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Consolidated Financial Results for the Fiscal Year Ended October 31, 2025 (IFRS)

December 12, 2025

Company name: Nareru Group Inc.
Listing: Tokyo Stock Exchange
Securities code: 9163
URL: https://nareru-group.co.jp
Representative: Ryo Kobayashi, Representative Director
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Scheduled date of annual general meeting of shareholders: January 29, 2026
Scheduled date to commence dividend payments: January 15, 2026
Scheduled date to file annual securities report: January 28, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the fiscal year ended October 31, 2025 (November 1, 2024 to October 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
October 31, 2025	24,158	11.8	2,827	(9.1)	2,758	(9.8)	2,086	(4.6)
October 31, 2024	21,608	20.1	3,110	26.0	3,059	23.6	2,187	25.6

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Fiscal year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
October 31, 2025	2,086	(4.6)	2,072	(4.4)	238.74	237.54
October 31, 2024	2,187	25.6	2,169	24.0	255.16	250.54

	Ratio of profit to equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
Fiscal year ended	%	%	%
October 31, 2025	14.9	11.5	11.7
October 31, 2024	17.1	13.3	14.4

(Reference) Equity in net income of affiliates: Fiscal year ended October 31, 2025: (- million yen); Fiscal year ended October 31, 2024: (- million yen)

(2) Consolidated financial position

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
October 31, 2025	24,562	14,478	14,478	58.9	1,654.85
October 31, 2024	23,617	13,440	13,440	56.9	1,541.06

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
October 31, 2025	2,298	(197)	(1,923)	4,822
October 31, 2024	2,310	(6)	(1,870)	4,516

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended October 31, 2024	—	50.00	—	60.00	110.00	952	43.1	7.4
Fiscal year ended October 31, 2025	—	55.00	—	60.00	115.00	1,006	48.2	7.2
Fiscal year ending October 31, 2026 (Forecast)	—	55.00	—	60.00	115.00		—	

3. Forecast of consolidated financial results for the fiscal year ending October 31, 2026 (November 1, 2025 to October 31, 2026)

(Percentages indicate year-on-year changes.)

	Revenue		Gross profit		Operating profit		Profit before tax	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ending April 30, 2026	13,530	14.7	3,270	3.0	1,090	(29.0)	1,060	(29.4)
Full year	29,250	21.1	7,400	18.6	3,010	6.5	2,940	6.6

	Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Yen
Six months ending April 30, 2026	800	(26.4)	91.44
Full year	2,090	0.1	238.88

*** Notes**

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

Newly included: The National Construction Personnel Association, a general incorporated association

Excluded: None

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

(i) Changes in accounting policies required by IFRS: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(Note) For more information, please refer to "3. Consolidated Financial Statements and Notes (5) Notes to Consolidated Financial Results (Changes in Accounting Policies)" on page 12.

(3) Number of issued shares (ordinary shares)

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

As of October 31, 2025	8,749,349 shares
As of October 31, 2024	8,721,665 shares

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

As of October 31, 2025	31 shares
As of October 31, 2024	– shares

(iii) Average number of shares outstanding during the period

Fiscal year ended October 31, 2025	8,741,437 shares
Fiscal year ended October 31, 2024	8,574,574 shares

* 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

(Notes on forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable. The forward-looking statements do not guarantee future performance. Actual results may differ materially from those expressed or implied by these forward-looking statements due to a variety of factors. For the assumptions for the forecasts and notes on the use of the forecasts, please refer to "1. Overview of Operating Results, etc. (4) Business Performance Forecasts" on page 3 of the Appendix.

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1. Overview of Operating Results, etc.

