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## Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

May 12, 2025

Company name: NIPPON RIETEC CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 1938

URL: <https://www.j-rietec.co.jp/>

Representative: Shigeru Egusa, Representative Director and President

Inquiries: Seibun Suzuki, Executive Officer and General Manager of Finance Department

Telephone: +81-3-6880-2710

Scheduled date of annual general meeting of shareholders: June 25, 2025

Scheduled date to commence dividend payments: June 26, 2025

Scheduled date to file annual securities report: June 25, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

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

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

#### (1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	68,669	17.3	5,199	51.5	5,955	52.3	4,733	70.9
March 31, 2024	58,542	8.9	3,432	27.7	3,910	26.9	2,770	29.6

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 4,819 million [ 23.1%]  
Fiscal year ended March 31, 2024: ¥ 3,916 million [ 83.5%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	191.24	-	7.7	6.5	7.6
March 31, 2024	111.37	-	4.8	4.6	5.9

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ 543 million  
Fiscal year ended March 31, 2024: ¥ 315 million

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	94,625	63,728	67.3	2,574.78
March 31, 2024	87,315	59,775	68.5	2,415.07

(Reference) Equity: As of March 31, 2025: ¥ 63,728 million  
As of March 31, 2024: ¥ 59,775 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 the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	2,040	(1,185)	(1,442)	8,304
March 31, 2024	3,864	(1,849)	(960)	8,892

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	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	Millions of yen	%	%
March 31, 2024	-	-	-	35.00	35.00	866	31.4	1.5
March 31, 2025	-	-	-	77.00	77.00	1,905	40.3	3.1
Fiscal year ending March 31, 2026 (Forecast)	-	-	-	82.00	82.00		48.4	

Breakdown of the year-end dividend for the fiscal year ended March 31, 2024 :

Ordinary dividend of ¥35.00

Breakdown of the year-end dividend for the fiscal year ended March 31, 2025:

Ordinary dividend of ¥77.00

Breakdown of the year-end dividend forecast for the fiscal year ending March 31, 2026:

Ordinary dividend of ¥82.00

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	72,300	5.3	5,330	2.5	6,000	0.8	4,200	(11.3)	169.45

\* Notes:

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

None

Newly included: - (Company name: )

Excluded: - (Company name: )

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

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

March 31, 2025: 25,617,717 shares

March 31, 2024: 25,617,717 shares

2) Number of treasury shares at the end of the period:

March 31, 2025: 866,538 shares

March 31, 2024: 866,465 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 24,751,240 shares

Fiscal Year ended March 31, 2024: 24,874,328 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	59,983	17.4	4,225	51.2	4,483	48.6	3,609	70.7
March 31, 2024	51,084	8.2	2,794	21.8	3,018	22.4	2,114	26.0

	Basic earnings per share	Diluted earnings per share
Fiscal year ended March 31, 2025	Yen 145.82	Yen -
March 31, 2024	85.00	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	77,005	47,860	62.2	1,933.65
March 31, 2024	70,742	45,464	64.3	1,836.87

(Reference) Equity: As of March 31, 2025: ¥ 47,860 million  
As of March 31, 2024: ¥ 45,464 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	63,400	5.7	4,770	6.4	3,330	(7.7)	134.35

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation

\* Proper use of earnings forecasts, and other special matters

Forward-looking statements, including the consolidated forecasts, stated in these materials are based on information currently available to the Company and certain assumptions deemed reasonable.

## Consolidated Financial Statements

## Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	8,905,864	8,314,766
Notes receivable, accounts receivable from completed construction contracts and other	38,019,556	45,141,633
Costs on construction contracts in progress	747,401	1,158,272
Merchandise and finished goods	84,681	69,062
Work in process	6,796	5,700
Raw materials and supplies	313,005	290,025
Other	820,886	715,914
Total current assets	48,898,193	55,695,375
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,834,260	17,514,938
Machinery, vehicles, tools, furniture and fixtures	4,920,693	5,228,770
Land	9,030,936	9,030,936
Leased assets	3,460,978	3,364,751
Construction in progress	364,912	4,106
Accumulated depreciation	(12,637,909)	(13,692,551)
Total property, plant and equipment	20,973,872	21,450,952
Intangible assets	437,339	390,646
Investments and other assets		
Investment securities	16,285,910	16,185,080
Deferred tax assets	302,230	495,227
Other	422,541	412,519
Allowance for doubtful accounts	(4,425)	(4,425)
Total investments and other assets	17,006,258	17,088,402
Total non-current assets	38,417,469	38,930,002
Total assets	87,315,663	94,625,378

