Walden Research Japan

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INTERLIFE HOLDINGS (1418)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY02/2024		12,626	270	245	384	24.82	8.00	234.45
FY02/2025		16,940	875	875	705	45.43	20.00	271.55
FY02/2026CoE		16,500	1,100	1,090	750	48.11	25.00	-
FY02/2025	YoY	34.2%	223.7%	256.0%	83.2%	-	-	-
FY02/2026CoE	YoY	(2.6%)	25.6%	24.6%	6.4%	-	-	-
Consolidated Half Year (Million Yen)		**Sales**	**Operating Profit**	**Recurring Profit**	**Profit Attributable to Owners of Parent**	**EPS (Yen)**	**DPS (Yen)**	**BPS (Yen)**
Q1 to Q2 FY02/2025		8,160	448	451	384	-	-	-
Q3 to Q4 FY02/2025		8,780	427	423	320	-	-	-
Q1 to Q2 FY02/2026		8,917	914	908	655	-	-	-
Q3 to Q4 FY02/2026CoE		7,582	185	181	94	-	-	-
Q1 to Q2 FY02/2026	YoY	9.3%	104.0%	101.2%	70.2%	-	-	-
Q3 to Q4 FY02/2026CoE	YoY	(13.6%)	(56.6%)	(57.1%)	(70.4%)	-	-	-

Source: Company Data, WRJ Calculation

1.0 Executive Summary (2 December 2025)

Prioritization and Focus

INTERLIFE HOLDINGS is entering a new phase of growth, underpinned by a clear strategic focus and disciplined resource allocation. Over the past five years, the Company has carried out a comprehensive restructuring of its business portfolio, leading to consistent improvements in profitability. In Q1 to Q2 (March-August) FY02/2026, the Company achieved an estimated 12-month return on equity (ROE) of 22.9%, a substantial increase from 2.7% in FY02/2021. Management has concentrated resources on its traditional operations, i.e., integrated services for commercial & public facilities, including design, construction and maintenance, while prioritizing large-scale projects with higher profit margins. In response to the persistent labor shortage, the Company has announced its intention to pursue mergers and acquisitions as a key driver of growth. The Company currently focuses on overseeing the operations of its wholly owned subsidiaries engaged in the aforementioned operations. Looking ahead, it intends to pursue strategic acquisitions of companies within the existing sector that demonstrate strong synergies and complementary relationships, similar to the acquisition of SANKEN SYSTEM in the Sound & Lighting Facilities segment. Through these initiatives, the Company aims to expand its market share, achieve cost efficiencies and further enhance its competitive advantage. In other words, these initiatives are expected to capitalize on the Company's strong management capabilities and support the development of a more robust group structure.

IR Representative: Masanari Kato, Managing Director (81-(0)3-3547-3227／kato-masanari@n-interlife.co.jp)

2.0 Company Profile

Essential Services for Communities

Company Name	INTERLIFE HOLDINGS CO., LTD. Company Website IR Information Share Price (Japanese)
Established	5 October 2010
Listing	4 April 2022: Tokyo Stock Exchange Standard Market (ticker: 1418) 16 July 2013: Tokyo Stock Exchange JASDAQ (Standard) 5 October 2010: Osaka Stock Exchange (JASDAQ Standard)
Capital	¥2,979m (as of the end of August 2025)
No. of Shares	17,010,529 shares, including 1,418,580 treasury shares (as of the end of Aug. 2025)
Main Features	● Specializing in design and construction of commercial & public facilities ● Offering comprehensive services, including maintenance and management ● Operating as a holding company overseeing its subsidiaries
Segments	Ⅰ. Interior Construction Ⅱ. Sound & Lighting Facilities Ⅲ. Equipment & Maintenance
Representatives	Representative Director, Chairman and CEO: Masahide Shoji Representative Director and President: Koji Kida
Shareholders	Tatsumi 42.96%, Custody Bank of Japan, T. 3.84%, NOMURA Co., Ltd. 2.75%, Client Share Ownership Plan 2.69%, ESOP 2.53% (as of the end of August 2025, but for treasury shares)
Head Office	Chuo-ku, Tokyo, JAPAN
No. of Personnel	Consolidated: 238 (as of the end of August 2025)

Source: Company Data

3.0 Group Corporate Philosophy

Comfortable Spaces Filled with Excitement and Joy

INTERLIFE HOLDINGS, which develops operations of integrated services for commercial & public facilities, including design, construction and maintenance, was established in October 2010 as a holding company to manage its subsidiaries and related businesses. As of the end of FY02/2025, the Company employed 255 personnel, while advocating corporate philosophy, going "We contribute to society by creating comfortable spaces filled with excitement and joy for people everywhere."