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

During the fiscal year ended October 31, 2025 (November 1, 2024, to October 31, 2025), the Japanese economy was on a gradual recovery path, despite certain indications of the impact of U.S. trade policies and other factors. Looking ahead, while improvements in the employment and income environment, as well as the effects of various policy measures, are expected to support the gradual recovery, attention needs to be paid to the risk of an economic slowdown due to U.S. trade policies. Furthermore, continued general price increases could dampen consumer sentiment and weigh on personal spending, posing a potential downside risk to the domestic economy. Close attention should also continue to be paid to fluctuations in financial and capital markets. In the construction industry, where the Group primarily dispatches engineers, demand remained robust due to solid public investment and a recovery trend in private-sector capital investment. At the same time, the industry continues to face a severe labor shortage due to structural issues, such as an aging workforce and a shortage of young engineers. Against this backdrop, the need for engineer dispatch is expected to further rise.

Under such an environment, in the Construction Solutions Business, the Group's core business, we promoted "the enhancement of each process of 'Sales,' 'Recruitment,' and 'Career Design,'" "the strengthening and development of our in-house recruitment media," and "accelerating the rollout of new services such as construction DX support," in order to meet the strong demand from client companies. In addition to these initiatives, in the IT Solutions Business, we bolstered our sales activities in order to win orders for upstream projects in system development by enhancing both our sales capabilities and engineers' technical skills.

As a result, both the Construction Solutions Business and IT Solutions Business saw increases in the number of registered engineers and active engineers, as well as a rise in the contract unit price for engineers. Consequently, revenue for the fiscal year ended October 31, 2025 reached 24,158,934 thousand yen (up 11.8% year on year). Operating profit amounted to 2,827,490 thousand yen (down 9.1% year on year). This resulted from an increase in costs and selling, general, and administrative expenses, due to rising hiring expenses reflecting the proactive recruitment of engineers as part of growth investments and efforts to increase personnel in the sales and recruitment divisions. Profit before tax was 2,758,817 thousand yen (down 9.8% year on year), and profit attributable to owners of parent was 2,086,906 thousand yen (down 4.6% year on year).

Operating results by segment are as follows.

(Construction Solutions Business)

At World Corporation, which provides construction engineer dispatch services, the number of registered engineers at the end of the fiscal year under review was 3,687 (an increase of 448 from the end of the previous fiscal year). The average utilization rate (excluding trainees) for the fiscal year under review was 92.6% (down 1.6% year on year). The monthly average contract unit price for the fiscal year under review was 519 thousand yen (an increase of 9 thousand yen year on year).

In the Construction Solutions Business, we continued to strengthen the sales and recruitment functions, while focusing on training engineers to meet our client companies' needs. In terms of sales, we made efforts to capture new projects by strengthening our sales activities in urban areas, where demand for engineers is growing due to large-scale redevelopment projects, and by deepening our relationships with existing clients as well as cultivating new clients. As a result of these efforts, despite the lower-than-expected utilization rate, the number of active engineers steadily increased and contributed to the increase in revenue. As for recruitment, since a review of the hiring process and proactive recruitment investments led to successful results, the number of newly recruited engineers exceeded the plan for the fiscal year under review.

As a result, revenue for this segment was 21,642,990 thousand yen (up 11.9% year on year), and segment profit was 2,247,237 thousand yen (down 13.8% year on year).

(IT Solution Business)

At ATJC, which provides IT engineer dispatch services, the number of registered engineers at the end of the fiscal year under review was 430 (an increase of 26 from the end of the previous fiscal year). The average utilization rate for the fiscal year under review was 92.2% (down 1.7% year on year). Additionally, the monthly average contract unit price for the fiscal year under review was 524 thousand yen (an increase of 9 thousand yen year on year).

In the IT Solution Business, despite the lower-than-expected utilization rate, business performance improved due to higher contract unit prices driven by the acquisition of upstream projects in system development, as well as the increase in the number of active engineers.

As a result, revenue for this segment was 2,515,943 thousand yen (up 11.2% year on year) and segment profit was 135,500 thousand yen (down 8.4% year on year).

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

The financial position at the end of the fiscal year under review (October 31, 2025) is as follows.

(Assets)

Total current assets at the end of the fiscal year under review were 8,469,466 thousand yen (up 542,895 thousand yen from the end of the previous fiscal year). This was mainly due to increases of 162,033 thousand yen in trade receivables and 305,526 thousand yen in cash and cash equivalents. Non-current assets totaled 16,092,638 thousand yen (up 401,736 thousand yen from the end of the previous fiscal year). This was mainly due to an increase of 173,431 thousand yen in deferred tax assets.