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	7,435,563	9,660,729
Electronically recorded obligations - operating	3,069,936	3,258,239
Short-term borrowings	500,000	500,000
Income taxes payable	1,305,823	2,057,589
Advances received on construction contracts in progress	338,802	458,347
Provision for warranties for completed construction	301	2,787
Provision for bonuses	1,679,044	2,308,283
Provision for bonuses for directors (and other officers)	73,812	76,757
Other	5,611,656	6,079,557
Total current liabilities	20,014,939	24,402,291
Non-current liabilities		
Lease liabilities	1,630,285	1,261,861
Provision for retirement benefits for directors (and other officers)	22,849	23,074
Retirement benefit liability	5,509,752	4,888,860
Other	361,937	320,393
Total non-current liabilities	7,524,824	6,494,189
<b>Total liabilities</b>	<b>27,539,764</b>	<b>30,896,481</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,430,962	1,430,962
Capital surplus	3,205,423	3,205,423
Retained earnings	53,121,873	56,988,902
Treasury shares	(769,543)	(769,647)
Total shareholders' equity	56,988,715	60,855,640
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,687,740	2,321,136
Remeasurements of defined benefit plans	99,443	552,119
Total accumulated other comprehensive income	2,787,183	2,873,256
<b>Total net assets</b>	<b>59,775,898</b>	<b>63,728,897</b>
<b>Total liabilities and net assets</b>	<b>87,315,663</b>	<b>94,625,378</b>

## Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales		
Net sales of completed construction contracts	55,026,714	65,263,517
Net sales in sideline businesses	3,126,322	3,017,620
Sales in real estate business	389,649	388,590
Total net sales	58,542,686	68,669,728
Cost of sales		
Cost of sales of completed construction contracts	47,383,800	55,438,897
Cost of sales in sideline businesses	2,292,479	2,185,776
Cost of sales in real estate business	194,557	201,480
Total cost of sales	49,870,837	57,826,155
Gross profit		
Gross profit on completed construction contracts	7,642,913	9,824,619
Gross profit on sideline businesses	833,842	831,844
Gross profit - real estate business	195,092	187,109
Total gross profit	8,671,848	10,843,573
Selling, general and administrative expenses	5,239,184	5,643,878
Operating profit	3,432,664	5,199,694
Non-operating income		
Interest income	669	1,758
Dividend income	140,228	171,545
Gain on sale of goods	44,836	61,613
Share of profit of entities accounted for using equity method	315,275	543,716
Miscellaneous income	75,747	96,860
Total non-operating income	576,757	875,494
Non-operating expenses		
Interest expenses	61,561	88,115
Bad debt expenses	-	12,215
Miscellaneous expenses	37,665	19,566
Total non-operating expenses	99,227	119,896
Ordinary profit	3,910,194	5,955,292
Extraordinary income		
Gain on sale of non-current assets	21,981	240
Gain on sale of investment securities	11,555	552,838
National subsidies	-	650
Total extraordinary income	33,537	553,729
Extraordinary losses		
Loss on sale and retirement of non-current assets	48,762	29,771
Total extraordinary losses	48,762	29,771
Profit before income taxes	3,894,969	6,479,250
Income taxes - current	1,294,163	2,046,246
Income taxes - deferred	(169,483)	(300,319)
Total income taxes	1,124,679	1,745,926
Profit	2,770,289	4,733,323
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	2,770,289	4,733,323

## Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	2,770,289	4,733,323
Other comprehensive income		
Valuation difference on available-for-sale securities	946,276	(347,576)
Remeasurements of defined benefit plans, net of tax	179,808	452,676
Share of other comprehensive income of entities accounted for using equity method	20,185	(19,027)
Total other comprehensive income	1,146,271	86,073
Comprehensive income	3,916,560	4,819,396
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,916,560	4,819,396
Comprehensive income attributable to non-controlling interests	-	-

## Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	1,430,962	3,205,423	51,025,267	(518,943)	55,142,709	1,721,278	(80,365)	1,640,912	56,783,621
Changes during period									
Dividends of surplus			(673,683)		(673,683)				(673,683)
Profit attributable to owners of parent			2,770,289		2,770,289				2,770,289
Purchase of treasury shares				(250,600)	(250,600)				(250,600)
Net changes in items other than shareholders' equity						966,462	179,808	1,146,271	1,146,271
Total changes during period			2,096,605	(250,600)	1,846,005	966,462	179,808	1,146,271	2,992,276
Balance at end of period	1,430,962	3,205,423	53,121,873	(769,543)	56,988,715	2,687,740	99,443	2,787,183	59,775,898

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	1,430,962	3,205,423	53,121,873	(769,543)	56,988,715	2,687,740	99,443	2,787,183	59,775,898
Changes during period									
Dividends of surplus			(866,293)		(866,293)				(866,293)
Profit attributable to owners of parent			4,733,323		4,733,323				4,733,323
Purchase of treasury shares				(104)	(104)				(104)
Net changes in items other than shareholders' equity						(366,603)	452,676	86,073	86,073
Total changes during period			3,867,029	(104)	3,866,925	(366,603)	452,676	86,073	3,952,998
Balance at end of period	1,430,962	3,205,423	56,988,902	(769,647)	60,855,640	2,321,136	552,119	2,873,256	63,728,897



## Consolidated Statements of Cash Flows

	(Thousands of yen)	
	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	3,894,969	6,479,250
Depreciation	1,430,828	1,483,865
Increase (decrease) in provision for bonuses	255,240	629,239
Increase (decrease) in provision for bonuses for directors (and other officers)	3,557	2,945
Increase (decrease) in provision for warranties for completed construction	(2,343)	2,485
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(9,175)	224
Increase (decrease) in retirement benefit liability	242,782	42,067
Interest and dividend income	(140,898)	(173,304)
Interest expenses	61,561	88,115
Share of loss (profit) of entities accounted for using equity method	(315,275)	(543,716)
Loss (gain) on sale and retirement of property, plant and equipment	26,780	29,531
Loss (gain) on sale of investment securities	(11,555)	(552,838)
National subsidies	-	(650)
Decrease (increase) in trade receivables	(780,668)	(7,122,077)
Decrease (increase) in costs on construction contracts in progress	(22,187)	(410,870)
Decrease (increase) in other assets	(525,337)	239,878
Increase (decrease) in trade payables	238,103	2,413,469
Increase (decrease) in accrued expenses	133,291	5,906
Increase (decrease) in advances received on construction contracts in progress	111,064	119,545
Increase (decrease) in other liabilities	198,534	685,318
Subtotal	4,789,272	3,418,384
Interest and dividends received	208,576	237,898
Interest paid	(61,538)	(88,110)
Income taxes paid	(1,071,777)	(1,527,638)
Net cash provided by (used in) operating activities	3,864,532	2,040,534
<b>Cash flows from investing activities</b>		
Payments into time deposits	(13,007)	(10,000)
Proceeds from withdrawal of time deposits	13,007	13,007
Purchase of property, plant and equipment	(2,019,405)	(1,711,593)
Proceeds from sale of property, plant and equipment	189,733	240
Purchase of investment securities	-	(30,000)
Payments for retirement of property, plant and equipment	(22,957)	(19,900)
Purchase of intangible assets	(26,112)	(118,114)
Proceeds from sale of investment securities	21,077	687,630
Loan advances	(64,210)	(18,200)
Proceeds from collection of loans receivable	71,560	19,812
Income by national subsidies	-	650
Other, net	695	492
Net cash provided by (used in) investing activities	(1,849,618)	(1,185,975)

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	500,000	-
Repayments of finance lease liabilities	(529,282)	(571,024)
Purchase of treasury shares	(250,600)	(104)
Dividends paid	(680,557)	(871,520)
Net cash provided by (used in) financing activities	(960,439)	(1,442,649)
Effect of exchange rate change on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	1,054,474	(588,090)
Cash and cash equivalents at beginning of period	7,838,382	8,892,857
Cash and cash equivalents at end of period	8,892,857	8,304,766