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

August 8, 2025

Company name: Nishimatsu Construction Co., Ltd.

Listing: Tokyo

Securities code: 1820

URL: <https://www.nishimatsu.co.jp/>

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Scheduled date to commence dividend payments: –

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

Representative Director and President

General Manager of Finance & Accounting Department

(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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	82,907	(1.5)	3,029	(35.2)	2,540	(47.9)	1,649	(49.0)
June 30, 2024	84,141	(0.1)	4,677	361.7	4,877	188.3	3,232	203.4

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 190 million [(71.6) %]
Three months ended June 30, 2024: ¥ 670 million [(83.5) %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	41.79	—
June 30, 2024	81.89	—

(2) Consolidated Financial Position

	Total assets	Net assets	Owner's equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	603,274	176,456	27.8
March 31, 2025	592,046	181,190	29.1

(Reference) Equity: As of June 30, 2025: ¥ 167,908 million
As of March 31, 2025: ¥ 172,142 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2025	Yen —	Yen 100.00	Yen —	Yen 120.00	Yen 220.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		100.00	—	120.00	220.00

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

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	420,000	14.5	25,000	18.5	24,000	18.7	17,600	0.3	445.90

(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: 41,791,502 shares
March 31, 2025: 41,791,502 shares

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

June 30, 2025: 2,320,836 shares
March 31, 2025: 2,320,645 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 39,470,750 shares
Three months ended June 30, 2024: 39,470,644 shares

(Note) The number of treasury shares at the end of the three months ended June 30, 2025 includes the Company's shares held by the Board Benefit Trust (BBT) (224,000 shares for the three months ended June 30, 2025, and 224,000 shares for the fiscal year ended March 31, 2025). The Company's shares held by the BBT are included in the number of treasury shares to be deducted when calculating the average number of shares outstanding during the period (224,000 shares for the three months ended June 30, 2025 and 225,300 shares for the three months ended June 30, 2024).

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

* Explanation about the appropriate usage of earnings forecasts and other special notes

The earnings forecasts contained in this document have been prepared based on information available as of the date of the announcement of this document. Therefore, actual results may differ due to various factors in the future. For the conditions that form the assumptions for earnings forecasts and notes on the usage of earnings forecasts, please refer to “Information Regarding Consolidated Earnings Forecasts and Other Forward-Looking Information” on page 4 of the attached document.

■ Overview of Non-Consolidated Operating Results (for reference)

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

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

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

	Net sales		Operating profit		Ordinary profit		Net profit	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	79,891	(2.9)	3,006	(36.1)	2,842	(44.2)	1,933	(44.7)
June 30, 2024	82,249	1.1	4,704	386.5	5,095	199.4	3,494	211.4

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	48.98	—
June 30, 2024	88.53	—

(2) Financial Position

	Total assets	Net assets	Owner's equity ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	554,680	162,628	29.3
March 31, 2025	537,998	165,264	30.7

(Reference) Equity: As of June 30, 2025: ¥ 162,628 million
As of March 31, 2025: ¥ 165,264 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		Operating profit		Ordinary profit		Net profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	387,000	11.2	23,000	12.6	22,300	10.5	16,500	(5.9)	418.03

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

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period under Review

The Japanese economy during the three months ended June 30, 2025 continued to recover gradually thanks to improvements in the employment and income environment. However, looking ahead, we need to pay careful attention to the impact of trade policies, etc. of the United States and other countries on foreign economic and price trends, as well as on financial and foreign exchange markets.

In the construction industry, construction investment is on an increasing trend in nominal terms in both public and private sectors. However, the factors continuing to require close attention include the effects of continued high construction material prices and rising labor costs attributable to shortages in manpower and specialized contractors.

Under such business climate, our corporate group's consolidated performance for the three months ended June 30, 2025 was as follows:

Construction business's orders received reached 45,384 million yen, a decrease by 60,452 million yen (down 57.1% year on year), owing to decreases in both domestic and overseas construction.

Net sales decreased by 1,233 million yen (down 1.5% year on year) to 82,907 million yen, due to a decrease in real estate business and other, despite an increase in domestic civil engineering projects. Operating profit decreased by 1,647 million yen (down 35.2 % year on year) to 3,029 million yen, owing to factors including a decrease in gross profit on real estate business and other, despite an increase in gross profit on completed construction contracts of domestic building projects. Ordinary profit decreased by 2,337 million yen (down 47.9% year on year) to 2,540 million yen. Profit attributable to owners of parent decreased by 1,582 million yen (down 49.0% year on year) to 1,649 million yen.

The results of the reportable segments are as follows (segment results include internal net sales or transfers between segments).

