

May 14, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: PS Construction Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 1871
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 Scheduled date of annual general meeting of shareholders: June 22, 2026
 Scheduled date to commence dividend payments: June 23, 2026
 Scheduled date to file annual securities report: June 19, 2026
 Preparation of supplementary material on financial results: Yes (for analysts)
 Holding of financial results briefing: Yes (for analysts)

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

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	149,370	10.1	12,932	5.0	12,717	3.8	9,328	13.5
March 31, 2025	135,627	4.9	12,315	57.3	12,252	58.2	8,217	62.6

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥11,914 million [49.5%]
 For the fiscal year ended March 31, 2025: ¥7,971 million [21.5%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	199.33	-	15.1	9.3	8.7
March 31, 2025	175.92	-	14.9	9.7	9.1

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2026: ¥24 million
 For the fiscal year ended March 31, 2025: ¥35 million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	142,464	65,486	46.0	1,398.68
March 31, 2025	130,836	57,880	44.2	1,237.94

Reference: Equity
 As of March 31, 2026: ¥65,485 million
 As of March 31, 2025: ¥57,880 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	(17,473)	(506)	5,243	9,343
March 31, 2025	15,952	(807)	(4,206)	22,100

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	22.00	-	50.00	72.00	3,412	40.9	6.1
Fiscal year ended March 31, 2026	-	40.00	-	80.00	120.00	5,687	60.2	9.1
Fiscal year ending March 31, 2027 (Forecast)		50.50		50.50	101.00		60.6	

3. Forecast of consolidated financial results 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
Fiscal year ending March 31, 2027	142,600	(4.5)	10,800	(16.5)	10,600	(16.6)	7,800	(16.4)	166.67

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) 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
- (3) Number of issued shares (common shares)

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

As of March 31, 2026	47,486,029 shares
As of March 31, 2025	47,486,029 shares

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

As of March 31, 2026	666,583 shares
As of March 31, 2025	730,680 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	46,798,264 shares
Fiscal year ended March 31, 2025	46,714,446 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	139,161	14.2	10,771	7.8	11,063	6.9	8,494	16.8
March 31, 2025	121,830	4.9	9,989	55.2	10,347	58.6	7,273	68.1

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	181.51	-
March 31, 2025	155.70	-

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	129,254	54,927	42.5	1,173.16
March 31, 2025	117,926	49,251	41.8	1,053.39

Reference: Equity

As of March 31, 2026: ¥54,927 million

As of March 31, 2025: ¥49,251 million

2. Non-consolidated earnings forecast for the fiscal year ending March 31, 2027 (April 1, 2026 ~ March 31, 2027)

(Percentages indicate year-on-year changes.)

Fiscal year ending	Net sales		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2027	130,000	(6.6)	9,800	(11.4)	8,900	4.8	190.18

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The earnings forecasts described in this material are based on information available as of the date of this release, and actual results may differ from the forecasts due to various factors in the future. For matters related to earnings forecasts, please refer to "1. Summary of Business Results, etc. (1) Analysis of Business Results."

(Method of accessing supplementary material on financial results)

The Company plans to hold a briefing for analysts on Tuesday, June 2, 2026. The financial results briefing materials to be distributed at this briefing will be posted on the same day, and a video of the briefing will be posted on the Company's website after the meeting.

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	22,100	9,343
Notes receivable - trade	1,074	8
Electronically recorded monetary claims - operating	760	2,865
Accounts receivable - trade	389	329
Accounts receivable from completed construction contracts	24,621	25,263
Contract assets	48,223	67,692
Costs on construction contracts in progress	3,425	2,381
Other inventories	1,032	766
Accounts receivable - other	2,729	4,516
Other	475	774
Allowance for doubtful accounts	(216)	(293)
Total current assets	104,616	113,648
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,866	10,768
Machinery, vehicles, tools, furniture and fixtures	10,019	10,158
Land	8,454	8,340
Leased assets	1,558	1,384
Construction in progress	261	93
Accumulated depreciation	(14,441)	(14,196)
Total property, plant and equipment	16,718	16,548
Intangible assets	59	39
Investments and other assets		
Investment securities	3,749	5,881
Distressed receivables	860	288
Deferred tax assets	1,540	757
Retirement benefit asset	2,972	4,374
Other	1,179	1,216
Allowance for doubtful accounts	(860)	(288)
Total investments and other assets	9,442	12,228
Total non-current assets	26,220	28,816
Total assets	130,836	142,464