FY02/2025 Results

	Group Companies (wholly owned subsidiaries)	Sales (composition ratio %)	Segment Profit (composition ratio %)	Number of Employees (persons)
Interior Construction	NISSHO INTERLIFE	57.4%	52.1%	100
Sound & Lighting Facilities	SYSTEM ENGINEERING SANKEN SYSTEM	34.1%	48.7%	106
Equipment & Maintenance	FACILITY MANAGEMENT TAMAHIRO KOGYO	8.4%	(0.8%)	35
Total	-	100.0%	100.0%	255

Source: Company Data, WRJ Calculation

In the FY02/2025 results, the Interior Construction segment, operated by NISSHO INTERLIFE (a wholly owned subsidiary), accounted for 57.4% of sales and 52.1% of segment profit. Key operations include "planning, design and construction of commercial facilities" within the commercial environment division and "roughing-in work for interior decorating" within the regular construction division. The Company's greatest strength lies in its execution capability and agility, supported by a dedicated workforce of approximately 250 skilled craftsmen. Furthermore, effective 1 June 2025, NISSHO INTERLIFE (a wholly owned subsidiary) absorbed FACILITY MANAGEMENT (a wholly owned subsidiary). As a result, services previously handled by the latter , i.e., building cleaning, maintenance & repair and HVAC equipment servicing, etc., have been integrated into the Interior Construction segment as the FM division, starting from Q2 (June-August) FY02/2026.

The Sound & Lighting Facilities segment, operated by SYSTEM ENGINEERING (a wholly owned subsidiary) and SANKEN SYSTEM (a wholly owned subsidiary), accounted for 34.1% of sales and 48.7% of segment profit. SYSTEM ENGINEERING (a wholly owned subsidiary), provides comprehensive production services to cover planning, design, construction and maintenance of specialized presentation equipment for hotels, including audio, visual, lighting and rigging systems, as well as conference systems for assembly halls. Meanwhile, SANKEN SYSTEM (a wholly owned subsidiary) delivers end-to-end solutions for AVC (Audio Visual & Control) systems, encompassing planning, design, sale, production, installation and ongoing maintenance.

According to the Company, the Sound & Lighting Facilities segment operates within a niche market. In contrast to the Interior Construction segment, which serves a significantly larger market, the number of competitors is relatively limited. Furthermore, the Company possesses proprietary technologies and specialized expertise in the Sound & Lighting Facilities segment, contributing to a higher segment profit margin, i.e., 8.5% compared to 5.4% for the Interior Construction segment, based on the FY02/2025 results.

As of the end of Q1 (March-May), the Company exited the Equipment & Maintenance segment previously operated by FACILITY MANAGEMENT (a wholly owned subsidiary) and TAMAHIRO KOGYO (a wholly owned subsidiary). This decision reflects steady progress in restructuring the business portfolio to establish a high-profit structure. In the FY02/2025 results, the Equipment & Maintenance segment accounted for 8.4% of sales and minus 0.8% of segment profit.

As noted above, NISSHO INTERLIFE (a wholly owned subsidiary) that absorbed FACILITY MANAGEMENT (a wholly owned subsidiary), has established an integrated structure capable of managing all processes from construction to maintenance. This is expected to further improve its service delivery capabilities. Meanwhile, with respect to TAMAHIRO KOGYO (a wholly owned subsidiary), which has been engaged in the construction and repair of facilities such as air conditioning, electrical, plumbing and sanitation, as well as the sale of equipment, the Company transferred its shares on 31 May 2025 in order to respond to changes in the business environment.

Company History (extract)

