Financial Results for First Quarter of Fiscal Year Ending March 31, 2025 [Japanese GAAP] (Consolidated Data)

August 9, 2025

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Scheduled Date for Cash Dividends:
Quarterly Earnings Supplementary Explanatory Materials Yes
Quarterly Financial Results Briefing Session Yes (for institutional investors, analysts, and newspaper reporters)

(Amounts rounded down to the nearest million yen)

1. Consolidated Performance for First Quarter of Fiscal Year Ending March 31, 2025 (April 1, 2024 – June 30, 2024)

(1) Consolidated Operating Results (Cumulative) (% Represents year-on-year change rate from the same period)

	Net Sales		Operating Income		Ordinary Income		Quarterly Net Income Attributable to Owners of Parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2025	9,849	16.6	462	–	625	827.4	337	1,133.1
Three months ended June 30, 2024	8,446	(11.1)	(99)	–	67	(79.4)	27	(80.5)

Note: Comprehensive income: Three months ended June 30, 2025 747 million yen (1.4%)
Three months ended June 30, 2024 736 million yen (196.2%)

	Quarterly Net Income Per Share	Diluted Quarterly Net Income Per Share
	yen	yen
Three months ended June 30, 2025	8.79	–
Three months ended June 30, 2024	0.71	–

(2) Consolidated Financial Condition

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	million yen	million yen	%	yen
As of June 30, 2024	64,693	33,194	51.3	865.93
As of March 31, 2024	62,229	33,086	53.1	861.74

Reference: Capital: Three months ended June 30, 2025 33,189 million yen
Three months ended June 30, 2024 33,028 million yen

2. Dividends

	Annual Dividends				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2024	–	15.00	–	15.00	30.00
Fiscal year ending March 31, 2025	–				
Fiscal year ending March 31, 2025 (forecasts)		15.00	–	15.00	30.00

Note: Revision of previously announced dividend targets during this reporting period: None

3. Consolidated Performance Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(Percentages indicate year-on-year changes from full fiscal year and first half of the previous fiscal year, respectively)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent		Net Income Per Share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
2Q (first half)	23,000	35.4	1,300	382.0	1,300	185.4	850	144.1	22.19
Full year	48,000	8.8	2,600	32.1	2,600	21.2	1,700	29.5	44.37

Note: Revision of previously announced earnings forecasts during this reporting period: Yes

* Notes:

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

(2) Use of special accounting methods for preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy, accounting estimates, and retrospective restatements:

(i) Changes in accounting policy arising from revision of accounting standards, etc.: None
(ii) Changes in accounting policy other than those noted in (i) above: None
(iii) Changes in accounting estimates: None
(iv) Retrospective restatements: None

(4) Issued Shares (Common Stock)

(i) Number of issued shares at period-end (including treasury shares)	As of June 30, 2024	40,000,000 shares	As of June 30, 2024	40,000,000 shares
(ii) Number of treasury shares at period-end	As of June 30, 2024	1,671,821 shares	As of June 30, 2024	1,671,626 shares
(iii) Average number of shares outstanding (quarter-to-date)	Three months ended June 30, 2024	38,328,179 shares	Three months ended June 30, 2024	38,276,428 shares

* This quarterly report is not subjected to review by certified public accountants or an external auditing firm.

* Explanation of the Appropriate Use of Earnings Forecasts and Other Special Notes

(Cautionary Statement Regarding Forward-Looking Statements)

Any forecasts and forward-looking statements included in this report are based on information available at the time of this report's publication and certain assumptions considered reasonable. These forecasts are not guarantees of future performance, and actual results may vary significantly due to a variety of factors. For further details on the assumptions underlying these forecasts and other notice regarding the use of earnings forecasts, please refer to "1. Qualitative Information on Quarterly Results: (3) Explanation About Forward-Looking Statements, Including Forecast of Consolidated Financial Results" on page 3 of the accompanying materials.

(How to Obtain Quarterly Earnings Supplementary Explanatory Materials)

The Company will post its quarterly earnings supplementary explanatory materials on its website on Friday, August 9, 2024.

The Company will also hold a live-streamed financial results briefing for securities analysts on Monday, September 9, 2024.