As a result, total assets at the end of the fiscal year under review were 24,562,104 thousand yen (up 944,632 thousand yen from the end of the previous fiscal year).

(Liabilities)

Total current liabilities at the end of the fiscal year under review were 6,874,625 thousand yen (up 357,684 thousand yen from the end of the previous fiscal year). This was mainly due to an increase of 200,607 thousand yen in other current liabilities. Non-current liabilities totaled 3,208,700 thousand yen (down 451,179 thousand yen from the end of the previous fiscal year). This was mainly due to a decrease of 714,284 thousand yen in borrowings, while there was an increase of 125,000 thousand yen in lease liabilities.

As a result, total liabilities at the end of the fiscal year under review were 10,083,325 thousand yen (down 93,495 thousand yen from the end of the previous fiscal year).

(Equity)

Total equity as of the end of the fiscal year under review was 14,478,778 thousand yen (up 1,038,128 thousand yen from the end of the previous fiscal year). This was mainly due to an increase of 1,021,611 thousand yen in retained earnings due to the recording of profit attributable to owners of parent, while dividends of surplus were paid.

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

Cash and cash equivalents (hereinafter “net cash”) at the end of the fiscal year under review stood at 4,822,364 thousand yen (up 305,526 thousand yen from the end of the previous fiscal year).

The status of cash flows and their contributing factors are as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities was 2,298,494 thousand yen (compared to net cash provided amounting to 2,310,147 thousand yen in the previous fiscal year). This was mainly due to the recording of profit before tax of 2,758,817 thousand yen, against income taxes paid of 894,778 thousand yen.

(Cash Flows from Investing Activities)

Net cash used in investing activities was 197,639 thousand yen (compared to net cash used amounting to 6,375 thousand yen in the previous fiscal year). This was mainly due to purchase of other financial assets of 102,096 thousand yen and purchase of property, plant and equipment of 57,531 thousand yen.

(Cash Flows from Financing Activities)

Net cash used in financing activities was 1,923,208 thousand yen (compared to net cash used amounting to 1,870,155 thousand yen in the previous fiscal year). This was mainly due to dividends paid of 1,004,077 thousand yen and repayments of long-term borrowings of 714,284 thousand yen.

(4) Business Performance Forecasts

In the construction industry, to which the Group’s major customers belong, demand is expected to remain firm due to an increase in maintenance and repair work associated with the aging of both public engineering and private construction, as well as the ongoing recovery in private-sector capital investment. On the other hand,

the labor shortage in the construction industry is becoming more serious, and the need for engineer dispatch is expected to further increase.

The acquisition of engineers is the driving force for the Group's growth, but competition for acquiring engineers is intensifying, and the Group recognizes that "securing a stable supply of engineers who can respond to customer demand," "raising the utilization rate," and "improving the turnover rate of engineers" are urgent issues. In addition, the establishment of sales, recruitment and back office systems that support business growth is also an essential initiative for realizing sustainable growth.

In the fiscal year ending October 31, 2026, as the initial year of the 5-year medium-term management plan, we will promote the building of foundations for growth. Specifically, we will lay the foundations for our four growth strategies of "improving competitiveness of core businesses through strengthened human resources and organizational functions," "promoting construction DX to support improved productivity at construction sites," "expansion of craftworkers recruitment business through strengthening and evolution of matching platform," and "improving productivity through digital utilization and operational reform."

Based on these initiatives, the Group's consolidated operating results for the fiscal year ending October 31, 2026 will be as follows: revenue to increase by 21.1% year on year to 29,250 million yen, operating profit to increase by 6.5% year on year to 3,010 million yen, profit before tax to increase by 6.6% to 2,940 million yen, and profit attributable to owners of the parent to increase by 0.1% year on year to 2,090 million yen, all on a year-on-year basis.