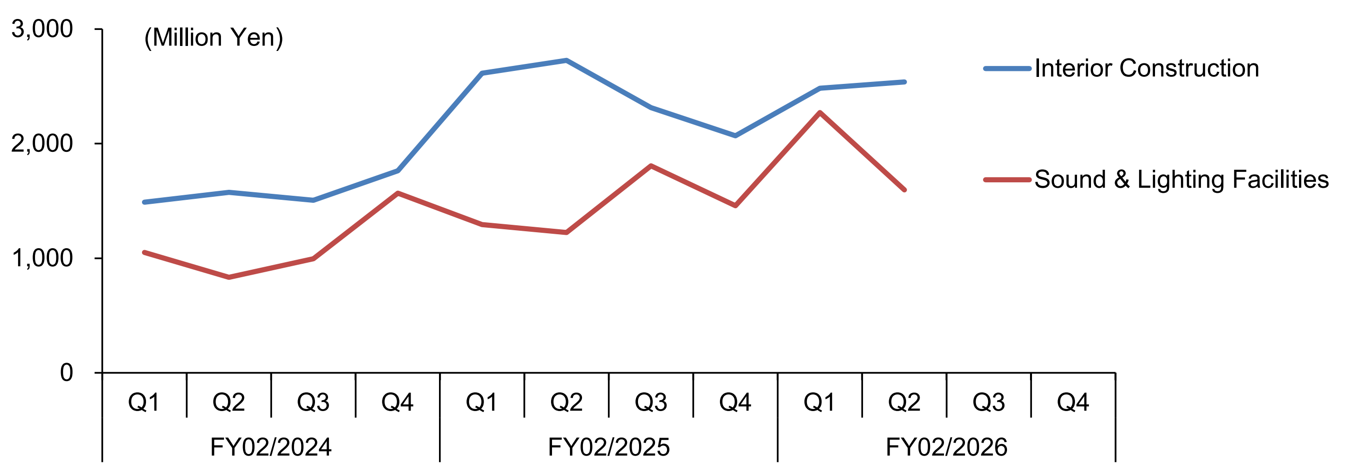
Date	Events
February 1975	NISSHO, established in Arakawa-ku, Tokyo, primarily engaged in flooring construction for the display industry
June 1988	Company name, changed from NISSHO to NISSHO INTERLIFE
August 1988	Head office, relocated to Kita-ku, Tokyo
August 1990	Shares, registered with the Japan Securities Dealers Association for over-the-counter trading
December 2004	Over-the-counter registration, canceled; shares listed on the JASDAQ Stock Exchange
April 2010	Shares, listed on the Osaka Stock Exchange (JASDAQ Market), following the merger of the JASDAQ Stock Exchange and the Osaka Stock Exchange
October 2010	INTERLIFE HOLDINGS, established through a sole-share transfer by NISSHO INTERLIFE, which became a wholly owned subsidiary
October 2010	Shares, listed on the Osaka Stock Exchange (JASDAQ Standard)
November 2011	Fiscal yearend, changed from 20 March to the end of February, as approved at an extraordinary shareholders' meeting
July 2013	Shares, listed on the Tokyo Stock Exchange JASDAQ (Standard), following the integration of the cash markets of the Osaka and Tokyo Stock Exchanges
May 2014	Head office, relocated to Chuo-ku, Tokyo
May 2017	Transitioned to a company with an Audit & Supervisory Committee, accompanied by a partial amendment to the Articles of Incorporation
April 2022	Listing, transferred from the Tokyo Stock Exchange JASDAQ (Standard) to the Tokyo Stock Exchange Standard Market