Accompanying Material – Table of Contents

1. Qualitative Information on Quarterly Results 2
(1) Explanation About Operating Results 2
(2) Explanation About Financial Position 3
(3) Explanation About Forward-Looking Statements, Including Forecast of Consolidated Financial Results 3
2. Quarterly Consolidated Financial Statements and Notes 4
(1) Quarterly Consolidated Balance Sheet 4
(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income 6
(i) Quarterly Consolidated Statement of Income 6
Three Months Ended June 30, 2024 6
(ii) Quarterly Consolidated Statements of Comprehensive Income 7
Three Months Ended June 30, 2024 7
(3) Notes to Quarterly Consolidated Financial Statements 7
Note on Going Concern Assumption 7
Note on Significant Changes in the Amount of Shareholders' Equity 7
Notes to Consolidated Quarterly Cash Flow Statement 7
Notes on Segment Information and Other Disclosures: 8
Changes in Accounting Policies 9

1. Qualitative Information on Quarterly Results

(1) Explanation About Operating Results

During the first quarter of the consolidated cumulative period, the global economic situation has been gradually recovering. However, high geopolitical risks and China's ongoing economic slowdown contribute to an uncertain environment. In Japan, despite the benefits of price pass-through and stronger inbound demand, the persistent cost pressures from yen depreciation remain significant. Moreover, personal consumption is weak due to the decline in real wages driven by high inflation.

In this context, the recovery in capital investment demand from our major road paving customers has driven an increase in sales for our maintenance business, as well as higher revenues in our manufacturing subcontracting operations. As a result, sales for the first quarter of the consolidated cumulative period reached 9,849 million yen, marking a 16.6% increase compared to the same quarter last year. Operating income saw a significant turnaround to 462 million yen, compared to a loss of 99 million yen in the same quarter last year, thanks to increased sales and price adjustments in response to rising raw material costs. Consolidated ordinary income rose sharply to 625 million yen, marking an 827.4% increase, while net income attributable to the owners of parent surged to 337 million yen, reflecting a remarkable 1,133.1% increase compared to the same period last year.

Results by segment are as follows.

- Asphalt Plant-Related Business
  Both domestic and international sales decreased compared to the previous period. However, sales in domestic maintenance business increased compared to the previous year. As a result, total sales in this segment were 3,746 million yen, down 1.3% from the previous year. On a positive note, both order intake and order backlog increased compared to the same quarter last year, indicating a strong pipeline for future growth.

- Concrete Plant-Related Business
  Similarly, the concrete plant-related business declined in both domestic and international sales, although domestic maintenance sales increased. Total sales in this segment were 2,217 million yen, a 4.2% decrease from the previous year. However, order intake and order backlog both increased compared to the same quarter last year, suggesting a promising outlook for future growth.

- Environment and Conveyor-Related Business
  Total sales in this segment were 772 million yen, which is a 20.1% rise from the previous year. In the first quarter, while order intake decreased compared to the same quarter last year, the order backlog increased.

- Crusher-Related Business
  Total sales in this segment reached 640 million yen, up 15.9% from the previous year. Both order intake and order backlog increased compared to the same quarter last year.

- Contract-Based Manufacturing Business
  Total sales in this segment reached 1,550 million yen, marking a substantial 576.0% increase from the previous year. Order intake and order backlog both increased compared to the same quarter last year.

- Other Business
  Total sales in this segment rose by 1.2% to 922 million yen. Both order intake and order backlog increased compared to the same quarter last year.

(2) Explanation About Financial Position

As of the end of the first quarter, total assets amounted to 64,693 million yen, an increase of 2,463 million yen compared to the end of the previous fiscal year.

Assets

- Current Assets: Current assets were 42,656 million yen, up 1,623 million yen from the end of the previous fiscal year. This increase is primarily due to rises in work in progress by 2,427 million yen, cash and cash equivalents by 890 million yen, and electronically recorded monetary claims by 545 million yen. However, accounts receivable–trade decreased by 2,726 million yen, and notes receivable declined by 109 million yen.
- Non-Current Assets: Non-current assets amounted to 22,036 million yen, an increase of 840 million yen from the end of the previous fiscal year. The main contributors to this increase were higher amounts in construction in progress by 289 million yen, investment securities by 219 million yen, and machinery and transport equipment by 134 million yen.

Liabilities

- Total Liabilities: Total liabilities reached 31,498 million yen, an increase of 2,355 million yen compared to the previous fiscal year-end. This increase was mainly due to rises in contract liabilities by 2,837 million yen, accounts payable–other by 758 million yen, notes and accounts payable–trade by 357 million yen. On the other hand, there was a decrease in accrued bonuses by 421 million yen and unpaid corporate taxes by 520 million yen.

