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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [Japanese GAAP]



April 28, 2026

Company name: Yurtec Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 1934
 URL: <https://www.yurtec.co.jp/>
 Representative: Ikumi Kobayashi, Representative Director & President, Chief Executive Officer
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 Phone: +81-22-296-2111
 Scheduled date of general shareholders' meeting: June 26, 2026
 Scheduled date of commencing dividend payments: June 29, 2026
 Scheduled date of filing securities report: June 24, 2026
 Availability of supplementary explanatory materials on financial results: Available
 Schedule of financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 - March 31, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|----------------------------------|-------------|-------|------------------|------|-----------------|------|---|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Fiscal year ended March 31, 2026 | 252,262 | (1.9) | 18,038 | 11.4 | 18,901 | 9.2 | 10,325 | (13.8) |
| March 31, 2025 | 257,204 | 5.8 | 16,185 | 53.8 | 17,302 | 45.6 | 11,982 | 59.6 |

(Note) Comprehensive income: Fiscal year ended March 31, 2026: ¥13,150 million [(2.0)%]
 Fiscal year ended March 31, 2025: ¥13,421 million [36.0%]

| | 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 |
|-------------------|--------------------------|----------------------------|------------------|--|--|
| Fiscal year ended | Yen | Yen | % | % | % |
| March 31, 2026 | 150.34 | – | 6.8 | 8.2 | 7.2 |
| March 31, 2025 | 169.92 | – | 8.3 | 7.4 | 6.3 |

(Reference) Equity in earnings of affiliated companies: Fiscal year ended March 31, 2026: ¥– million
 Fiscal year ended March 31, 2025: ¥– million

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|----------------------|--------------|-------------|--------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of March 31, 2026 | 228,948 | 155,356 | 67.8 | 2,260.83 |
| As of March 31, 2025 | 233,554 | 147,713 | 63.2 | 2,150.42 |

(Reference) Equity: As of March 31, 2026: ¥155,289 million
 As of March 31, 2025: ¥147,650 million

(3) Consolidated Cash Flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at year-end |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|
| Fiscal year ended | Million yen | Million yen | Million yen | Million yen |
| March 31, 2026 | 6,638 | (5,907) | (5,467) | 43,082 |
| March 31, 2025 | 15,078 | (5,803) | (6,836) | 47,688 |

2. Dividends

| | Annual dividends | | | | | Total dividends (annual) | Payout ratio (consolidated) | Ratio of dividends to net assets (consolidated) |
|---------------------------|------------------|-----------------|-----------------|----------|-------|--------------------------|-----------------------------|---|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total | | | |
| Fiscal year ended | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| March 31, 2025 | – | 23.00 | – | 45.00 | 68.00 | 4,738 | 40.0 | 3.3 |
| Fiscal year ended | – | 36.00 | – | 36.00 | 72.00 | 4,945 | 47.9 | 3.3 |
| March 31, 2026 | | | | | | | | |
| Fiscal year ending | – | 39.00 | – | 39.00 | 78.00 | | 40.6 | |
| March 31, 2027 (Forecast) | | | | | | | | |

(Note) Revision to the dividend forecast announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 2027)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-----------|-------------|-----|------------------|-----|-----------------|-----|---|------|--------------------------|
| Full year | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| | 273,000 | 8.2 | 18,900 | 4.8 | 19,500 | 3.2 | 13,200 | 27.8 | 192.20 |

*** Notes:**

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

Newly included: – (Company name: –)

Excluded: – (Company name: –)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(3) Total number of issued shares (common shares)

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

| | |
|----------------------|-------------------|
| As of March 31, 2026 | 69,191,462 shares |
|----------------------|-------------------|

| | |
|----------------------|-------------------|
| As of March 31, 2025 | 69,191,462 shares |
|----------------------|-------------------|

2) Total number of treasury shares at the end of the period:

| | |
|----------------------|----------------|
| As of March 31, 2026 | 504,651 shares |
|----------------------|----------------|

| | |
|----------------------|----------------|
| As of March 31, 2025 | 530,023 shares |
|----------------------|----------------|

3) Average number of shares during the period:

| | |
|----------------------------------|-------------------|
| Fiscal year ended March 31, 2026 | 68,679,340 shares |
|----------------------------------|-------------------|

| | |
|----------------------------------|-------------------|
| Fiscal year ended March 31, 2025 | 70,518,335 shares |
|----------------------------------|-------------------|

* These financial results are outside the scope of audit by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

● The forward-looking statements, including earnings forecasts, contained in this document are based on the information currently available to the Company and certain assumptions that it deems to be reasonable. As such, they do not constitute guarantees by the Company of future performance. Actual results may differ materially from these projections due to various factors. For matters regarding financial results forecast, please see page 3 of the attachment, “(4) Future Outlook” in “1. Overview of Operating Results, etc.”

● The supplementary explanatory materials on financial results will be posted on the Company’s website on the same day.

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 - March 31, 2026)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

| Fiscal year ended | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|-------------------|-------------|-------|------------------|------|-----------------|------|-------------|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| March 31, 2026 | 227,891 | (0.4) | 16,650 | 19.6 | 18,051 | 17.9 | 8,361 | (23.5) |
| March 31, 2025 | 228,759 | 3.0 | 13,923 | 41.7 | 15,310 | 33.0 | 10,926 | 48.0 |

| Fiscal year ended | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| | Yen | Yen |
| March 31, 2026 | 121.74 | — |
| March 31, 2025 | 154.94 | — |

(2) Non-consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|----------------------|--------------|-------------|--------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of March 31, 2026 | 194,721 | 130,282 | 66.9 | 1,896.76 |
| As of March 31, 2025 | 202,422 | 126,507 | 62.5 | 1,842.48 |

(Reference) Equity: As of March 31, 2026: ¥130,282 million

As of March 31, 2025: ¥126,507 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 2027)

(% indicates changes from the previous corresponding period.)

| Full year | Net sales | | Operating profit | | Ordinary profit | | Profit | | Basic earnings per share |
|-----------|-------------|-----|------------------|-----|-----------------|-----|-------------|------|--------------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| | 238,000 | 4.4 | 17,000 | 2.1 | 18,500 | 2.5 | 12,800 | 53.1 | 186.37 |

* Explanation of the proper use of financial results forecast and other notes

- The forward-looking statements, including earnings forecasts, contained in this document are based on the information currently available to the Company and certain assumptions that it deems to be reasonable. As such, they do not constitute guarantees by the Company of future performance. Actual results may differ materially from these projections due to various factors.
- The supplementary explanatory materials on financial results will be posted on the Company's website on the same day.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

The Japanese economy during the fiscal year ended March 31, 2026 showed a modest recovery trend, with the recovery of personal consumption thanks to the effects of the improving employment and wages conditions and the various government policies, despite the continued impact of U.S. trade policy.

