



Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]

August 7, 2025

Company name: NIPPON RIETEC CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 1938

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

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|--------------------|-----------------|------|------------------|---|-----------------|---|---|---|
| Three months ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| June 30, 2025 | 12,173 | 8.1 | (50) | - | 112 | - | 18 | - |
| June 30, 2024 | 11,257 | 24.9 | (370) | - | (258) | - | (192) | - |

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 275 million [-%]
Three months ended June 30, 2024: ¥ (309) million [-%]

| | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Three months ended | Yen | Yen |
| June 30, 2025 | 0.74 | - |
| June 30, 2024 | (7.78) | - |

(2) Consolidated Financial Position

| | Total assets | Net assets | Capital adequacy ratio |
|----------------|-----------------|-----------------|------------------------|
| As of | Millions of yen | Millions of yen | % |
| June 30, 2025 | 89,741 | 62,098 | 69.2 |
| March 31, 2025 | 94,625 | 63,728 | 67.3 |

(Reference) Equity: As of June 30, 2025: ¥ 62,098 million
As of March 31, 2025: ¥ 63,728 million

2. Dividends

| | Annual dividends | | | | |
|---|--------------------|--------------------|--------------------|----------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2025 | - | - | - | 77.00 | 77.00 |
| Fiscal year ending March 31, 2026 | - | | | | |
| Fiscal year ending March 31, 2026 (Forecast) | | - | - | 82.00 | 82.00 |

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

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2026 :

| | |
|------------------------|-------|
| Commemorative dividend | - yen |
| Special dividend | - yen |

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 |

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

* Notes:

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

| | | | |
|-----------------|---|----------------|---|
| Newly included: | - | (Company name: |) |
| Excluded: | - | (Company name: |) |

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

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

| | |
|-----------------|-------------------|
| June 30, 2025: | 25,617,717 shares |
| March 31, 2025: | 25,617,717 shares |

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

| | |
|-----------------|----------------|
| June 30, 2025: | 866,538 shares |
| March 31, 2025: | 866,538 shares |

3) Average number of shares outstanding during the period:

| | |
|-----------------------------------|-------------------|
| Three months ended June 30, 2025: | 24,751,179 shares |
| Three months ended June 30, 2024: | 24,751,252 shares |

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

* Proper use of earnings forecasts, and other special matters

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

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheet

(Thousands of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|---|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 8,314,766 | 7,770,521 |
| Notes receivable, accounts receivable from completed construction contracts and other | 45,141,633 | 38,402,588 |
| Costs on construction contracts in progress | 1,158,272 | 2,792,525 |
| Merchandise and finished goods | 69,062 | 53,535 |
| Work in process | 5,700 | 6,173 |
| Raw materials and supplies | 290,025 | 301,546 |
| Other | 715,914 | 1,391,891 |
| Total current assets | 55,695,375 | 50,718,781 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 10,256,389 | 10,140,788 |
| Machinery and vehicles, net | 322,514 | 320,359 |
| Tools, furniture and fixtures, net | 300,242 | 323,181 |
| Land | 9,030,936 | 9,177,720 |
| Leased assets, net | 1,536,764 | 1,427,366 |
| Construction in progress | 4,106 | 39,572 |
| Total property, plant and equipment | 21,450,952 | 21,428,986 |
| Intangible assets | 390,646 | 370,058 |
| Investments and other assets | | |
| Investment securities | 16,185,080 | 16,517,103 |
| Other | 907,746 | 711,430 |
| Allowance for doubtful accounts | (4,425) | (4,425) |
| Total investments and other assets | 17,088,402 | 17,224,108 |
| Total non-current assets | 38,930,002 | 39,023,154 |
| Total assets | 94,625,378 | 89,741,936 |

(Thousands of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|--|----------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes payable, accounts payable for construction contracts and other | 9,660,729 | 7,502,372 |
| Electronically recorded obligations - operating | 3,258,239 | 3,297,056 |
| Short-term borrowings | 500,000 | 2,000,000 |
| Income taxes payable | 2,057,589 | 39,015 |
| Advances received on construction contracts in progress | 458,347 | 1,056,206 |
| Provision for warranties for completed construction | 2,787 | 2,831 |
| Provision for bonuses | 2,308,283 | 521,787 |
| Other | 6,156,314 | 6,805,777 |
| Total current liabilities | 24,402,291 | 21,225,048 |
| Non-current liabilities | | |
| Retirement benefit liability | 4,888,860 | 4,848,510 |
| Provision for retirement benefits for directors (and other officers) | 23,074 | 20,034 |
| Other | 1,582,255 | 1,550,042 |
| Total non-current liabilities | 6,494,189 | 6,418,587 |
| Total liabilities | 30,896,481 | 27,643,635 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 1,430,962 | 1,430,962 |
| Capital surplus | 3,205,423 | 3,205,423 |
| Retained earnings | 56,988,902 | 55,101,292 |
| Treasury shares | (769,647) | (769,647) |
| Total shareholders' equity | 60,855,640 | 58,968,029 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 2,321,136 | 2,716,181 |
| Remeasurements of defined benefit plans | 552,119 | 414,089 |
| Total accumulated other comprehensive income | 2,873,256 | 3,130,271 |
| Total net assets | 63,728,897 | 62,098,301 |
| Total liabilities and net assets | 94,625,378 | 89,741,936 |

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income (For the three months)

| | (Thousands of yen) | |
|---|---|---|
| | For the three months ended June 30, 2024 | For the three months ended June 30, 2025 |
| Net sales | 11,257,317 | 12,173,690 |
| Cost of sales | 10,266,171 | 10,888,900 |
| Gross profit | 991,145 | 1,284,789 |
| Selling, general and administrative expenses | 1,361,883 | 1,335,072 |
| Operating loss | (370,737) | (50,283) |
| Non-operating income | | |
| Interest income | 158 | 990 |
| Dividend income | 109,446 | 160,180 |
| Gain on sale of goods | 64,591 | 91,903 |
| Other | 17,847 | 10,769 |
| Total non-operating income | 192,044 | 263,843 |
| Non-operating expenses | | |
| Interest expenses | 12,467 | 11,429 |
| Share of loss of entities accounted for using equity method | 51,598 | 85,870 |
| Bad debt expenses | 12,215 | - |
| Other | 3,088 | 3,883 |
| Total non-operating expenses | 79,369 | 101,183 |
| Ordinary profit (loss) | (258,063) | 112,376 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 181 | - |
| Total extraordinary income | 181 | - |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 18,044 | 9,717 |
| Total extraordinary losses | 18,044 | 9,717 |
| Profit (loss) before income taxes | (275,925) | 102,659 |
| Income taxes - current | (6,716) | (6,295) |
| Income taxes - deferred | (76,721) | 90,724 |
| Total income taxes | (83,438) | 84,429 |
| Profit (loss) | (192,487) | 18,230 |
| Profit attributable to non-controlling interests | - | - |
| Profit (loss) attributable to owners of parent | (192,487) | 18,230 |

Quarterly Consolidated Statement of Comprehensive Income (For the three months)

(Thousands of yen)

| | For the three months ended June 30, 2024 | For the three months ended June 30, 2025 |
|--|---|---|
| Profit (loss) | (192,487) | 18,230 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (74,901) | 381,597 |
| Remeasurements of defined benefit plans, net of tax | (24,860) | (138,029) |
| Share of other comprehensive income of entities accounted for using equity method | (17,700) | 13,446 |
| Total other comprehensive income | (117,462) | 257,014 |
| Comprehensive income | (309,950) | 275,244 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | (309,950) | 275,244 |
| Comprehensive income attributable to non-controlling interests | - | - |