Equity

- Net Assets: Net assets were 33,194 million yen, up 108 million yen from the previous fiscal year-end. The increase is attributed to rises in foreign currency translation adjustments by 227 million yen and unrealized gains on other securities by 152 million yen, despite a decrease in retained earnings by 237 million yen.
- Equity Ratio: As a result, the equity ratio decreased to 51.3% from 53.1% at the end of the previous fiscal year

(3) Explanation About Forward-Looking Statements, Including Forecast of Consolidated Financial Results

There are no changes to the earnings forecast for the fiscal year ending March 2025, as previously announced on May 15, 2024.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

(million yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and cash equivalents	15,551	16,442
Notes receivable–trade	1,773	1,663
Accounts receivable–trade	8,975	6,249
Electronically recorded monetary claims	2,419	2,965
Merchandise and finished goods	1,631	2,111
Work in process	8,323	10,750
Raw materials and supplies	1,695	1,612
Other business	664	862
Allowance for doubtful accounts	(1)	(0)
Total current assets	41,033	42,656
Non-current assets		
Property and equipment		
Buildings and structures (net)	6,175	6,294
Land	4,204	4,228
Construction in progress	1,078	1,368
Other (net)	1,788	1,936
Total property, plant and equipment	13,247	13,828
Intangible assets		
Goodwill	196	188
Other business	1,011	1,000
Total intangible assets	1,208	1,189
Investments and other assets		
Investment securities	5,248	5,468
Investments in capital	107	107
Long-term loans receivable	13	11
Deferred tax assets	549	564
Other business	951	996
Allowance for doubtful accounts	(130)	(129)
Total investments and other assets	6,740	7,019
Total noncurrent assets	21,196	22,036
Total assets	62,229	64,693

(million yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable–trade	3,256	3,613
Electronically recorded obligations	1,296	1,276
Accounts payable–factoring	2,868	2,936
Short-term loans payable	6,166	6,104
Income taxes payable	965	444
Accounts payable–other	700	1,459
Advances received	17	17
Contract liabilities	4,625	7,463
Provision for bonuses	610	188
Provision for directors' bonuses	98	27
Provision for loss on order received	82	67
Other business	1,054	515
Total current liabilities	21,743	24,114
Long-term liabilities		
Long-term loans payable	4,550	4,514
Deferred tax liabilities	170	192
Provision for directors' retirement benefits	206	181
Retirement benefit-related liabilities	2,140	2,137
Other business	330	356
Total noncurrent liabilities	7,399	7,383
Total liabilities	29,143	31,498
Net assets		
Shareholders' equity		
Capital stock	9,197	9,197
Capital surplus	7,787	7,760
Retained earnings	13,791	13,553
Treasury stock	(738)	(738)
Total shareholders' equity	30,038	29,773
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,335	2,488
Foreign currency translation adjustment	696	924
Deferred gains or losses on hedges	21	62
Accumulated retirement benefit-related adjustment	(62)	(59)
Total accumulated other comprehensive income	2,990	3,415
Non-controlling interests	57	5
Total net assets	33,086	33,194
Total liabilities and net assets	62,229	64,693

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

(i) Quarterly Consolidated Statement of Income

Three Months Ended June 30, 2024

(million yen)

	Three months ended June 30, 2023 (April 1, 2023 – June 30, 2023)	Three months ended June 30, 2024 (April 1, 2024 – June 30, 2024)
Net sales	8,446	9,849
Cost of sales	6,201	6,780
Gross profit	2,244	3,068
Selling, general and administrative expenses	2,343	2,605
Operating income (loss)	(99)	462
Non-operating income		
Interest income	0	0
Dividends income	96	114
Foreign exchange gains	74	54
Other business	35	26
Total non-operating income	206	196
Non-operating expenses		
Interest expenses	24	22
Compensation for damage	12	–
Other business	3	10
Total non-operating expenses	40	33
Ordinary income	67	625
Extraordinary income		
Gain on sales of investment securities	–	3
Gain on sale of non-current assets	–	0
Total extraordinary income	–	3
Extraordinary loss		
Loss on sales of investment securities	–	0
Total extraordinary loss	–	0
Income before income taxes	67	627
Income taxes–current	88	368
Income taxes–deferred	(38)	(76)
Total income taxes	50	292
Quarterly net income	17	335
Quarterly loss attributable to non-controlling interests	(10)	(2)
Quarterly net income attributable to owners of parent	27	337