In the construction industry, public-sector investments continued to be firm, and private-sector capital investment showed signs of a modest recovery.

Under these circumstances, the Company pursued business expansion, toward achieving the “2030 Vision” and the “Medium-Term Management Plan 2024–2028,” as well as the early achievement of the numerical targets, through the development of four priority businesses (Business other than Tohoku and Niigata regions, Overseas business, Renewable energy-related construction, and Renewal projects), premised on finding more business opportunities in the Tohoku and Niigata regions, where it has conducted business since its founding.

In the FY2024 results, the Company achieved operating profit and ROE ahead of schedule among the numerical targets set out in the Medium-Term Management Plan, and therefore revised upward its numerical targets in October 2025.

In the Tohoku and Niigata regions, in indoor wiring, air-conditioning, and plumbing installation work, the Company has striven to increase orders received for work mainly for large plants and commercial facilities, as well as orders received for related information and telecommunications installation work, in addition to focusing on the further maintenance and strengthening of trust relationships with local customers. In electric power infrastructure construction work, the Company has striven to increase orders received by enhancing its competitiveness through early building of construction systems, design collaboration, and solution-based sales, in addition to securing confirmed orders received for planned renewal work on power transmission and distribution facilities as well as for reinforcement and maintenance work on main power grids.

In the business other than Tohoku and Niigata regions, the Company worked to increase orders received for construction in growth areas such as data centers, and to expand into neighboring sales areas.

In the retention and development of human resources, the Company continued the implementation of the key measures of the Yurtec Human Resources Strategy (securing human resources, strengthening human resource development, creating an attractive work environment, and improving employee engagement). In the utilization of digital technology, the Company strove to strengthen its management base through the continued promotion of DX, including smart device compatibility in accounting processes and expansion of digital contract processes.

Net sales for the fiscal year ended March 31, 2026 decreased by ¥4,942 million (down 1.9% year on year) to ¥252,262 million, due to progress on large construction projects at the Company falling below initial expectations and later-than-expected orders received for large construction projects at its overseas subsidiaries.

In terms of profits, operating profit increased by ¥1,853 million (up 11.4% year on year) to ¥18,038 million and ordinary profit increased by ¥1,598 million (up 9.2% year on year) to ¥18,901 million thanks to improved profitability of construction contracts caused by thorough cost management.

Profit attributable to owners of parent decreased by ¥1,657 million (down 13.8% year on year) to ¥10,325 million due to the recording of extraordinary losses arising from one-time amortization of goodwill related to Sigma Engineering JSC and impairment losses on customer-related and operating assets.

Operating results by segment are as follows.

(Facilities engineering business)

In the facilities engineering business, which forms the core of the Group, net sales to outside customers amounted to ¥248,940 million, a decrease of ¥5,111 million (down 2.0%) year on year, and segment profit was ¥17,330 million, an increase of ¥1,948 million (up 12.7%) year on year.

(Other)

In other businesses, centered on leasing businesses such as vehicles, office equipment, and construction machinery, security business, and the production of mineral water, net sales to outside customers amounted to ¥3,321 million, an increase of ¥169 million (up 5.4%) year on year, and segment profit was ¥800 million, a decrease of ¥75 million (down 8.6%) year on year.

(2) Overview of Financial Position for the Fiscal Year under Review

Total net assets were ¥228,948 million, a decrease of ¥4,605 million compared with the end of the previous fiscal year. This is mainly attributable to decreases of ¥11,001 million in securities and ¥6,263 million in notes receivable, accounts receivable from completed construction contracts and other, despite increases of ¥8,325 million in cash and deposits and ¥4,338 million in buildings and structures.

Total liabilities were ¥73,592 million, a decrease of ¥12,247 million compared with the end of the previous fiscal year. This is mainly attributable to decreases of ¥9,924 million in electronically recorded obligations - operating and ¥8,340 million in notes payable, accounts payable for construction contracts and other, despite an increase of ¥2,876 million in advances received on construction contracts in progress.

Total net assets were ¥155,356 million, an increase of ¥7,642 million compared with the end of the previous fiscal year. This is mainly attributable to increases of ¥4,778 million in retained earnings and ¥2,116 million in remeasurements of defined benefit plans.

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents (hereinafter “cash”) at the end of the fiscal year under review amounted to ¥43,082 million, a decrease of ¥4,605 million from the end of the previous fiscal year.

Cash flows in each area of activity and their respective contributing factors for the fiscal year under review are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥6,638 million, a decrease of ¥8,440 million from the previous fiscal year. The main contributing factors were the recording of ¥15,837 million in profit before income taxes, a decrease of ¥5,377 million in trade receivables, and ¥4,533 million in depreciation, despite a decrease of ¥18,399 million in trade payables.

(Cash flows from investing activities)

Net cash used in investing activities was ¥5,907 million, an increase of ¥103 million from the previous fiscal year. The main contributing factors were ¥4,919 million in purchase of property, plant and equipment and ¥1,449 million in payments into time deposits (net).

(Cash flows from financing activities)

Net cash used in financing activities was ¥5,467 million, a decrease of ¥1,369 million from the previous fiscal year. The main contributing factor was ¥5,543 million in dividends paid.