The Group's consolidated operating results for the first six months of the fiscal year ending October 31, 2026 will be as follows: revenue to increase by 14.7% year on year to 13,530 million yen, operating profit to decrease by 29.0% year on year to 1,090 million yen, all on a year-on-year basis. For the first six months of the fiscal year, we expect a year-on-year revenue growth, but we expect a decrease in all profit items from operating profit as we work to increase the number of sales and recruiting staff in order to strengthen our engineer recruitment going forward.

The business forecast figures are determined based on the information available as of that date, and the actual business performance and other results may differ due to a variety of factors. If the necessity of a revision arises, such revision will be disclosed in a timely and appropriate manner.

2. Basic Approach to the Selection of Accounting Standards

The Group has adopted International Financial Reporting Standards since the fiscal year ended October 31, 2022 in order to improve the international comparability and convenience of financial information in capital markets.

3. Consolidated Financial Statements and Notes

(1) Consolidated Statement of Financial Position

(Thousands of yen)

	As of October 31, 2024	As of October 31, 2025
Assets		
Current assets		
Cash and cash equivalents	4,516,838	4,822,364
Trade receivables	3,204,459	3,366,492
Other financial assets	53,819	37,393
Other current assets	151,454	243,215
Total current assets	7,926,570	8,469,466
Non-current assets		
Property, plant and equipment	178,592	211,577
Right-of-use assets	597,208	757,315
Goodwill	14,074,688	14,074,688
Intangible assets	20,127	43,729
Other financial assets	310,677	322,197
Deferred tax assets	508,348	681,780
Other non-current assets	1,258	1,349
Total non-current assets	15,690,901	16,092,638
Total assets	23,617,471	24,562,104

(Thousands of yen)

	As of October 31, 2024	As of October 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	36,842	32,542
Borrowings	2,714,284	2,714,284
Lease liabilities	227,779	285,317
Income taxes payable	455,042	398,457
Other financial liabilities	130,132	290,556
Other current liabilities	2,952,860	3,153,468
Total current liabilities	6,516,941	6,874,625
Non-current liabilities		
Long-term borrowings	2,857,148	2,142,864
Lease liabilities	348,787	473,788
Retirement benefit liability	324,461	421,211
Provisions	129,483	170,836
Total non-current liabilities	3,659,880	3,208,700
Total liabilities	10,176,821	10,083,325
Equity		
Share capital	403,280	420,028
Capital surplus	8,550,549	8,566,597
Retained earnings	4,431,735	5,453,347
Treasury shares	—	(77)
Other components of equity	55,084	38,882
Total equity attributable to owners of parent	13,440,650	14,478,778
Total equity	13,440,650	14,478,778
Total liabilities and equity	23,617,471	24,562,104

(2) Consolidated Statements of Profit or Loss and Comprehensive Income

Consolidated Statement of Profit or Loss

(Thousands of yen)

	Fiscal year ended October 31, 2024 (November 1, 2023 to October 31, 2024)	Fiscal year ended October 31, 2025 (November 1, 2024 to October 31, 2025)
Revenue	21,608,643	24,158,934
Cost of sales	(15,668,025)	(17,921,289)
Gross profit	5,940,617	6,237,644
Selling, general and administrative expenses	(2,845,984)	(3,369,697)
Other income	17,099	7,583
Other expenses	(763)	(48,039)
Operating profit	3,110,968	2,827,490
Finance income	910	6,516
Finance costs	(52,282)	(75,189)
Profit before tax	3,059,596	2,758,817
Income tax expense	(871,714)	(671,911)
Profit	2,187,881	2,086,906
Profit attributable to		
Owners of parent	2,187,881	2,086,906
Profit	2,187,881	2,086,906
Earnings per share		
Basic earnings per share (yen)	255.16	238.74
Diluted earnings per share (yen)	250.54	237.54