① Civil Engineering Business

This reporting segment is mainly composed of sales from domestic civil engineering projects. Net sales in this segment increased by 5.8% year on year to 25,688 million yen, thanks to the smooth progress overall of construction projects. However, the segment's profit decreased by 65.5% year on year to 476 million yen, affected by a decrease in gross profit on completed construction contracts due to a decrease in net sales of completed construction contracts of high-margin projects.

On the Company's non-consolidated basis, orders received from domestic civil engineering projects decreased by 21,804 million yen (down 61.2% year on year) to 13,845 million yen, partly owing to a reactionary decline following the large-scale public-sector construction projects secured during the previous year's same period.

② Building Business

This reporting segment is mainly composed of sales of domestic building projects. Net sales in this segment increased by 0.4% year on year to 47,216 million yen, thanks to the smooth progress overall of construction projects. Segment profit increased by 236.7% year on year to 2,095 million yen due to an improvement in the gross margin on completed construction contracts, which was helped by the percentage decrease of construction projects affected by rising prices.

On the Company's non-consolidated basis, orders received for domestic building projects decreased by 19,594 million yen (down 40.8% year on year) to 28,434 million yen due to a decrease in both private-sector and public-sector building projects.

③ International Business

This reporting segment is mainly composed of sales from overseas civil engineering and overseas building projects. Net sales in this segment decreased by 5.2% year on year to 6,160 million yen, with the segment loss of 153 million yen (compared to a segment loss of 2 million yen of the previous year's same period).

On the Company's non-consolidated basis, orders received for overseas projects decreased by 19,446 million yen (down 97.2% year on year) to 569 million yen, due to a reactionary decline following the large-scale civil engineering contract in Singapore secured during the previous year's same period.

④ Asset Value-Added Business

This reporting segment is mainly composed of sales and leasing income from real estate properties owned. Net sales in this segment decreased by 39.4% year on year to 4,107 million yen, mostly resulting from a decrease in the segment's sales business, which led to a segment profit decrease by 73.1% year on year to 773 million yen mainly due to a decrease in net sales of sales business.

⑤ Regional Environmental Solution Business

This reporting segment is mainly composed of sales from the renewable energy business and the community development projects. Net sales in this segment increased by 826.1% year on year to 150 million yen. However, the segment loss was 183 million yen (compared to a segment loss of 176 million yen of the previous year's same period).

(2) Overview of Financial Position for the Period under Review

Total assets at the end of the first quarter of the fiscal year under review increased by 11,227 million yen (up 1.9%) to 603,274 million yen, compared to the end of the previous consolidated fiscal year, owing to an increase in cash and deposits, despite decreases in notes receivable, accounts receivable from completed construction contracts and other, and investment securities.

Total liabilities increased by 15,961 million yen (up 3.9%) compared to the end of the previous consolidated fiscal year to 426,817 million yen, owing to increases in deposits received, short-term borrowings, and commercial papers, despite a decrease in notes payable, accounts payable for construction contracts and other.

Net assets decreased by 4,733 million yen (down 2.6%) compared to the end of the previous consolidated fiscal year to 176,456 million yen, primarily due to a decrease in retained earnings owing to dividends paid. As a result, the owner's equity ratio was 27.8%, a decrease of 1.3 percentage points from the end of the previous consolidated fiscal year.

(3) Information Regarding Consolidated Earnings Forecasts and Other Forward-Looking Information

In the construction business, we expect to achieve our sales and profit targets, based on past performance of growth in sales and gross profit and the smooth progress of the revenue improvement plan in the building business. While we need to continue to pay close attention to trends in tariff policy shifts in the United States, we currently consider the effect on this period's performance to be insignificant.

Additionally in the real estate business, the property sales plan is proceeding as scheduled.

Based on the above, the performance forecast announced in the "Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]", published on May 12, 2025 remain unchanged.

2. Quarterly Consolidated Financial Statements and Major Notes**(1) Quarterly Consolidated Balance Sheets**

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	43,418	90,894
Notes receivable, accounts receivable from completed construction contracts and other	213,590	187,301
Real estate for sale	1,813	2,218
Costs on construction contracts in progress	15,101	16,632
Costs on real estate business and other	1,859	2,104
Raw materials and supplies	877	1,193
Advances paid	13,418	13,513
Other	9,090	12,218
Allowance for doubtful accounts	(22)	(39)
Total current assets	299,147	326,036
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	64,563	63,716
Machinery, vehicles, tools, furniture and fixtures, net	1,958	1,965
Land	102,082	100,636
Leased assets, net	59	58
Construction in progress	14,177	14,575
Total property, plant and equipment	182,842	180,951
Intangible assets	8,312	8,395
Investments and other assets		
Investment securities	86,058	72,141
Long-term loans receivable	7,799	7,721
Retirement benefit asset	3,341	3,380
Deferred tax assets	161	160
Other	4,747	4,846
Allowance for doubtful accounts	(364)	(359)
Total investments and other assets	101,744	87,890
Total non-current assets	292,898	277,237
Total assets	592,046	603,274