(4) Future Outlook

With respect to the forecast for the Japanese economy, despite downside risks to the economy stemming from global trends, economic conditions are expected to continue recovering moderately due to the improvement of employment and wages conditions and government measures to address rising prices.

In the construction industry, public-sector investments are expected to remain firm due in part to the effectiveness of a supplementary budget set by the government, while private-sector capital investment is also expected to continue increasing, mainly driven by labor-saving and digital-related investments, despite the emergence of labor shortages due to declining interest in the industry among younger people and an aging

population.

Under these circumstances, the Group will pursue the five basic strategies and key measures in a unified effort, aiming to realize the “Medium-Term Management Plan 2024–2028” and achieve the numerical targets at an early stage.

[Medium-Term Management Plan 2024–2028]

- Numerical targets for FY2028

Consolidated net sales: 280 billion yen

Consolidated operating profit: 20 billion yen

ROE: 9.0%

The Company will accelerate business expansion through the development of four priority businesses (Business other than Tohoku and Niigata regions, Overseas business, Renewable energy-related construction, and Renewal projects), premised on finding more business opportunities in the Tohoku and Niigata regions, where it has conducted business since its founding.

Specifically, in the Tohoku and Niigata regions, in indoor wiring, air-conditioning, and plumbing installation work, the Company will increase orders received for work mainly for large plants and commercial facilities, as well as orders received for related information and telecommunications installation work, in addition to focusing on the further maintenance and strengthening of trust relationships with local customers. In electric power infrastructure construction work, the Company will strive to enhance its competitiveness through early building of construction systems, design collaboration, and solution-based sales to further increase orders received, in addition to securing confirmed orders received for planned renewal work on power transmission and distribution facilities as well as for reinforcement and maintenance work on main power grids.

In the business other than Tohoku and Niigata regions, the Company will work to increase orders received for construction in growth areas such as data centers, and expand into neighboring sales areas.

In the overseas business, the Company revised the business plan due to a decline in profitability at Sigma Engineering JSC, its consolidated subsidiary, relative to the assumptions at the time of acquisition, amid the impact of the COVID-19 pandemic and a slowdown in investment in the wind-power generation market. In light of extraordinary losses recorded, the Company will work to improve order-stage profitability in indoor wiring, air-conditioning, and plumbing installation work, the core business of Sigma Engineering JSC, and to expand orders received and improve profitability through active sales efforts for renewable energy-related construction, which is expected to grow going forward. In addition, proactive efforts will continue to be made to increase orders received for construction projects under ODA.

In the renewable energy-related construction, the Company expects a longer lead time to receive orders due to rising costs and delays in permits and approvals associated with tighter regulations. Given the continued strong growth potential of renewable energy-related construction, the Company will, however, strive to strengthen operating activities, including surveying and design collaboration for business owners through early collection of information.

In the renewal projects, the Company will make efforts to increase orders received by actively offering proposals that meet clients' equipment updating needs and enhancing technical proposals aimed at achieving carbon neutrality by 2050.

Furthermore, the Company will focus on implementing measures, based on discussions at the Construction System Strengthening Committee, to strengthen construction systems, including support for partner companies, enhancement of its direct management system, strengthening of group companies, and productivity improvement through IT and DX promotion.

Based on the capital allocation policy during the period of the Medium-Term Management Plan, the Company will continue to strive to enhance its corporate value through the allocation of management resources to balance both effective investments in growth areas, such as business, capital, human resources, and IT and

DX, and return profits to shareholders.

Forecasts for the business results for the fiscal year ending March 31, 2027 are as follows:

[Forecast for consolidated results]

| | | |
|---|------------------|-------------------------|
| Net sales | ¥273,000 million | (Up 8.2% year-on-year) |
| Operating profit | ¥18,900 million | (Up 4.8% year-on-year) |
| Ordinary profit | ¥19,500 million | (Up 3.2% year-on-year) |
| Profit attributable to owners of parent | ¥13,200 million | (Up 27.8% year-on-year) |

[Forecast for non-consolidated results]

| | | |
|------------------|------------------|-------------------------|
| Net sales | ¥238,000 million | (Up 4.4% year-on-year) |
| Operating profit | ¥17,000 million | (Up 2.1% year-on-year) |
| Ordinary profit | ¥18,500 million | (Up 2.5% year-on-year) |
| Profit | ¥12,800 million | (Up 53.1% year-on-year) |

(5) Basic Policy for the Distribution of Profit and the Dividend Payout for the Current and Next Fiscal Years

The Company considers the return of profits to shareholders to be an important management strategy.

The Company's basic policy has been formulated to stably return profits to shareholders with a consolidated payout ratio of 40% or more in accordance with business results, while taking into account business development and investments for growth in the future.

Pursuant to the above policy, the Company will provide year-end dividends of ¥36 per share for the fiscal year ended March 31, 2026. Accordingly, together with the interim dividend of ¥36 per share already provided, the annual dividend for the fiscal year under review will be ¥72 per share.

The Company also plans to provide annual dividends of ¥78 per share (interim: ¥39; year-end: ¥39) in the next fiscal year, based on current business results forecasts for the fiscal year ending March 31, 2027.

2. Basic Policy on Selection of Accounting Standards

Taking into consideration the comparability of consolidated financial statements across periods and among companies, the Company will maintain its policy of preparing its consolidated financial statements under Japanese GAAP for the immediate future.