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Fiscal year ended October 31, 2024 (November 1, 2023 to October 31, 2024)	Fiscal year ended October 31, 2025 (November 1, 2024 to October 31, 2025)
Profit	2,187,881	2,086,906
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(18,880)	(14,327)
Total	(18,880)	(14,327)
Total other comprehensive income	(18,880)	(14,327)
Comprehensive income	2,169,000	2,072,578
Comprehensive income attributable to		
Owners of parent	2,169,000	2,072,578
Comprehensive income	2,169,000	2,072,578

(3) Consolidated Statement of Changes in Equity

Fiscal year ended October 31, 2024 (November 1, 2023 to October 31, 2024)

(Thousands of yen)

	Equity attributable to owners of parent								
					Other components of equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share acquisition rights	Remeasurements of defined benefit plans	Total	Total	Total equity
Balance on November 1, 2023	248,368	8,397,663	3,319,560	—	211,622	—	211,622	12,177,215	12,177,215
Profit	—	—	2,187,881	—	—	—	—	2,187,881	2,187,881
Other comprehensive income	—	—	—	—	—	(18,880)	(18,880)	(18,880)	(18,880)
Comprehensive income	—	—	2,187,881	—	—	(18,880)	(18,880)	2,169,000	2,169,000
Issuance of new shares upon exercise of share acquisition rights	151,197	151,197	—	—	(8,935)	—	(8,935)	293,460	293,460
Dividends of surplus	—	—	(1,230,129)	—	—	—	—	(1,230,129)	(1,230,129)
Share-based payment transactions	3,714	1,688	—	—	25,700	—	25,700	31,103	31,103
Transfer from other components of equity to retained earnings	—	—	154,422	—	(173,302)	18,880	(154,422)	—	—
Total transactions with owners	154,911	152,886	(1,075,706)	—	(156,537)	18,880	(137,656)	(905,565)	(905,565)
Balance on October 31, 2024	403,280	8,550,549	4,431,735	—	55,084	—	55,084	13,440,650	13,440,650

Fiscal year ended October 31, 2025 (November 1, 2024 to October 31, 2025)

(Thousands of yen)

	Equity attributable to owners of parent								
					Other components of equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share acquisition rights	Remeasurements of defined benefit plans	Total	Total	Total equity
Balance on November 1, 2024	403,280	8,550,549	4,431,735	—	55,084	—	55,084	13,440,650	13,440,650
Profit	—	—	2,086,906	—	—	—	—	2,086,906	2,086,906
Other comprehensive income	—	—	—	—	—	(14,327)	(14,327)	(14,327)	(14,327)
Comprehensive income	—	—	2,086,906	—	—	(14,327)	(14,327)	2,072,578	2,072,578
Issuance of new shares upon exercise of share acquisition rights	11,750	11,750	—	—	—	—	—	23,500	23,500
Purchase of treasury shares	—	—	—	(77)	—	—	—	(77)	(77)
Dividends of surplus	—	—	(1,004,402)	—	—	—	—	(1,004,402)	(1,004,402)
Share-based payment transactions	4,997	4,297	—	—	—	—	—	9,295	9,295
Change in scope of consolidation	—	—	(62,766)	—	—	—	—	(62,766)	(62,766)
Transfer from other components of equity to retained earnings	—	—	1,874	—	(16,202)	14,327	(1,874)	—	—
Total transactions with owners	16,747	16,047	(1,065,294)	(77)	(16,202)	14,327	(1,874)	(1,034,450)	(1,034,450)
Balance on October 31, 2025	420,028	8,566,597	5,453,347	(77)	38,882	—	38,882	14,478,778	14,478,778