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	18,077	19,223
Electronically recorded obligations - operating	5,746	8,009
Short-term borrowings	9,500	15,100
Current portion of long-term borrowings	4,360	3,260
Income taxes payable	2,949	2,244
Contract liabilities	13,475	4,813
Provision for bonuses	975	1,090
Provision for warranties for completed construction	130	77
Provision for loss on construction contracts	35	45
Deposits received	3,046	2,906
Other	3,446	3,815
Total current liabilities	61,742	60,586
Non-current liabilities		
Long-term borrowings	4,700	9,940
Deferred tax liabilities for land revaluation	1,250	1,250
Provision for retirement benefits for directors (and other officers)	183	214
Provision for share-based payments	276	243
Retirement benefit liability	3,345	3,310
Asset retirement obligations	317	319
Other	1,140	1,113
Total non-current liabilities	11,213	16,391
Total liabilities	72,955	76,978
Net assets		
Shareholders' equity		
Share capital	4,218	4,218
Capital surplus	8,110	8,110
Retained earnings	41,992	46,813
Treasury shares	(431)	(475)
Total shareholders' equity	53,890	58,667
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,537	3,021
Revaluation reserve for land	1,838	2,080
Foreign currency translation adjustment	(139)	(193)
Remeasurements of defined benefit plans	753	1,910
Total accumulated other comprehensive income	3,989	6,817
Non-controlling interests	0	0
Total net assets	57,880	65,486
Total liabilities and net assets	130,836	142,464

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales		
Net sales of completed construction contracts	135,627	149,370
Total net sales	135,627	149,370
Cost of sales		
Cost of sales of completed construction contracts	112,594	124,616
Total cost of sales	112,594	124,616
Gross profit		
Gross profit on completed construction contracts	23,032	24,754
Total gross profit	23,032	24,754
Selling, general and administrative expenses	10,717	11,822
Operating profit	12,315	12,932
Non-operating income		
Interest income	5	30
Dividend income	94	125
Share of profit of entities accounted for using equity method	35	24
Royalty income	32	6
Gain on sale of scraps	31	24
Other	106	111
Total non-operating income	305	322
Non-operating expenses		
Interest expenses	238	364
Guarantee commission	62	85
Commission expenses	46	45
Other	21	40
Total non-operating expenses	367	537
Ordinary profit	12,252	12,717
Extraordinary income		
Gain on sale of non-current assets	47	162
Gain on sale of investment securities	-	135
Other	-	2
Total extraordinary income	47	300
Extraordinary losses		
Loss on sale and retirement of non-current assets	24	121
Loss on valuation of investment securities	15	-
Impairment losses	-	61
Loss on valuation of inventories	44	-
Other	15	13
Total extraordinary losses	100	196
Profit before income taxes	12,200	12,821
Income taxes - current	4,080	3,924
Income taxes - deferred	(98)	(431)
Total income taxes	3,982	3,493
Profit	8,217	9,328
Loss attributable to non-controlling interests	(0)	(0)
Profit attributable to owners of parent	8,217	9,328

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	8,217	9,328
Other comprehensive income		
Valuation difference on available-for-sale securities	(387)	1,484
Revaluation reserve for land	(35)	-
Foreign currency translation adjustment	0	(30)
Remeasurements of defined benefit plans, net of tax	146	1,156
Share of other comprehensive income of entities accounted for using equity method	29	(23)
Total other comprehensive income	(246)	2,586
Comprehensive income	7,971	11,914
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,971	11,914
Comprehensive income attributable to non-controlling interests	(0)	(0)

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,218	8,110	36,137	(491)	47,974
Changes during period					
Dividends of surplus			(2,322)		(2,322)
Profit attributable to owners of parent			8,217		8,217
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				61	61
Gain on disposal of treasury stock		0			0
Reversal of revaluation reserve for land			(40)		(40)
Net changes in items other than shareholders' equity					
Total changes during period	-	0	5,855	60	5,915
Balance at end of period	4,218	8,110	41,992	(431)	53,890

