, supported by corporate capital expenditures, including investments in data centers driven by advances in AI and digitalization, demand for renovation and upgrading of existing buildings, and public investment, among other factors. On the other hand, securing the resources needed to convert contract opportunities into actual construction projects and managing their profitability have become increasingly important, amid rising construction material and equipment prices, energy prices, and labor costs, the shortage of engineers and skilled workers, and supply constraints on certain construction materials and equipment. In addition, there have also been indications that construction schedules, investment scale, and project implementation timelines are being reassessed in light of the construction costs and system for construction projects.

Under these circumstances, the Hibiya Engineering Group (the “Group”) promoted a “Business Growth Strategy” and a “Management Foundation Strategy” under a new corporate philosophy, toward realizing the Management Vision “Deeper, Greater, and Beyond” of its 9th Medium-term Management Plan.

Under the Business Growth Strategy, we worked to expand order intake from growth sectors centering on data center projects, leveraging strengths as an integrated building systems company that can offer air conditioning, plumbing and sanitation, and electrical work in an integrated manner. At the same time, we promoted the renovation business mainly through stock-based solutions and carbon neutrality-related businesses, including ZEB and energy-saving solutions. Furthermore, we sought to enhance construction efficiency and improve productivity mainly through BIM, front-loading, and off-site construction.

Under the Management Foundation Strategy, we acquired and developed human resources for our business growth, worked to improve employee engagement and enhance corporate recognition of the Group, and worked to strengthen the system for construction projects, including partner companies. While at the same time, we promoted digital transformation (DX) mainly through advanced data utilization and the use of generative AI.

While ensuring consistency among the corporate philosophy, the 9th Medium-term Management Plan and business activities, we identified materiality as key issues to be addressed on a priority basis toward sustainably enhancing corporate value.

As a result of these initiatives, orders received came to 92,739 million yen (up 100.3% year on year), due mainly to the acquisition of large-scale data center projects, as well as the acquisition of a large-scale office building project.

Net sales amounted to 38,936 million yen (down 4.0% year on year), due in part to the absence of a large-scale office building project recorded as sales in the previous fiscal year.

Meanwhile, on the profit front, operating profit came to 4,807 million yen (up 33.0% year on year), ordinary profit amounted to 5,236 million yen (up 31.0% year on year), and profit attributable to owners of parent was 3,584 million yen (up 26.5% year on year), reflecting the benefits of continued strategic marketing activities and initiatives to improve productivity through promoting front-loading.

(2) Overview of semi-annual financial position

Assets

The Group’s total assets at the end of the first half of the fiscal year under review stood at 107,739 million yen, a decrease of 3,196 million yen from the end of the previous fiscal year.

The decrease in total assets was mainly attributable to a decrease of 16,639 million yen in notes receivable, accounts receivable from completed construction contracts and other due to the collection of construction fees, partially offset by an increase of 12,081 million yen in cash and deposits and an increase of 3,477 million yen in securities.

Liabilities

The Group’s total liabilities at the end of the first half of the fiscal year under review stood at 34,033 million yen, an increase of 3,767 million yen from the end of the previous fiscal year.

The increase in liabilities was mainly attributable to a 13,071 million yen increase in advances received on construction contracts in progress, despite a 5,046 million yen decrease in notes payable, accounts payable for construction contracts and other due to payments to suppliers and a 2,185 million yen decrease in income taxes payable due to tax payments based on tax returns.

Net assets

The Group's net assets at the end of the first half of the fiscal year under review stood at 73,705 million yen, a decrease of 6,964 million yen from the end of the previous fiscal year.

The decrease in net assets was mainly attributable to an increase of 6,486 million yen in treasury shares, largely due to the repurchase of treasury shares and a decrease of 2,160 million yen in retained earnings after the payment of dividends, partly offset by the posting of 3,584 million yen as profit attributable to owners of parent.

(3) Forecast for the fiscal year ending March 31, 2027

There is no change in the forecast for consolidated results of operations that was announced on May 13, 2026.