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	Fiscal year ended October 31, 2024	Fiscal year ended October 31, 2025
Cash flows from operating activities		
Profit before tax	3,059,596	2,758,817
Depreciation and amortization	261,372	285,199
Impairment losses	—	38,905
Share-based payment expenses	31,103	9,295
Finance income and finance costs	51,372	68,672
Loss on retirement of property, plant and equipment	—	6,478
Decrease (increase) in trade receivables	(437,850)	(155,268)
Increase (decrease) in trade payables	7,082	(18,204)
Increase (decrease) in accrued expenses	179,422	149,772
Increase (decrease) in accounts payable - bonuses	(104,378)	48,428
Increase (decrease) in retirement benefit liability	64,799	74,561
Other	163,212	(4,284)
Subtotal	3,275,733	3,262,374
Interest and dividends received	399	6,516
Interest paid	(50,692)	(75,617)
Income taxes paid	(915,292)	(894,778)
Net cash provided by (used in) operating activities	2,310,147	2,298,494
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,075)	(57,531)
Purchase of intangible assets	(3,639)	(38,138)
Payments for loans receivable	(6,845)	(1,223)
Collection of loans receivable	10,202	1,273
Purchase of other financial assets	(15,188)	(102,096)
Collection of other financial assets	23,170	77
Net cash provided by (used in) investing activities	(6,375)	(197,639)
Cash flows from financing activities		
Repayments of long-term borrowings	(714,284)	(714,284)
Repayments of lease liabilities	(219,468)	(227,269)
Proceeds from issuance of shares	293,460	23,500
Dividends paid	(1,228,863)	(1,004,077)
Payment of financial commission	(1,000)	(1,000)
Other	—	(77)
Net cash provided by (used in) financing activities	(1,870,155)	(1,923,208)
Net increase (decrease) in cash and cash equivalents	433,615	177,646
Cash and cash equivalents at beginning of period	4,083,222	4,516,838
Net increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	127,879
Cash and cash equivalents at end of period	4,516,838	4,822,364

(5) Notes to Consolidated Financial Statements

(Note on Assumption About Going Concern)

Not applicable.

(Changes in Accounting Policies)

The accounting policies adopted in preparation of the consolidated financial statements are consistent with those used in the preparation of the consolidated financial statements for the previous fiscal year ended October 31, 2024, with the exception of the following.

Document	Standard	Description
IAS 1	Presentation of Financial Statements	Clarification of requirements for classifying liabilities as current or non-current Amendments requiring disclosure of information about long-term debt with covenants
IAS 7 IFRS 7	Statement of Cash Flows Financial Instruments: Disclosures	Amendments requiring disclosure to enhance transparency of supplier finance arrangements
IFRS 16	Leases	Clarification of subsequent accounting for sale and leaseback transactions

There is no material impact of the adoption of these standards on the consolidated financial statements.

(Segment Information)

(1) Overview of Reportable Segments

The reportable segments of the Group are its components for which separate financial information is available and which are regularly reviewed by the Board of Directors to determine the allocation of management resources and evaluate their performance.

In the Group, respective operating companies categorized by service develop comprehensive strategies for the services they provide and conduct their business activities.

Based on the above, the Group's segments are classified by service, with two reportable segments of "Construction Solutions" and "IT Solutions," reflecting their distinct service characteristics and similarity of sales markets.

The main services and business operations of each reportable segment are as follows.

Reportable Segments	Main Services or Business Operations
Construction Solutions	Dispatch of construction management engineers, CAD engineers, etc. to construction companies such as general contractors.
IT Solutions	Provide services through dispatching engineers and system engineering service contracts for development projects and infrastructure management work for system integrators, etc.

(2) Information of Reportable Segments

The accounting policies on the reportable segments are generally the same as those for the consolidated financial statements.

Information by reportable segment of the Group is as follows. The profit of reportable segments is based on operating profit. Inter-segment transactions are based on prevailing market prices.

Fiscal year ended October 31, 2024 (November 1, 2023 to October 31, 2024)

(Thousands of yen)

	Reportable segments			Adjustments (Notes 1, 2, and 3)	Consolidated Statement
	Construction Solutions	IT Solutions	Total		
Revenue					
Revenue from external customers	19,347,007	2,261,635	21,608,643	—	21,608,643
Inter-segment revenue	—	32,533	32,533	(32,533)	—
Total	19,347,007	2,294,169	21,641,176	(32,533)	21,608,643
Segment profit	2,607,379	147,898	2,755,278	355,690	3,110,968
Finance income					910
Finance costs					(52,282)
Profit before tax					3,059,596
Segment assets	19,157,179	1,935,052	21,092,232	2,525,239	23,617,471
(Other income and expenses)					
Depreciation and amortization	222,136	23,371	245,507	15,864	261,372
(Other assets)					
Increase in non-current assets (Note 4)	453,901	44,432	498,334	2,800	501,134

Notes: 1. Adjustments to inter-segment revenue are due to elimination of inter-segment transactions.