NISHIMATSU CONSTRUCTION CO., LTD. (1820)
Consolidated Financial Results for the Three Months Ended June 30, 2025

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	63,830	57,609
Short-term borrowings	42,848	53,147
Commercial papers	20,000	30,000
Current portion of bonds payable	15,000	15,000
Income taxes payable	3,582	230
Advances received on construction contracts in progress	32,629	29,847
Deposits received	68,320	80,083
Provision for warranties for completed construction	1,829	1,661
Provision for bonuses	4,680	2,075
Provision for bonuses for directors (and other officers)	114	162
Provision for loss on construction contracts	1,214	1,007
Provision for loss on real estate business and other	2	3
Asset retirement obligations	–	28
Other	6,808	4,087
Total current liabilities	260,859	274,945
Non-current liabilities		
Bonds payable	96,000	96,000
Long-term borrowings	40,364	41,339
Deferred tax liabilities	253	1,183
Provision for share awards for directors (and other officers)	251	270
Retirement benefit liability	6,317	6,278
Asset retirement obligations	905	885
Other	5,904	5,913
Total non-current liabilities	149,996	151,872
Total liabilities	410,855	426,817
Net assets		
Shareholders' equity		
Share capital	23,513	23,513
Capital surplus	20,795	20,795
Retained earnings	122,249	118,975
Treasury shares	(8,220)	(8,221)
Total shareholders' equity	158,337	155,062
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,826	11,022
Deferred gains or losses on hedges	5	3
Foreign currency translation adjustment	3,780	2,579
Remeasurements of defined benefit plans	(807)	(759)
Total accumulated other comprehensive income	13,805	12,845
Non-controlling interests	9,047	8,547
Total net assets	181,190	176,456
Total liabilities and net assets	592,046	603,274

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales		
Net sales of completed construction contracts	76,922	77,968
Net sales in real estate business and other	7,218	4,938
Total net sales	84,141	82,907
Cost of sales		
Cost of sales of completed construction contracts	70,469	70,478
Cost of sales in real estate business and other	3,688	3,349
Total cost of sales	74,158	73,828
Gross profit		
Gross profit on completed construction contracts	6,452	7,489
Gross profit on real estate business and other	3,530	1,589
Total gross profit	9,983	9,079
Selling, general and administrative expenses	5,305	6,049
Operating profit	4,677	3,029
Non-operating income		
Interest income	98	82
Dividend income	294	210
Share of profit of entities accounted for using equity method	2	—
Foreign exchange gains	71	—
Other	116	100
Total non-operating income	584	393
Non-operating expenses		
Interest expenses	285	497
Financing expenses	8	44
Share of loss of entities accounted for using equity method	—	18
Foreign exchange losses	—	272
Other	91	50
Total non-operating expenses	384	882
Ordinary profit	4,877	2,540
Extraordinary income		
Gain on sale of non-current assets	2	—
Total extraordinary income	2	—
Extraordinary losses		
Loss on retirement of non-current assets	0	19
Total extraordinary losses	0	19
Profit before income taxes	4,879	2,521
Income taxes	1,639	903
Profit	3,240	1,617
Profit (loss) attributable to non-controlling interests	7	(31)
Profit attributable to owners of parent	3,232	1,649

NISHIMATSU CONSTRUCTION CO., LTD. (1820)
Consolidated Financial Results for the Three Months Ended June 30, 2025

Quarterly Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	3,240	1,617
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,330)	195
Deferred gains or losses on hedges	(20)	(4)
Foreign currency translation adjustment	585	(1,593)
Remeasurements of defined benefit plans, net of tax	26	48
Share of other comprehensive income of entities accounted for using equity method	169	(73)
Total other comprehensive income	(2,569)	(1,427)
Comprehensive income	670	190
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	634	690
Comprehensive income attributable to non-controlling interests	36	(499)

(3) Notes Regarding Quarterly Consolidated Financial Statements**(Notes Regarding Segment Information, etc.)****I. For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)****Information Regarding Net Sales and Profit or Loss Amounts by Reportable Segment**

(Millions of yen)

	Reportable Segments					Total	Adjustment (Note) 1	Amount stated on the Quarterly Consolidated Statements of Income (Note) 2
	Civil Engineering Business	Building Business	International Business	Asset Value- Added Business	Regional Environmental Solution Business			
Net sales								
Sales to external clients	24,278	46,999	6,128	6,718	16	84,141	—	84,141
Internal sales or transfers between segments	—	49	368	61	—	478	(478)	—
Total	24,278	47,048	6,496	6,779	16	84,620	(478)	84,141
Segment profit (loss)	1,381	622	(2)	2,870	(176)	4,696	(18)	4,677

(Notes) 1: The segment profit (loss) adjustment amount of (18) million yen is the result of elimination of inter-segment transactions.