2. Semi-annual Consolidated Financial Statements and Important Notes

(1) Semi-annual consolidated balance sheet

(Million yen)

	Fiscal year ended March 31, 2026 (As of March 31, 2026)	First half ended September 30, 2026 (As of September 30, 2026)
Assets		
Current assets		
Cash and deposits	27,393	39,474
Notes receivable, accounts receivable from completed construction contracts and other	39,293	22,654
Electronically recorded monetary claims – operating	947	1,887
Securities	6,984	10,462
Costs on construction contracts in progress	1,975	2,384
Other	469	352
Allowance for doubtful accounts	(1)	(1)
Total current assets	77,062	77,213
Noncurrent assets		
Property, plant and equipment	873	862
Intangible assets	306	309
Investments and other assets		
Investment securities	27,252	23,969
Other	5,468	5,404
Allowance for doubtful accounts	(28)	(20)
Total investments and other assets	32,693	29,353
Total noncurrent assets	33,872	30,525
Total assets	110,935	107,739

(Million yen)

	Fiscal year ended March 31, 2026 (As of March 31, 2026)	First half ended September 30, 2026 (As of September 30, 2026)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	11,270	6,224
Income taxes payable	2,991	806
Advances received on construction contracts in progress	3,152	16,224
Provision for bonuses	4,297	1,960
Provision for warranties for completed construction	98	98
Provision for loss on construction contracts	104	103
Other	4,572	4,775
Total current liabilities	26,487	30,191
Noncurrent liabilities		
Retirement benefit liability	699	690
Other	3,079	3,151
Total noncurrent liabilities	3,778	3,841
Total liabilities	30,265	34,033
Net assets		
Shareholders' equity		
Share capital	5,753	5,753
Capital surplus	6,140	6,140
Retained earnings	56,922	58,342
Treasury shares	(1,324)	(7,810)
Total shareholders' equity	67,491	62,425
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,071	10,114
Remeasurements of defined benefit plans	(144)	(114)
Total accumulated other comprehensive income	11,927	10,000
Share acquisition rights	166	158
Non-controlling interests	1,084	1,120
Total net assets	80,669	73,705
Total liabilities and net assets	110,935	107,739

(2) Semi-annual consolidated statement of income and consolidated statement of comprehensive income

(Semi-annual consolidated statement of income)

(Million yen)

	First half ended September 30, 2025 (April 1, 2025–September 30, 2025)	First half ended September 30, 2026 (April 1, 2026–September 30, 2026)
Net sales	40,542	38,936
Cost of sales	32,399	29,170
Gross profit	8,142	9,766
Selling, general and administrative expenses	4,526	4,958
Operating profit	3,615	4,807
Non-operating income		
Interest income	58	84
Dividend income	239	278
Gain on investments in silent partnerships	41	46
Other	52	28
Total non-operating income	392	438
Non-operating expenses		
Other	10	8
Total non-operating expenses	10	8
Ordinary profit	3,998	5,236
Extraordinary income		
Gain on sale of investment securities	213	–
Total extraordinary income	213	–
Profit before income taxes	4,211	5,236
Income taxes - current	438	713
Income taxes - deferred	924	928
Total income taxes	1,362	1,642
Profit	2,848	3,594
Profit attributable to non-controlling interests	14	10
Profit attributable to owners of parent	2,833	3,584

(Semi-annual consolidated statement of comprehensive income)

(Million yen)

	First half ended September 30, 2025 (April 1, 2025−September 30, 2025)	First half ended September 30, 2026 (April 1, 2026−September 30, 2026)
Profit	2,848	3,594
Other comprehensive income		
Valuation difference on available-for-sale securities	1,800	(1,929)
Remeasurements of defined benefit plans, net of tax	14	29
Total other comprehensive income	1,815	(1,899)
Comprehensive income	4,664	1,694
Comprehensive income attributable to:		
Owners of parent	4,641	1,657
Non-controlling interests	22	37

(3) Notes to semi-annual consolidated financial statements

(Significant change in shareholders' equity)

Pursuant to a resolution adopted by the Board of Directors at its meeting held on May 13, 2026, the Company acquired 1,950,000 shares of its own stock. As a result, the carrying amount of treasury shares increased by 6,486 million yen during the first half of the fiscal year under review and stood at 7,810 million yen as of September 30, 2026.

(Going concern assumptions)

No