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,924	1,833	(170)	606	4,195	0	52,170
Changes during period							
Dividends of surplus							(2,322)
Profit attributable to owners of parent							8,217
Purchase of treasury shares							(0)
Disposal of treasury shares							61
Gain on disposal of treasury stock							0
Reversal of revaluation reserve for land							(40)
Net changes in items other than shareholders' equity	(387)	4	30	146	(205)	(0)	(205)
Total changes during period	(387)	4	30	146	(205)	(0)	5,710
Balance at end of period	1,537	1,838	(139)	753	3,989	0	57,880

Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,218	8,110	41,992	(431)	53,890
Changes during period					
Dividends of surplus			(4,265)		(4,265)
Profit attributable to owners of parent			9,328		9,328
Purchase of treasury shares				(115)	(115)
Disposal of treasury shares				71	71
Gain on disposal of treasury stock					-
Reversal of revaluation reserve for land			(241)		(241)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	4,821	(44)	4,777
Balance at end of period	4,218	8,110	46,813	(475)	58,667

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,537	1,838	(139)	753	3,989	0	57,880
Changes during period							
Dividends of surplus							(4,265)
Profit attributable to owners of parent							9,328
Purchase of treasury shares							(115)
Disposal of treasury shares							71
Gain on disposal of treasury stock							-
Reversal of revaluation reserve for land		241			241		-
Net changes in items other than shareholders' equity	1,484		(54)	1,156	2,586	(0)	2,586
Total changes during period	1,484	241	(54)	1,156	2,828	(0)	7,605
Balance at end of period	3,021	2,080	(193)	1,910	6,817	0	65,486

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	12,200	12,821
Depreciation	1,129	1,106
Amortization of goodwill	19	19
Share of loss (profit) of entities accounted for using equity method	(35)	(24)
Impairment losses	-	61
Decrease (increase) in retirement benefit asset	41	(1,401)
Increase (decrease) in retirement benefit liability	(251)	1,654
Increase (decrease) in provision for retirement benefits for directors (and other officers)	54	30
Increase (decrease) in provision for share-based payments	24	(33)
Increase (decrease) in provision for warranties for completed construction	50	(53)
Increase (decrease) in provision for loss on construction contracts	(513)	10
Increase (decrease) in provision for bonuses	209	115
Increase (decrease) in allowance for doubtful accounts	(119)	(495)
Interest and dividend income	(99)	(155)
Interest expenses	238	364
Commission expenses	46	51
Loss (gain) on sale and retirement of non-current assets	(22)	(40)
Loss (gain) on sale of investment securities	-	(135)
Decrease (increase) in accounts receivable - trade, and contract assets	2,219	(21,093)
Decrease (increase) in inventories	(376)	1,310
Increase (decrease) in trade payables	(5,218)	3,409
Increase (decrease) in contract liabilities	8,016	(8,661)
Decrease (increase) in accounts receivable - other	(104)	(1,787)
Increase (decrease) in accounts payable - other	(17)	88
Increase (decrease) in deposits received	1,480	(139)
Other, net	426	370
Subtotal	19,396	(12,607)
Interest and dividends received	100	155
Interest paid	(234)	(345)
Income taxes paid	(3,309)	(4,676)
Net cash provided by (used in) operating activities	15,952	(17,473)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,003)	(1,203)
Proceeds from sale of property, plant and equipment	201	717
Purchase of intangible assets	-	(0)
Purchase of investment securities	(1)	(1)
Proceeds from sale of investment securities	-	167
Loan advances	(3)	(231)
Other, net	(1)	45
Net cash provided by (used in) investing activities	(807)	(506)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,319)	5,600
Proceeds from long-term borrowings	-	8,500
Repayments of long-term borrowings	(360)	(4,360)
Repayments of lease liabilities	(175)	(206)
Purchase of treasury shares	(0)	(1)
Dividends paid	(2,322)	(4,265)
Other, net	(29)	(22)
Net cash provided by (used in) financing activities	(4,206)	5,243
Effect of exchange rate change on cash and cash equivalents	(1)	(21)
Net increase (decrease) in cash and cash equivalents	10,937	(12,756)
Cash and cash equivalents at beginning of period	11,163	22,100
Cash and cash equivalents at end of period	22,100	9,343

Balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	17,528	4,607
Notes receivable - trade	841	2
Electronically recorded monetary claims - operating	539	2,601
Accounts receivable from completed construction contracts	22,293	24,010
Contract assets	47,248	66,599
Costs on construction contracts in progress	3,328	2,266
Work in process	151	37
Raw materials and supplies	49	33
Prepaid expenses	159	229
Accounts receivable - other	2,723	4,494
Accrued revenue	0	0
Short-term loans receivable from subsidiaries and associates	250	100
Advances paid	28	41
Other	75	72
Allowance for doubtful accounts	(213)	(289)
Total current assets	95,005	104,808

	As of March 31, 2025	As of March 31, 2026
Non-current assets		
Property, plant and equipment		
Buildings	9,323	9,045
Accumulated depreciation	(4,401)	(4,219)
Buildings, net	4,922	4,825
Structures	946	966
Accumulated depreciation	(652)	(670)
Structures, net	294	295
Machinery and equipment	2,172	2,197
Accumulated depreciation	(1,766)	(1,842)
Machinery and equipment, net	405	355
Vehicles	29	29
Accumulated depreciation	(29)	(29)
Vehicles, net	0	0
Tools, furniture and fixtures	1,338	1,426
Accumulated depreciation	(1,143)	(1,206)
Tools, furniture and fixtures, net	194	219
Land	7,081	6,969
Leased assets	1,409	1,337
Accumulated depreciation	(466)	(483)
Leased assets, net	943	853
Construction in progress	106	100
Total property, plant and equipment	13,948	13,619
Intangible assets	27	26
Investments and other assets		
Investment securities	3,000	5,163
Shares of subsidiaries and associates	1,546	1,546
Investments in capital	0	0
Investments in capital of subsidiaries and associates	66	66
Distressed receivables	857	284
Guarantee deposits	876	861
Deferred tax assets	1,356	1,116
Prepaid pension costs	1,981	1,869
Other	115	174
Allowance for doubtful accounts	(857)	(284)
Total investments and other assets	8,945	10,799
Total non-current assets	22,920	24,446
Total assets	117,926	129,254

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable - trade	339	72
Electronically recorded obligations - operating	5,603	6,831
Accounts payable for construction contracts	16,342	18,607
Short-term borrowings	9,500	15,100
Lease liabilities	215	163
Current portion of long-term borrowings	4,360	3,260
Accounts payable - other	1,461	1,570
Accrued expenses	350	414
Income taxes payable	2,244	1,844
Contract liabilities	13,338	4,645
Deposits received	2,935	4,104
Provision for bonuses	876	980
Provision for warranties for completed construction	130	77
Provision for loss on construction contracts	8	19
Other	646	1,104
Total current liabilities	58,352	58,796
Non-current liabilities		
Long-term borrowings	4,700	9,940
Lease liabilities	747	712
Deferred tax liabilities for land revaluation	1,250	1,250
Provision for retirement benefits	2,682	2,727
Provision for share-based payments	276	243
Asset retirement obligations	317	319
Other	347	337
Total non-current liabilities	10,322	15,531
Total liabilities	68,674	74,327
Net assets		
Shareholders' equity		
Share capital	4,218	4,218
Capital surplus		
Legal capital surplus	8,110	8,110
Other capital surplus	0	0
Total capital surplus	8,110	8,110
Retained earnings		
Other retained earnings		
Retained earnings brought forward	33,984	37,971
Total retained earnings	33,984	37,971
Treasury shares	(431)	(475)
Total shareholders' equity	45,882	49,826
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,530	3,020
Revaluation reserve for land	1,838	2,080
Total valuation and translation adjustments	3,369	5,100
Total net assets	49,251	54,927
Total liabilities and net assets	117,926	129,254

Statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales		
Net sales of completed construction contracts	118,903	137,816
Net sales in sideline businesses	2,926	1,344
Total net sales	121,830	139,161
Cost of sales		
Cost of sales of completed construction contracts	100,864	117,826
Cost of sales in sideline businesses	2,583	1,089
Total cost of sales	103,447	118,915
Gross profit		
Gross profit on completed construction contracts	18,039	19,990
Gross profit on sideline businesses	343	255
Total gross profit	18,382	20,245
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	229	250
Employees' salaries and allowances	2,935	3,034
Provision for bonuses	197	228
Retirement benefit expenses	94	99
Provision for share-based payments	90	42
Legal welfare expenses	527	534
Welfare expenses	259	296
Repair and maintenance expenses	0	19
Stationery expenses	75	112
Communication and transportation expenses	325	362
Power utilities expenses	21	23
Research study expenses	721	788
Advertising expenses	102	162
Entertainment expenses	115	134
Donations	19	38
Rent expenses on land and buildings	308	313
Provision of allowance for doubtful accounts	(17)	75
Depreciation	270	295
Taxes and dues	564	593
Insurance expenses	47	45
Miscellaneous expenses	1,502	2,018
Total selling, general and administrative expenses	8,392	9,474
Operating profit	9,989	10,771

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Non-operating income		
Interest income	8	11
Dividend income	556	715
Rental income	18	15
Royalty income	44	25
Gain on sale of goods	0	0
Foreign exchange gains	-	15
Recoveries of written off receivables	25	-
Other	58	38
Total non-operating income	712	823
Non-operating expenses		
Interest expenses	234	368
Guarantee commission	61	83
Foreign exchange losses	6	-
Commission expenses	46	45
Other	6	32
Total non-operating expenses	354	531
Ordinary profit	10,347	11,063
Extraordinary income		
Gain on sale of non-current assets	22	146
Gain on sale of investment securities	-	107
Other	-	2
Total extraordinary income	22	256
Extraordinary losses		
Loss on sale and retirement of non-current assets	22	122
Loss on valuation of investment securities	15	-
Impairment losses	-	61
Loss on valuation of golf club membership	1	-
Loss on sale of golf club membership	4	-
Other	7	-
Total extraordinary losses	52	183
Profit before income taxes	10,316	11,135
Income taxes - current	3,094	3,087
Income taxes - deferred	(51)	(446)
Total income taxes	3,043	2,641
Profit	7,273	8,494

Statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity							Total shareholders' equity
	Share capital	Capital surplus			Retained earnings		Treasury shares	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at beginning of period	4,218	8,110	0	8,110	29,073	29,073	(491)	40,911
Changes during period								
Dividends of surplus					(2,322)	(2,322)		(2,322)
Profit					7,273	7,273		7,273
Purchase of treasury shares							(0)	(0)
Disposal of treasury shares							61	61
Gain on disposal of treasury stock			0	0				0
Reversal of revaluation reserve for land					(40)	(40)		(40)
Net changes in items other than shareholders' equity								
Total changes during period	-	-	0	0	4,910	4,910	60	4,971
Balance at end of period	4,218	8,110	0	8,110	33,984	33,984	(431)	45,882

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	1,916	1,833	3,749	44,661
Changes during period				
Dividends of surplus				(2,322)
Profit				7,273
Purchase of treasury shares				(0)
Disposal of treasury shares				61
Gain on disposal of treasury stock				0
Reversal of revaluation reserve for land				(40)
Net changes in items other than shareholders' equity	(385)	4	(380)	(380)
Total changes during period	(385)	4	(380)	4,590
Balance at end of period	1,530	1,838	3,369	49,251

Statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity							Total shareholders' equity
	Share capital	Capital surplus			Retained earnings		Treasury shares	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings		
Balance at beginning of period	4,218	8,110	0	8,110	33,984	33,984	(431)	45,882
Changes during period								
Dividends of surplus					(4,265)	(4,265)		(4,265)
Profit					8,494	8,494		8,494
Purchase of treasury shares							(115)	(115)
Disposal of treasury shares							71	71
Gain on disposal of treasury stock								-
Reversal of revaluation reserve for land					(241)	(241)		(241)
Net changes in items other than shareholders' equity								
Total changes during period	-	-	-	-	3,987	3,987	(44)	3,943
Balance at end of period	4,218	8,110	0	8,110	37,971	37,971	(475)	49,826

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	1,530	1,838	3,369	49,251
Changes during period				
Dividends of surplus				(4,265)
Profit				8,494
Purchase of treasury shares				(115)
Disposal of treasury shares				71
Gain on disposal of treasury stock				-
Reversal of revaluation reserve for land		241	241	-
Net changes in items other than shareholders' equity	1,490		1,490	1,490
Total changes during period	1,490	241	1,731	5,675
Balance at end of period	3,020	2,080	5,100	54,927

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Group's reporting segments are those of the constituent units of the Group for which separate financial information is available and are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate business performance.