(ii) Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30, 2024

(million yen)

	Three months ended June 30, 2023 (April 1, 2023 – June 30, 2023)	Three months ended June 30, 2024 (April 1, 2024 – June 30, 2024)
Quarterly net income	17	335
Other comprehensive income		
Valuation difference on available-for-sale securities	631	152
Deferred gains or losses on hedges	27	40
Foreign currency translation adjustment	57	215
Retirement benefit-related adjustment	3	3
Total other comprehensive income	719	412
Quarterly comprehensive income	736	747
(Breakdown)		
Quarterly comprehensive income attributable to owners of parent	756	762
Quarterly comprehensive income attributable to non-controlling interests	(19)	(14)

(3) Notes to Quarterly Consolidated Financial Statements

Note on Going Concern Assumption

There are no relevant matters to report.

Note on Significant Changes in the Amount of Shareholders' Equity

There are no relevant matters to report.

Notes to Consolidated Quarterly Cash Flow Statement

A quarterly consolidated statement of cash flows for the first quarter of the current fiscal year has not been prepared. However, depreciation expenses (including amortization of intangible fixed assets excluding goodwill) and the amortization of goodwill for the first quarter of the current fiscal year are as follows.

(million yen)

	Three months ended June 30, 2023 (April 1, 2023 – June 30, 2023)	Three months ended June 30, 2024 (April 1, 2024 – June 30, 2024)
Depreciation expense	220	257
Amortization of goodwill	4	7

Notes on Segment Information and Other Disclosures

[Segment Information]

(i) First Quarter Consolidated Cumulative Period for the Previous Year (April 1, 2023 – June 30, 2023)

a. Information on Sales and Profit or Loss by Reportable Segment

(million yen)

	Reportable segments						Other (Note)	Total
	Asphalt plant-related business	Concrete plant-related business	Environment and conveyor-related business	Crusher-related business	Contract-based manufacturing business	Total		
Net sales								
Sales to external customers	3,795	2,313	643	552	229	7,534	911	8,446
Inter-segment sales or transfers	–	–	5	–	–	5	65	71
Total	3,795	2,313	649	552	229	7,540	976	8,517
Segment profit/loss	(92)	169	126	22	(16)	210	98	308

Note: The "Other" category includes business segments that are not classified as reportable segments. It comprises the construction machinery business, hand tool business, and waterproof board business.

b. The difference between the total amount of profit or loss for the reportable segments and the amount recorded in the quarterly consolidated statement of income, as well as the main components of this difference (items related to reconciliation)

(million yen)

Profit/Loss	Amount
Total of reportable segments	210
Profit for “Other” category	98
Corporate expenses (Note)	(407)
Operating Loss in the Quarterly Consolidated Income Statement	(99)

Note: Corporate expenses primarily consist of costs associated with department such as planning and management that are not attributable to the reportable segments.

(ii) First Quarter Consolidated Cumulative Period (April 1, 2024 – June 30, 2024)

a. Information on Sales and Profit or Loss by Reportable Segment

(million yen)

	Reportable segments						Other (Note)	Total
	Asphalt plant-related business	Concrete plant-related business	Environment and conveyor-related business	Crusher-related business	Contract-based manufacturing business	Total		
Net sales								
Sales to external customers	3,746	2,217	772	640	1,550	8,927	922	9,849
Inter-segment sales or transfers	–	–	2	–	–	2	46	49
Total	3,746	2,217	775	640	1,550	8,930	968	9,899
Segment profit/loss	179	241	162	54	229	868	37	905

Note: The "Other" category includes business segments that are not classified as reportable segments. It comprises the construction machinery business, hand tool business, and waterproof board business.

b. The difference between the total amount of profit or loss for the reportable segments and the amount recorded in the quarterly consolidated statement of income, as well as the main components of this difference (items related to reconciliation)

(million yen)

Profit/Loss	Amount
Total of reportable segments	868
Profit for “Other” category	37
Corporate expenses (Note)	(442)
Operating Loss in the Quarterly Consolidated Income Statement	462

Note: Corporate expenses primarily consist of costs associated with departments such as planning and management, that are not attributable to the reportable segments.

Changes in Accounting Policies

There are no relevant matters to report.