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November 10, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)



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 file semi-annual securities report: November 12, 2025
Scheduled date to commence dividend payments: -
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 six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	28,629	6.1	1,475	87.5	1,746	58.8	1,050	35.4
September 30, 2024	26,989	24.3	786	-	1,100	-	775	-

Note: Comprehensive income For the six months ended September 30, 2025: ¥ 1,773 million [314.7%]
For the six months ended September 30, 2024: ¥ 427 million [(35.9) %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	42.42	-
September 30, 2024	31.33	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	99,156	63,654	64.2
March 31, 2025	94,625	63,728	67.3

Reference: Equity

As of September 30, 2025: ¥ 63,654 million
As of March 31, 2025: ¥ 63,728 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal 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: Revisions to the forecast of cash dividends most recently announced: None

Note: Breakdown of the second quarter dividend for the fiscal year ending March 31, 2026 :

Commemorative dividend - yen
Special dividend - yen

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from 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)	169.49

Note: Revisions to the financial result forecast most recently announced: None

* Notes

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

Newly included: - companies()
Excluded: - companies()

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

(3) 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

(4) Number of issued shares (common shares)

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

As of September 30, 2025	25,617,717 shares
As of March 31, 2025	25,617,717 shares

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

As of September 30, 2025	837,168 shares
As of March 31, 2025	866,538 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	24,759,570 shares
Six months ended September 30, 2024	24,751,252 shares

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

* 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.

Semi-annual Consolidated Financial Statements
Semi-annual Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	8,314,766	7,864,261
Notes receivable, accounts receivable from completed construction contracts and other	45,141,633	46,198,100
Costs on construction contracts in progress	1,158,272	3,037,119
Merchandise and finished goods	69,062	50,170
Work in process	5,700	6,083
Raw materials and supplies	290,025	300,187
Other	715,914	1,740,533
Total current assets	55,695,375	59,196,455
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,256,389	9,977,032
Machinery and vehicles, net	322,514	306,436
Tools, furniture and fixtures, net	300,242	371,731
Land	9,030,936	9,177,720
Leased assets, net	1,536,764	1,345,375
Construction in progress	4,106	345,080
Total property, plant and equipment	21,450,952	21,523,376
Intangible assets	390,646	334,248
Investments and other assets		
Investment securities	16,185,080	17,481,001
Other	907,746	625,709
Allowance for doubtful accounts	(4,425)	(4,425)
Total investments and other assets	17,088,402	18,102,286
Total non-current assets	38,930,002	39,959,911
Total assets	94,625,378	99,156,366

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	9,660,729	8,241,687
Electronically recorded obligations - operating	3,258,239	1,993,755
Short-term borrowings	500,000	9,500,000
Income taxes payable	2,057,589	139,414
Advances received on construction contracts in progress	458,347	1,060,121
Provision for warranties for completed construction	2,787	2,863
Provision for bonuses	2,308,283	1,101,463
Other	6,156,314	6,571,888
Total current liabilities	24,402,291	28,611,194
Non-current liabilities		
Retirement benefit liability	4,888,860	4,928,799
Provision for retirement benefits for directors (and other officers)	23,074	21,078
Other	1,582,255	1,941,062
Total non-current liabilities	6,494,189	6,890,940
Total liabilities	30,896,481	35,502,134
Net assets		
Shareholders' equity		
Share capital	1,430,962	1,430,962
Capital surplus	3,205,423	3,236,719
Retained earnings	56,988,902	56,133,276
Treasury shares	(769,647)	(743,586)
Total shareholders' equity	60,855,640	60,057,372
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,321,136	3,320,799
Remeasurements of defined benefit plans	552,119	276,059
Total accumulated other comprehensive income	2,873,256	3,596,859
Total net assets	63,728,897	63,654,232
Total liabilities and net assets	94,625,378	99,156,366

Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statement of Income

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	26,989,612	28,629,638
Cost of sales	23,562,519	24,497,673
Gross profit	3,427,093	4,131,964
Selling, general and administrative expenses	2,640,324	2,656,706
Operating profit	786,769	1,475,257
Non-operating income		
Interest income	400	3,839
Dividend income	118,770	161,158
Gain on sale of goods	110,179	105,864
Share of profit of entities accounted for using equity method	92,413	3,699
Other	38,949	40,603
Total non-operating income	360,714	315,166
Non-operating expenses		
Interest expenses	30,199	32,028
Bad debt expenses	12,215	-
Other	4,797	11,645
Total non-operating expenses	47,212	43,674
Ordinary profit	1,100,271	1,746,749
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	18,794	156,628
Total extraordinary losses	18,794	156,628
Profit before income taxes	1,081,658	1,590,121
Income taxes - current	39,994	54,466
Income taxes - deferred	266,250	485,440
Total income taxes	306,245	539,906
Profit	775,412	1,050,214
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	775,412	1,050,214

Semi-annual Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	775,412	1,050,214
Other comprehensive income		
Valuation difference on available-for-sale securities	(293,456)	967,651
Remeasurements of defined benefit plans, net of tax	(49,721)	(276,059)
Share of other comprehensive income of entities accounted for using equity method	(4,448)	32,011
Total other comprehensive income	(347,626)	723,603
Comprehensive income	427,786	1,773,817
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	427,786	1,773,817
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual Consolidated Statement of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,081,658	1,590,121
Depreciation	726,464	748,679
Share-based payment expenses	-	10,436
Increase (decrease) in provision for bonuses	(623,123)	(1,206,820)
Increase (decrease) in provision for bonuses for directors (and other officers)	(73,812)	(76,757)
Increase (decrease) in provision for warranties for completed construction	2,277	76
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(3,023)	(1,996)
Increase (decrease) in retirement benefit liability	(10,063)	(363,185)
Interest and dividend income	(119,171)	(164,997)
Interest expenses	30,199	32,028
Share of loss (profit) of entities accounted for using equity method	(92,413)	(3,699)
Loss (gain) on sale and retirement of property, plant and equipment	18,612	156,628
Decrease (increase) in trade receivables	(1,752,814)	(1,056,466)
Decrease (increase) in costs on construction contracts in progress	(1,661,796)	(1,878,846)
Decrease (increase) in other assets	(569,728)	(972,003)
Increase (decrease) in trade payables	(1,481,152)	(2,683,525)
Increase (decrease) in accrued expenses	(189,854)	(185,810)
Increase (decrease) in advances received on construction contracts in progress	269,445	601,773
Increase (decrease) in other liabilities	(137,644)	434,754
Subtotal	(4,585,939)	(5,019,609)
Interest and dividends received	183,768	317,786
Interest paid	(30,088)	(31,131)
Income taxes paid	(1,184,872)	(1,701,274)
Net cash provided by (used in) operating activities	(5,617,131)	(6,434,228)
Cash flows from investing activities		
Purchase of property, plant and equipment	(810,656)	(708,216)
Proceeds from sale of property, plant and equipment	181	-
Payments for retirement of property, plant and equipment	(18,044)	(115,103)
Purchase of intangible assets	(68,795)	(29,381)
Loan advances	(5,800)	(13,600)
Proceeds from collection of loans receivable	10,217	10,455
Other, net	(10)	-
Net cash provided by (used in) investing activities	(892,906)	(855,845)

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	6,500,000	9,000,000
Repayments of finance lease liabilities	(282,106)	(263,700)
Purchase of treasury shares	-	(44)
Dividends paid	(866,326)	(1,896,685)
Net cash provided by (used in) financing activities	5,351,567	6,839,569
Effect of exchange rate change on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	(1,158,470)	(450,504)
Cash and cash equivalents at beginning of period	8,892,857	8,304,766
Cash and cash equivalents at end of period	7,734,386	7,854,261