2: The segment profit (loss) is adjusted to be recorded as operating profit (loss) in the Quarterly Consolidated Statements of Income.

II. For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

Information Regarding Net Sales and Profit or Loss Amounts by Reportable Segment

(Millions of yen)

	Reportable Segments					Total	Adjustment (Note) 1	Amount stated on the Quarterly Consolidated Statements of Income (Note) 2
	Civil Engineering Business	Building Business	International Business	Asset Value- Added Business	Regional Environmental Solution Business			
Net sales								
Sales to external clients	25,688	47,204	5,823	4,040	150	82,907	–	82,907
Internal sales or transfers between segments	–	11	336	67	–	415	(415)	–
Total	25,688	47,216	6,160	4,107	150	83,323	(415)	82,907
Segment profit (loss)	476	2,095	(153)	773	(183)	3,009	19	3,029

(Notes) 1: The segment profit (loss) adjustment amount of 19 million yen is the result of elimination of inter-segment transactions.

2: The segment profit (loss) is adjusted to be recorded as operating profit (loss) in the Quarterly Consolidated Statements of Income.

(Notes in the Scope of Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Notes Regarding the Going Concern Assumption)

Not applicable.

(Notes Regarding the Statements of Cash Flows)

The Company has not prepared the Quarterly Consolidated Statements of Cash Flows for the three months ended June 30, 2025.

Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the three months ended June 30, 2024 and 2025 are as follows.

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation	1,028 million yen	1,204 million yen
Amortization of goodwill	2 million yen	2 million yen

3. Supplementary Information**Overview of Construction Contracts Received**

① Actual amounts of orders received for the three months ended June 30, 2025

(Millions of yen)

Consolidated / Non-consolidated	For the three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)	For the three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)	Comparison Increase/Decrease	
	Amount	Amount	Amount	Increase/ Decrease rate (%)
Consolidated	105,837	45,384	(60,452)	(57.1)
Non-consolidated	103,694	42,848	(60,845)	(58.7)

(Reference) Breakdown of orders received (non-consolidated)

(Millions of yen)

Segment / Client Type		For the three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)		For the three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)		Comparison Increase/Decrease	
		Amount	Component ratio (%)	Amount	Component ratio (%)	Amount	Increase/ Decrease rate (%)
Civil Engineer- ing	Domestic Public Sector	29,276	28.2	6,603	15.4	(22,673)	(77.4)
	Domestic Private Sector	6,372	6.1	7,241	16.9	868	13.6
	Overseas	20,007	19.3	569	1.3	(19,437)	(97.2)
	Total	55,656	53.7	14,414	33.6	(41,242)	(74.1)
Building	Domestic Public Sector	4,952	4.8	39	0.1	(4,913)	(99.2)
	Domestic Private Sector	43,075	41.5	28,394	66.3	(14,681)	(34.1)
	Overseas	9	0.0	—	—	(9)	(100.0)
	Total	48,037	46.3	28,434	66.4	(19,603)	(40.8)
Total	Domestic Public Sector	34,229	33.0	6,643	15.5	(27,586)	(80.6)
	Domestic Private Sector	49,448	47.7	35,635	83.2	(13,812)	(27.9)
	Overseas	20,016	19.3	569	1.3	(19,446)	(97.2)
	Total	103,694	100.0	42,848	100.0	(60,845)	(58.7)

② Forecast for orders received for the fiscal year ending March 2026 (entire fiscal year)

(Millions of yen)

Consolidated / Non-consolidated	Actual Results for the Fiscal Year Ended March 31, 2025 (From April 1, 2024 to March 31, 2025)	Forecast for the Fiscal Year Ending March 31, 2026 (From April 1, 2025 to March 31, 2026)	Comparison Increase/Decrease	
	Amount	Amount	Amount	Increase/ decrease rate (%)
Consolidated	429,719	470,000	40,280	9.4
Non-consolidated	409,904	440,000	30,095	7.3

(Note) The forecast for orders received has been prepared based on information available as of the date of publication of this document. Therefore, actual orders received may vary due to various factors in the future.