With regard to the application of International Financial Reporting Standards (IFRS), the Company's policy is to take appropriate measures after consideration of the situation in Japan and overseas.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Million yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|---|----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 33,770 | 42,095 |
| Notes receivable, accounts receivable from completed construction contracts and other | 89,471 | 83,207 |
| Electronically recorded monetary claims - operating | 6,445 | 5,328 |
| Lease receivables and investments in leases | 3,867 | 4,479 |
| Securities | 16,190 | 5,188 |
| Costs on construction contracts in progress | 1,066 | 1,185 |
| Raw materials and supplies | 2,356 | 2,906 |
| Other | 2,206 | 3,754 |
| Allowance for doubtful accounts | (1,038) | (1,373) |
| Total current assets | 154,335 | 146,772 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 49,301 | 53,640 |
| Machinery, vehicles, tools, furniture and fixtures | 23,377 | 24,763 |
| Land | 20,512 | 20,490 |
| Other | 2,000 | 1,345 |
| Accumulated depreciation | (46,123) | (47,468) |
| Total property, plant and equipment | 49,067 | 52,771 |
| Intangible assets | 6,707 | 3,114 |
| Investments and other assets | | |
| Investment securities | 11,102 | 12,438 |
| Retirement benefit asset | 5,412 | 7,828 |
| Deferred tax assets | 6,071 | 5,174 |
| Other | 1,067 | 1,057 |
| Allowance for doubtful accounts | (210) | (207) |
| Total investments and other assets | 23,443 | 26,290 |
| Total non-current assets | 79,218 | 82,176 |
| Total assets | 233,554 | 228,948 |

(Million yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|--|----------------------|----------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes payable, accounts payable for construction contracts and other | 35,298 | 26,957 |
| Electronically recorded obligations - operating | 9,924 | – |
| Short-term borrowings | 3,536 | 2,870 |
| Income taxes payable | 4,962 | 4,784 |
| Advances received on construction contracts in progress | 2,907 | 5,784 |
| Provision for loss on construction contracts | 379 | 241 |
| Provision for bonuses for directors (and other officers) | 81 | 95 |
| Other | 7,865 | 11,797 |
| Total current liabilities | 64,954 | 52,530 |
| Non-current liabilities | | |
| Long-term borrowings | 4,700 | 5,410 |
| Deferred tax liabilities for land revaluation | 1,310 | 1,303 |
| Provision for retirement benefits for directors (and other officers) | 40 | 45 |
| Retirement benefit liability | 14,087 | 13,687 |
| Other | 746 | 616 |
| Total non-current liabilities | 20,885 | 21,062 |
| Total liabilities | 85,840 | 73,592 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 7,803 | 7,803 |
| Capital surplus | 7,849 | 7,892 |
| Retained earnings | 128,136 | 132,914 |
| Treasury shares | (281) | (268) |
| Total shareholders' equity | 143,508 | 148,342 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 784 | 1,712 |
| Revaluation reserve for land | (2,255) | (2,270) |
| Foreign currency translation adjustment | 1,258 | 1,035 |
| Remeasurements of defined benefit plans | 4,353 | 6,470 |
| Total accumulated other comprehensive income | 4,142 | 6,946 |
| Non-controlling interests | 63 | 66 |
| Total net assets | 147,713 | 155,356 |
| Total liabilities and net assets | 233,554 | 228,948 |

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|--|---|---|
| Net sales | 257,204 | 252,262 |
| Cost of sales | 217,654 | 209,670 |
| Gross profit | 39,549 | 42,591 |
| Selling, general and administrative expenses | 23,364 | 24,553 |
| Operating profit | 16,185 | 18,038 |
| Non-operating income | | |
| Interest income | 372 | 419 |
| Rental income | 253 | 251 |
| Commission income | 108 | 108 |
| Foreign exchange gains | 194 | – |
| Other | 260 | 272 |
| Total non-operating income | 1,189 | 1,051 |
| Non-operating expenses | | |
| Interest expenses | 15 | 27 |
| Foreign exchange losses | – | 124 |
| Idle assets expenses | 27 | 27 |
| Other | 29 | 8 |
| Total non-operating expenses | 72 | 188 |
| Ordinary profit | 17,302 | 18,901 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 12 | 0 |
| Gain on sale of investment securities | 0 | 15 |
| Total extraordinary income | 13 | 15 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | 0 | – |
| Impairment losses | 3 | 959 |
| Amortization of goodwill | – | 2,017 |
| Other | 51 | 103 |
| Total extraordinary losses | 54 | 3,079 |
| Profit before income taxes | 17,261 | 15,837 |
| Income taxes - current | 5,480 | 6,144 |
| Income taxes - deferred | (206) | (637) |
| Total income taxes | 5,273 | 5,507 |
| Profit | 11,987 | 10,330 |
| Profit attributable to non-controlling interests | 4 | 5 |
| Profit attributable to owners of parent | 11,982 | 10,325 |

Consolidated Statements of Comprehensive Income

(Million yen)

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|--|---|---|
| Profit | 11,987 | 10,330 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 117 | 927 |
| Revaluation reserve for land | (37) | – |
| Foreign currency translation adjustment | 74 | (223) |
| Remeasurements of defined benefit plans, net of tax | 1,280 | 2,116 |
| Total other comprehensive income | 1,433 | 2,820 |
| Comprehensive income | 13,421 | 13,150 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 13,416 | 13,145 |
| Comprehensive income attributable to non-controlling interests | 4 | 5 |

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 7,803 | 7,885 | 124,259 | (299) | 139,648 |
| Changes during period | | | | | |
| Dividends of surplus | | | (3,655) | | (3,655) |
| Profit attributable to owners of parent | | | 11,982 | | 11,982 |
| Reversal of revaluation reserve for land | | | (11) | | (11) |
| Purchase of treasury shares | | | | (4,511) | (4,511) |
| Disposal of treasury shares | | 36 | | 19 | 55 |
| Cancellation of treasury shares | | (4,510) | | 4,510 | – |
| Transfer from retained earnings to capital surplus | | 4,438 | (4,438) | | – |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | – | (35) | 3,877 | 18 | 3,860 |
| Balance at end of period | 7,803 | 7,849 | 128,136 | (281) | 143,508 |

| | 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 | 667 | (2,228) | 1,184 | 3,073 | 2,697 | 60 | 142,406 |
| Changes during period | | | | | | | |
| Dividends of surplus | | | | | | | (3,655) |
| Profit attributable to owners of parent | | | | | | | 11,982 |
| Reversal of revaluation reserve for land | | | | | | | (11) |
| Purchase of treasury shares | | | | | | | (4,511) |
| Disposal of treasury shares | | | | | | | 55 |
| Cancellation of treasury shares | | | | | | | – |
| Transfer from retained earnings to capital surplus | | | | | | | – |
| Net changes in items other than shareholders' equity | 117 | (26) | 74 | 1,280 | 1,444 | 2 | 1,447 |
| Total changes during period | 117 | (26) | 74 | 1,280 | 1,444 | 2 | 5,307 |
| Balance at end of period | 784 | (2,255) | 1,258 | 4,353 | 4,142 | 63 | 147,713 |