The Group is engaged in business activities centered on the construction business, and has established business divisions for civil engineering and construction, as well as departments to manage affiliated companies and other businesses at the head office, and formulates comprehensive strategies and develops business activities in Japan and overseas.

The Group is comprised of segments based on the Company's business and affiliated companies, and is reported into four reporting segments: Civil Engineering, Construction, Affiliates, and Other Businesses.

"Civil Engineering Business" refers to the business of contracting for civil engineering work conducted by the Company, "Construction Business" refers to the business of contracting for construction work conducted by the Company, "Affiliated Company Business" is the business of the Company's consolidated subsidiaries, and "Other Business" is the business of real estate leasing and other activities conducted by the Company.

(From the current fiscal year, the reporting segments have been changed from the previous four categories of "Civil Engineering," "Construction," "Manufacturing," and "Other Concurrent Business" to four categories: "Civil Engineering," "Construction," "Affiliated Companies," and "Other Business.")

This change is intended to respond to changes in the business environment and to reorganize the business segments centered on the civil engineering and construction businesses, which are the mainstay of the business from the perspective of a management approach.

As a result of this change, the "Affiliate Business," which was previously included in the classification of each segment, is now an independent segment, and the "Manufacturing Business" is now included in the "Affiliated Company Business."

Segment information for the previous fiscal year is disclosed based on the classification of reporting segments for the current fiscal year.)

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The accounting methods for the reported business segments are substantially identical to those used in the preparation of the consolidated financial statements.

Profit for reporting segments is a gross margin-based figure.

Internal revenues and transfers between segments are based on prevailing market prices.

Segment assets are not included because they are not included in the determination of the allocation of management resources and the evaluation of business performance.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

The previous fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments					Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
	Civil engineering and construction business	Building and construction business	Subsidiaries and Affiliates	Other Businesses	Total		
Sales							
Revenues from external customers	68,599	52,857	13,766	403	135,627	-	135,627
Transactions with other segments	57	-	11,883	-	11,941	(11,941)	-
Total	68,657	52,857	25,650	403	147,568	(11,941)	135,627
Segment profit (gross profit)	13,174	5,116	4,715	120	23,126	(93)	23,032
Other items							
Depreciation	158	16	456	160	791	338	1,129

Note: 1. This is due to the elimination of inter-segment transactions.

2. Segment profit is adjusted to gross profit in the consolidated financial statements.

The current fiscal year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments					Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
	Civil engineering and construction business	Building and construction business	Subsidiaries and Affiliates	Other Businesses	Total		
Sales							
Revenues from external customers	75,814	62,905	10,244	406	149,370	-	149,370
Transactions with other segments	35	-	14,681	-	14,716	(14,716)	-
Total	75,849	62,905	24,925	406	164,087	(14,716)	149,370
Segment profit (gross profit)	14,167	5,952	4,488	126	24,734	19	24,754
Other items							
Depreciation	139	12	442	159	755	350	1,106

Note: 1. This is due to the elimination of inter-segment transactions.

2. Segment profit is adjusted to gross profit in the consolidated financial statements.

4. Difference between Total Segment Amount and Amount Recorded in Consolidated Financial Statements, and Main Details of the Difference (Matters Related to Adjustment of Differences)

(Millions of yen)

Sales	The previous fiscal year	The current fiscal year
Total Reporting Segments	147,568	164,087
Adjustment Amount (Inter-Segment Transaction Elimination)	(11,941)	(14,716)
Sales in consolidated financial statements	135,627	149,370

(Millions of yen)

benefit	The previous fiscal year	The current fiscal year
Total Reporting Segments	23,126	24,734
Adjustment Amount (Inter-Segment Transaction Elimination)	(93)	19
Selling, general and administrative expenses	(10,717)	(11,822)
Operating income in consolidated financial statements	12,315	12,932