2. Adjustments to segment profit are corporate revenue and corporate expenses that are not allocated to any reportable segment. Corporate revenue consists of management guidance fees from each reportable segment, and corporate expenses mainly consist of general and administrative expenses that are not attributable to reportable segments.
3. Adjustments to segment assets are mainly corporate assets that do not belong to reportable segments.
4. The increase in non-current assets is the sum of property, plant and equipment, intangible assets, and right-of-use assets.

Fiscal year ended October 31, 2025 (November 1, 2024 to October 31, 2025)

(Thousands of yen)

	Reportable segments			Adjustments (Notes 1, 2, and 3)	Consolidated Statement
	Construction Solutions	IT Solutions	Total		
Revenue					
Revenue from external customers	21,642,990	2,515,943	24,158,934	—	24,158,934
Inter-segment revenue	—	24,023	24,023	(24,023)	—
Total	21,642,990	2,539,966	24,182,957	(24,023)	24,158,934
Segment profit	2,247,237	135,500	2,382,737	444,752	2,827,490
Finance income					6,516
Finance costs					(75,189)
Profit before tax					2,758,817
Segment assets	20,348,978	1,893,692	22,242,671	2,319,433	24,562,104
(Other income and expenses)					
Depreciation and amortization	244,315	24,144	268,459	16,739	285,199
Impairment losses	38,905	—	38,905	—	38,905
(Other assets)					
Increase in non-current assets (Note 4)	547,278	—	547,278	—	547,278

Notes: 1. Adjustments to inter-segment revenue are due to elimination of inter-segment transactions.
2. Adjustments to segment profit are corporate revenue and corporate expenses that are not allocated to any reportable segment. Corporate revenue consists of management guidance fees from each reportable segment, and corporate expenses mainly consist of general and administrative expenses that are not attributable to reportable segments.
3. Adjustments to segment assets are mainly corporate assets that do not belong to reportable segments.
4. The increase in non-current assets is the sum of property, plant and equipment, intangible assets, and right-of-use assets.

(Per Share Information)

(1) Basic Earnings per Share

Basic earnings per share and the basis for calculation are as follows:

(Thousands of yen)

	Fiscal year ended October 31, 2024 (November 1, 2023 to October 31, 2024)	Fiscal year ended October 31, 2025 (November 1, 2024 to October 31, 2025)
Profit attributable to ordinary shareholders of parent		
Profit attributable to owners of parent	2,187,881	2,086,906
Profit not attributable to ordinary shareholders of parent	—	—
Profit used for calculating basic earnings per share	2,187,881	2,086,906
Average number of common shares outstanding during the period	8,574,574 shares	8,741,437 shares
Basic earnings per share	255.16 yen	238.74 yen

(2) Diluted Earnings per Share

Diluted earnings per share and the basis for calculation are as follows:

(Thousands of yen)

	Fiscal year ended October 31, 2024 (November 1, 2023 to October 31, 2024)	Fiscal year ended October 31, 2025 (November 1, 2024 to October 31, 2025)
Profit attributable to ordinary shareholders (diluted)		
Profit used for calculation of basic earnings per share	2,187,881	2,086,906
Adjustments to profit	—	—
Profit used for calculating diluted earnings per share	2,187,881	2,086,906
Average number of common shares outstanding during the period	8,574,574 shares	8,741,437 shares
Effect of dilutive potential common shares: stock option	158,222 shares	43,968 shares
After adjustment for dilutive effect	8,732,796 shares	8,785,405 shares
Diluted earnings per share	250.54 yen	237.54 yen

(Important Subsequent Events)

Not applicable.