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 7,803 | 7,849 | 128,136 | (281) | 143,508 |
| Changes during period | | | | | |
| Dividends of surplus | | | (5,562) | | (5,562) |
| Profit attributable to owners of parent | | | 10,325 | | 10,325 |
| Reversal of revaluation reserve for land | | | 15 | | 15 |
| Purchase of treasury shares | | | | (1) | (1) |
| Disposal of treasury shares | | 42 | | 15 | 57 |
| Cancellation of treasury shares | | | | | - |
| Transfer from retained earnings to capital surplus | | | | | - |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | - | 42 | 4,778 | 13 | 4,834 |
| Balance at end of period | 7,803 | 7,892 | 132,914 | (268) | 148,342 |

| | 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 | 784 | (2,255) | 1,258 | 4,353 | 4,142 | 63 | 147,713 |
| Changes during period | | | | | | | |
| Dividends of surplus | | | | | | | (5,562) |
| Profit attributable to owners of parent | | | | | | | 10,325 |
| Reversal of revaluation reserve for land | | | | | | | 15 |
| Purchase of treasury shares | | | | | | | (1) |
| Disposal of treasury shares | | | | | | | 57 |
| Cancellation of treasury shares | | | | | | | - |
| Transfer from retained earnings to capital surplus | | | | | | | - |
| Net changes in items other than shareholders' equity | 927 | (15) | (223) | 2,116 | 2,804 | 3 | 2,808 |
| Total changes during period | 927 | (15) | (223) | 2,116 | 2,804 | 3 | 7,642 |
| Balance at end of period | 1,712 | (2,270) | 1,035 | 6,470 | 6,946 | 66 | 155,356 |

(4) Consolidated Statements of Cash Flows

(Million yen)

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|---|---|---|
| Cash flows from operating activities | | |
| Profit before income taxes | 17,261 | 15,837 |
| Depreciation | 4,474 | 4,533 |
| Amortization of goodwill | 353 | 2,240 |
| Impairment losses | 3 | 959 |
| Loss on retirement of property, plant and equipment | 17 | 45 |
| Increase (decrease) in allowance for doubtful accounts | 153 | 353 |
| Increase (decrease) in provision for loss on construction contracts | (147) | (137) |
| Increase (decrease) in retirement benefit liability | (359) | 264 |
| Interest and dividend income | (441) | (509) |
| Interest expenses | 15 | 27 |
| Foreign exchange losses (gains) | (213) | 131 |
| Loss (gain) on sale of property, plant and equipment | (12) | (0) |
| Loss (gain) on sale of investment securities | (0) | (15) |
| Decrease (increase) in trade receivables | 210 | 5,377 |
| Decrease (increase) in costs on construction contracts in progress | 52 | (108) |
| Decrease (increase) in advances paid | 2,696 | (941) |
| Increase (decrease) in trade payables | (4,334) | (18,399) |
| Increase (decrease) in advances received on construction contracts in progress | (167) | 2,825 |
| Increase (decrease) in accrued consumption taxes | (723) | 1,308 |
| Other, net | 390 | (1,310) |
| Subtotal | 19,227 | 12,481 |
| Interest and dividends received | 439 | 508 |
| Interest paid | (14) | (28) |
| Income taxes paid | (4,573) | (6,322) |
| Net cash provided by (used in) operating activities | 15,078 | 6,638 |
| Cash flows from investing activities | | |
| Payments into time deposits | (2,754) | (6,655) |
| Proceeds from withdrawal of time deposits | 564 | 5,205 |
| Purchase of securities | (698) | (698) |
| Proceeds from sale and redemption of securities | 500 | 700 |
| Purchase of property, plant and equipment | (4,001) | (4,919) |
| Proceeds from sale of property, plant and equipment | 165 | 2 |
| Purchase of intangible assets | (1,373) | (653) |
| Purchase of investment securities | (4) | (5) |
| Proceeds from sale and redemption of investment securities | 1,004 | 25 |
| Proceeds from collection of long-term loans receivable | 37 | 5 |
| Payments of the outstanding balance from the previous fiscal year for purchases of investments in subsidiaries with changes in scope of consolidation | (20) | (6) |
| Other, net | 776 | 1,094 |
| Net cash provided by (used in) investing activities | (5,803) | (5,907) |

(Million yen)

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|---|---|---|
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | 1,047 | (970) |
| Repayments of lease liabilities | (15) | (20) |
| Proceeds from long-term borrowings | 2,700 | 3,600 |
| Repayments of long-term borrowings | (2,411) | (2,530) |
| Purchase of treasury shares | (4,511) | (1) |
| Dividends paid | (3,643) | (5,543) |
| Dividends paid to non-controlling interests | (2) | (1) |
| Net cash provided by (used in) financing activities | (6,836) | (5,467) |
| Effect of exchange rate change on cash and cash equivalents | (155) | 131 |
| Net increase (decrease) in cash and cash equivalents | 2,282 | (4,605) |
| Cash and cash equivalents at beginning of period | 45,406 | 47,688 |
| Cash and cash equivalents at end of period | 47,688 | 43,082 |

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes on important matters for the preparation of consolidated financial statements)

Scope of consolidation

Number of consolidated subsidiaries: 16 companies

All the subsidiaries have been included in the scope of consolidation.

Names of consolidated subsidiaries:

TOHCS Corp., NEW LEASE Corp., YUTOS Corp., YURTEC SERVICE Corp., YURTEC MIYAGI SERVICE Corp., TECS FUKUSHIMA Corp., GREENRECYCLE Corp., AQUA CLARA TOHOKU Corp., Yur Solar Tomiya Co., Ltd., Yur Solar Hobara Co., Ltd, YURTEC HAIDEN TECHNO Corp., YURTEC KANTO SERVICE Corp., Yur Solar Zao Co., Ltd., Air Conditioning Enterprise Co., Ltd., YURTEC VIETNAM Co., Ltd., Sigma Engineering JSC

(Segment information)

1) Overview of reportable segments

The Company's reportable segments are organizational units for which discrete financial information is available and which are regularly reviewed by the Board of Directors to determine the allocation of management resources and assess business results.

The Company determines its business segments based on net sales aggregation categories and classifies as reportable segments those segments whose net sales, profit (loss) and assets are highly significant.

The Group is engaged in the facilities engineering, leasing, security, real estate management, manufacturing and sales, waste treatment, and electricity sales businesses, and classifies the facilities engineering business as a reportable segment.

The facilities engineering business conducts business in electrical, telecommunications, civil engineering, architecture, and air-conditioning and plumbing installation and in other facilities construction in general.

2) Information on net sales, income (loss), assets, and other items by reportable segment

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

| | Reportable segment | Other (Note 1) | Total | Adjustment (Note 2) | Amount recorded in Consolidated Financial Statements (Note 3) |
|---|---------------------------------------|-------------------|---------|------------------------|---|
| | Facilities Engineering Business | | | | |
| Net sales | | | | | |
| Net sales to outside customers | 254,052 | 3,151 | 257,204 | – | 257,204 |
| Inter-segment net sales or transfers | 133 | 12,458 | 12,592 | (12,592) | – |
| Total | 254,185 | 15,610 | 269,796 | (12,592) | 257,204 |
| Segment profit (loss) | 15,381 | 875 | 16,257 | (72) | 16,185 |
| Segment assets | 221,000 | 22,370 | 243,370 | (9,816) | 233,554 |
| Other items | | | | | |
| Depreciation (Note 4) | 3,082 | 1,403 | 4,485 | (11) | 4,474 |
| Amortization of goodwill | 337 | 16 | 353 | – | 353 |
| Increase (decrease) in property, plant and equipment and intangible assets (Note 4) | 5,691 | 246 | 5,937 | (11) | 5,926 |

- (Notes) 1. The "Other" category refers to business segments that are not included in the reportable segment and includes the leasing business, security business, real estate business, manufacturing business, waste treatment business, and electricity business.
2. The adjustment amounts for segment profit, segment assets, and other items are the elimination of inter-segment transactions.
3. Segment profit is adjusted with operating profit in the consolidated financial statements.
4. Long-term prepaid expenses and their amortization are included in depreciation and increase in property, plant and equipment and intangible assets.

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

| | Reportable segment | Other (Note 1) | Total | Adjustment (Note 2) | Amount recorded in Consolidated Financial Statements (Note 3) |
|---|---------------------------------------|-------------------|---------|------------------------|---|
| | Facilities Engineering Business | | | | |
| Net sales | | | | | |
| Net sales to outside customers | 248,940 | 3,321 | 252,262 | – | 252,262 |
| Inter-segment net sales or transfers | 131 | 12,783 | 12,914 | (12,914) | – |
| Total | 249,071 | 16,105 | 265,177 | (12,914) | 252,262 |
| Segment profit (loss) | 17,330 | 800 | 18,130 | (92) | 18,038 |
| Segment assets | 217,056 | 24,251 | 241,307 | (12,358) | 228,948 |
| Other items | | | | | |
| Depreciation (Note 4) | 3,170 | 1,374 | 4,545 | (11) | 4,533 |
| Amortization of goodwill (Note 5) | 2,224 | 16 | 2,240 | – | 2,240 |
| Increase (decrease) in property, plant and equipment and intangible assets (Note 4) | 8,041 | 378 | 8,419 | (19) | 8,399 |

- (Notes) 1. The “Other” category refers to business segments that are not included in the reportable segment and includes the leasing business, security business, real estate business, manufacturing business, waste treatment business, and electricity business.
2. The adjustment amounts for segment profit, segment assets, and other items are the elimination of inter-segment transactions.
3. Segment profit is adjusted with operating profit in the consolidated financial statements.
4. Long-term prepaid expenses and their amortization are included in depreciation and increase in property, plant and equipment and intangible assets.
5. The amortization of goodwill in the Facilities Engineering Business includes ¥2,017 million in amortization of goodwill recorded under extraordinary losses.

(Per share information)

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|--------------------------|---|---|
| Net assets per share | ¥2,150.42 | ¥2,260.83 |
| Basic earnings per share | ¥169.92 | ¥150.34 |

- (Notes) 1. Data on diluted earnings per share is not presented above, as there were no potential shares with a dilutive effect.
2. The following data was used to calculate net assets per share:

| | As of March 31, 2025 | As of March 31, 2026 |
|--|----------------------|----------------------|
| Total net assets (Million yen) | 147,713 | 155,356 |
| Deductions from total net assets (Million yen) | 63 | 66 |
| (of which non-controlling interests) (Million yen) | (63) | (66) |
| Net assets applicable to common shares at the year-end (Million yen) | 147,650 | 155,289 |
| Number of common shares at the year-end used for the calculation of net assets per share (Thousand shares) | 68,661 | 68,686 |

3. The following data was used to calculate basic earnings per share:

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|--|---|---|
| Profit attributable to owners of parent (Million yen) | 11,982 | 10,325 |
| Amount not attributable to common shareholders (Million yen) | — | — |
| Profit attributable to owners of parent relating to common shares (Million yen) | 11,982 | 10,325 |
| Average number of common shares outstanding during the period (Thousand shares) | 70,518 | 68,679 |

(Significant subsequent events)

Not applicable.

4. Non-consolidated Financial Statements and Principal Notes

(1) Non-consolidated Balance Sheets

(Million yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|--|----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 20,706 | 27,486 |
| Notes receivable - trade | 624 | 359 |
| Electronically recorded monetary claims - operating | 6,411 | 5,263 |
| Accounts receivable from completed construction contracts | 73,614 | 70,028 |
| Securities | 15,990 | 4,988 |
| Costs on construction contracts in progress | 816 | 808 |
| Short-term loans receivable from subsidiaries and associates | 9,420 | 9,818 |
| Other | 3,691 | 5,006 |
| Allowance for doubtful accounts | (8) | (515) |
| Total current assets | 131,266 | 123,244 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings | 40,740 | 44,549 |
| Accumulated depreciation | (24,478) | (25,166) |
| Buildings, net | 16,262 | 19,382 |
| Structures | 5,101 | 5,629 |
| Accumulated depreciation | (3,802) | (3,907) |
| Structures, net | 1,299 | 1,721 |
| Machinery and equipment | 3,096 | 3,095 |
| Accumulated depreciation | (2,910) | (2,862) |
| Machinery and equipment, net | 185 | 232 |
| Vehicles | 91 | 91 |
| Accumulated depreciation | (91) | (91) |
| Vehicles, net | 0 | 0 |
| Tools, furniture and fixtures | 5,986 | 6,334 |
| Accumulated depreciation | (5,206) | (5,440) |
| Tools, furniture and fixtures, net | 779 | 893 |
| Land | 17,227 | 17,206 |
| Leased assets | 5,512 | 6,140 |
| Accumulated depreciation | (2,487) | (2,720) |
| Leased assets, net | 3,024 | 3,419 |
| Construction in progress | 1,057 | 363 |
| Total property, plant and equipment | 39,837 | 43,219 |
| Intangible assets | 2,247 | 2,166 |

(Million yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|---|----------------------|----------------------|
| Investments and other assets | | |
| Investment securities | 11,083 | 12,407 |
| Shares of subsidiaries and associates | 7,989 | 3,101 |
| Long-term loans receivable | 81 | 77 |
| Long-term loans receivable from subsidiaries and associates | 274 | 233 |
| Distressed receivables | 25 | 25 |
| Long-term prepaid expenses | 31 | 24 |
| Deferred tax assets | 7,331 | 7,569 |
| Other | 2,412 | 2,810 |
| Allowance for doubtful accounts | (159) | (159) |
| Total investments and other assets | 29,070 | 26,090 |
| Total non-current assets | 71,155 | 71,476 |
| Total assets | 202,422 | 194,721 |
| Liabilities | | |
| Current liabilities | | |
| Notes payable - trade | 1,256 | – |
| Electronically recorded obligations - operating | 9,924 | – |
| Accounts payable for construction contracts | 31,194 | 24,513 |
| Lease liabilities | 858 | 998 |
| Income taxes payable | 4,195 | 4,333 |
| Advances received on construction contracts in progress | 2,384 | 3,768 |
| Provision for loss on construction contracts | 361 | 241 |
| Provision for bonuses for directors (and other officers) | 32 | 29 |
| Other | 5,169 | 9,126 |
| Total current liabilities | 55,377 | 43,010 |
| Non-current liabilities | | |
| Lease liabilities | 2,753 | 3,057 |
| Deferred tax liabilities for land revaluation | 1,310 | 1,303 |
| Provision for retirement benefits | 16,080 | 16,706 |
| Other | 392 | 361 |
| Total non-current liabilities | 20,537 | 21,428 |
| Total liabilities | 75,914 | 64,438 |

(Million yen)

| | As of March 31, 2025 | As of March 31, 2026 |
|---|----------------------|----------------------|
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 7,803 | 7,803 |
| Capital surplus | | |
| Legal capital surplus | 7,812 | 7,812 |
| Other capital surplus | – | 42 |
| Total capital surplus | 7,812 | 7,854 |
| Retained earnings | | |
| Legal retained earnings | 1,088 | 1,088 |
| Other retained earnings | | |
| Reserve for tax purpose reduction entry of non-current assets | 199 | 179 |
| General reserve | 100,100 | 100,100 |
| Retained earnings brought forward | 11,257 | 14,092 |
| Total retained earnings | 112,645 | 115,460 |
| Treasury shares | (281) | (268) |
| Total shareholders' equity | 127,980 | 130,851 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | 782 | 1,702 |
| Revaluation reserve for land | (2,255) | (2,270) |
| Total valuation and translation adjustments | (1,473) | (568) |
| Total net assets | 126,507 | 130,282 |
| Total liabilities and net assets | 202,422 | 194,721 |

(2) Non-consolidated Statements of Income

(Million yen)

| | For the fiscal year ended March 31, 2025 | For the fiscal year ended March 31, 2026 |
|--|---|---|
| Net sales | | |
| Net sales of completed construction contracts | 228,759 | 227,891 |
| Total net sales | 228,759 | 227,891 |
| Cost of sales | | |
| Cost of sales of completed construction contracts | 194,558 | 189,818 |
| Total cost of sales | 194,558 | 189,818 |
| Gross profit | 34,201 | 38,073 |
| Selling, general and administrative expenses | 20,278 | 21,423 |
| Operating profit | 13,923 | 16,650 |
| Non-operating income | | |
| Interest income | 98 | 154 |
| Interest on securities | 326 | 320 |
| Dividend income | 549 | 785 |
| Rental income | 361 | 359 |
| Other | 244 | 474 |
| Total non-operating income | 1,581 | 2,093 |
| Non-operating expenses | | |
| Interest expenses | 141 | 149 |
| Provision of allowance for doubtful accounts | – | 508 |
| Other | 52 | 34 |
| Total non-operating expenses | 194 | 692 |
| Ordinary profit | 15,310 | 18,051 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 12 | 0 |
| Gain on sale of investment securities | 0 | 15 |
| Total extraordinary income | 13 | 15 |
| Extraordinary losses | | |
| Loss on valuation of shares of subsidiaries and associates | – | 4,806 |
| Other | 64 | 151 |
| Total extraordinary losses | 64 | 4,958 |
| Profit before income taxes | 15,259 | 13,109 |
| Income taxes - current | 4,450 | 5,355 |
| Income taxes - deferred | (117) | (607) |
| Total income taxes | 4,332 | 4,748 |
| Profit | 10,926 | 8,361 |

(3) Non-consolidated Statements of Changes in Equity
For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

| | Shareholders' equity | | | | | | | | | | |
|---|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|---|-------------------------|-----------------------------------|-------------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | | | Legal retained earnings | Retained earnings | | | | Treasury shares | Total shareholders' equity |
| | | Legal capital surplus | Other capital surplus | Total capital surplus | | Reserve for tax purpose reduction entry of non-current assets | Other retained earnings | | Total retained earnings | | |
| | | | | | | | General reserve | Retained earnings brought forward | | | |
| Balance at beginning of period | 7,803 | 7,812 | 35 | 7,847 | 1,088 | 202 | 100,100 | 8,433 | 109,824 | (299) | 125,176 |
| Changes during period | | | | | | | | | | | |
| Reversal of reserve for tax purpose reduction entry of non-current assets | | | | | | (2) | | 2 | – | | – |
| Dividends of surplus | | | | | | | | (3,655) | (3,655) | | (3,655) |
| Profit | | | | | | | | 10,926 | 10,926 | | 10,926 |
| Reversal of revaluation reserve for land | | | | | | | | (11) | (11) | | (11) |
| Purchase of treasury shares | | | | | | | | | | (4,511) | (4,511) |
| Disposal of treasury shares | | | 36 | 36 | | | | | | 19 | 55 |
| Cancellation of treasury shares | | | (4,510) | (4,510) | | | | | | 4,510 | – |
| Transfer from retained earnings to capital surplus | | | 4,438 | 4,438 | | | | (4,438) | (4,438) | | – |
| Net changes in items other than shareholders' equity | | | | | | | | | | | |
| Total changes during period | – | – | (35) | (35) | – | (2) | – | 2,823 | 2,821 | 18 | 2,803 |
| Balance at end of period | 7,803 | 7,812 | – | 7,812 | 1,088 | 199 | 100,100 | 11,257 | 112,645 | (281) | 127,980 |

(Million yen)

| | Valuation and translation adjustments | | | Total net assets |
|---|---|------------------------------|---|------------------|
| | Valuation difference on available-for-sale securities | Revaluation reserve for land | Total valuation and translation adjustments | |
| Balance at beginning of period | 664 | (2,228) | (1,564) | 123,612 |
| Changes during period | | | | |
| Reversal of reserve for tax purpose reduction entry of non-current assets | | | | – |
| Dividends of surplus | | | | (3,655) |
| Profit | | | | 10,926 |
| Reversal of revaluation reserve for land | | | | (11) |
| Purchase of treasury shares | | | | (4,511) |
| Disposal of treasury shares | | | | 55 |
| Cancellation of treasury shares | | | | – |
| Transfer from retained earnings to capital surplus | | | | – |
| Net changes in items other than shareholders' equity | 117 | (26) | 91 | 91 |
| Total changes during period | 117 | (26) | 91 | 2,895 |
| Balance at end of period | 782 | (2,255) | (1,473) | 126,507 |

For the fiscal year ended, March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

| | Shareholders' equity | | | | | | | | | | |
|---|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|---|-----------------|-----------------------------------|-------------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | | | Retained earnings | | | | | Treasury shares | Total shareholders' equity |
| | | Legal capital surplus | Other capital surplus | Total capital surplus | Legal retained earnings | Other retained earnings | | | Total retained earnings | | |
| | | | | | | Reserve for tax purpose reduction entry of non-current assets | General reserve | Retained earnings brought forward | | | |
| Balance at beginning of period | 7,803 | 7,812 | – | 7,812 | 1,088 | 199 | 100,100 | 11,257 | 112,645 | (281) | 127,980 |
| Changes during period | | | | | | | | | | | |
| Reversal of reserve for tax purpose reduction entry of non-current assets | | | | | | (20) | | 20 | – | | – |
| Dividends of surplus | | | | | | | | (5,562) | (5,562) | | (5,562) |
| Profit | | | | | | | | 8,361 | 8,361 | | 8,361 |
| Reversal of revaluation reserve for land | | | | | | | | 15 | 15 | | 15 |
| Purchase of treasury shares | | | | | | | | | | (1) | (1) |
| Disposal of treasury shares | | | 42 | 42 | | | | | | 15 | 57 |
| Cancellation of treasury shares | | | | | | | | | | | – |
| Transfer from retained earnings to capital surplus | | | | | | | | | | | – |
| Net changes in items other than shareholders' equity | | | | | | | | | | | |
| Total changes during period | – | – | 42 | 42 | – | (20) | – | 2,835 | 2,814 | 13 | 2,870 |
| Balance at end of period | 7,803 | 7,812 | 42 | 7,854 | 1,088 | 179 | 100,100 | 14,092 | 115,460 | (268) | 130,851 |

(Million yen)

| | Valuation and translation adjustments | | | Total net assets |
|---|---|------------------------------|---|------------------|
| | Valuation difference on available-for-sale securities | Revaluation reserve for land | Total valuation and translation adjustments | |
| Balance at beginning of period | 782 | (2,255) | (1,473) | 126,507 |
| Changes during period | | | | |
| Reversal of reserve for tax purpose reduction entry of non-current assets | | | | – |
| Dividends of surplus | | | | (5,562) |
| Profit | | | | 8,361 |
| Reversal of revaluation reserve for land | | | | 15 |
| Purchase of treasury shares | | | | (1) |
| Disposal of treasury shares | | | | 57 |
| Cancellation of treasury shares | | | | – |
| Transfer from retained earnings to capital surplus | | | | – |
| Net changes in items other than shareholders' equity | 920 | (15) | 904 | 904 |
| Total changes during period | 920 | (15) | 904 | 3,775 |
| Balance at end of period | 1,702 | (2,270) | (568) | 130,282 |

(4) Notes to Non-consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.