4.0 Recent Trading and Prospects

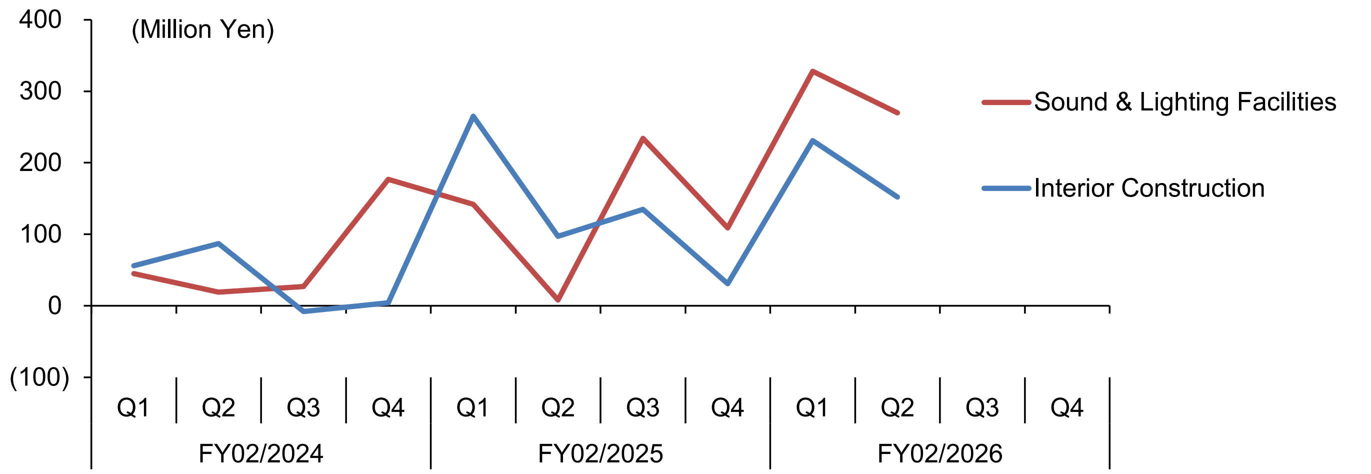
Q1 to Q2 (March to August) FY02/2026

In Q1 to Q2 (March to August) FY02/2026, sales came in at ¥8,917m (up 9.3% YoY), operating profit ¥914m (up 104.0%), recurring profit ¥908m (up 101.2%) and profit attributable to owners of parent ¥655m (up 70.2%). Meanwhile, gross profit came in at ¥2,065m (up 29.6%) and SG&A expenses ¥1,151m (up 0.5%), implying gross profit margin of 23.2% (up 3.6% points) and SG&A ratio of 12.9% (down 1.1% points), having resulted in operating profit margin of 10.3% (up 4.8% points). At the same time, under extraordinary gains and losses, the Company recorded a gain of ¥70m from the transfer of shares in TAMAHIRO KOGYO (a wholly owned subsidiary).

Sales by Segment



Segment Profit



Source: Company Data, WRJ Calculation

Sales growth in the Q1 to Q2 (March-August) period was primarily driven by the completion of large-scale projects previously secured in the Sound & Lighting Facilities segment. In addition, orders related to redevelopment projects in Osaka and other urban areas continued to perform steadily. However, sales at the Osaka Office came in at ¥1,105m (down 6.3%), mainly due to the completion of development-related demand associated with the Osaka Expo in the Interior Construction segment, resulting in a decrease of sales recognition.

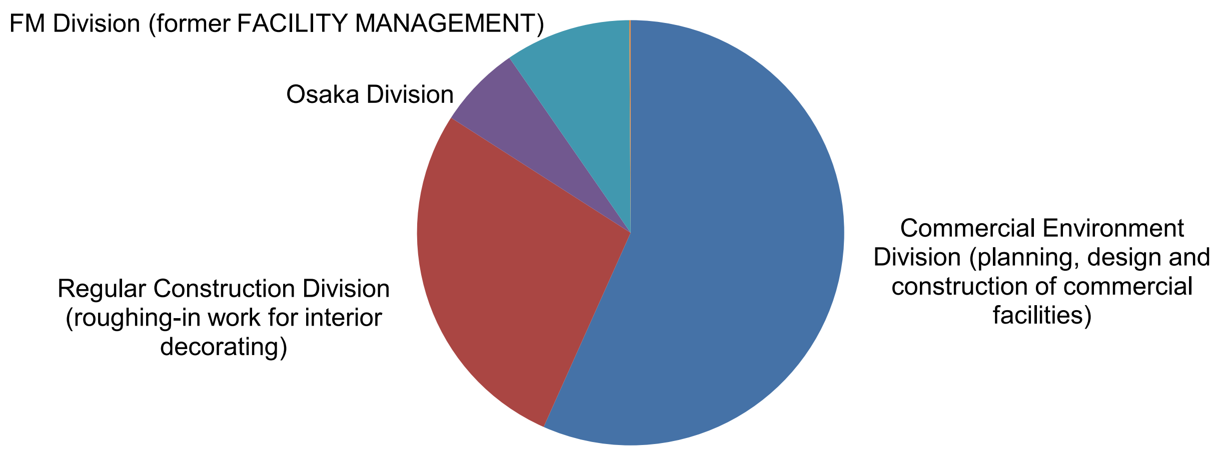
Meanwhile, regarding the improvement in the Company's gross profit margin, it is largely attributable to effective cost control on large-scale projects received. Furthermore, as SG&A expenses were kept roughly at the same level as in the previous year, the operating profit margin has nearly doubled compared to the same period last year. In addition, the withdrawal from the Equipment & Maintenance segment, which was implemented as of the end of Q1 (March-May), has had only a limited impact on the Company's overall performance. That is to say, compared with the same period last year, sales declined from ¥298m to ¥24m, while segment profit moved from minus ¥4m to minus ¥14m.

It should be noted that, in connection with the absorption-type merger of FACILITY MANAGEMENT (a wholly owned subsidiary) by NISSHO INTERLIFE (a wholly owned subsidiary), the Company has retrospectively revised and disclosed the data for segment information in Q1 to Q2 (March-August) FY02/2025, and this is reflected in the data presented in this report. However, for portions where retrospective revisions were not disclosed, the original data has been used as is, and various figures have been calculated based on that.

Interior Construction (56.3% of Sales and 39.6% of Segment Profit)

In the Interior Construction segment, operated by NISSHO INTERLIFE (a wholly owned subsidiary), sales came in at ¥5,024m (down 5.9%), segment profit ¥383m (up 5.7%) and segment profit margin 7.6% (up 0.8% points).

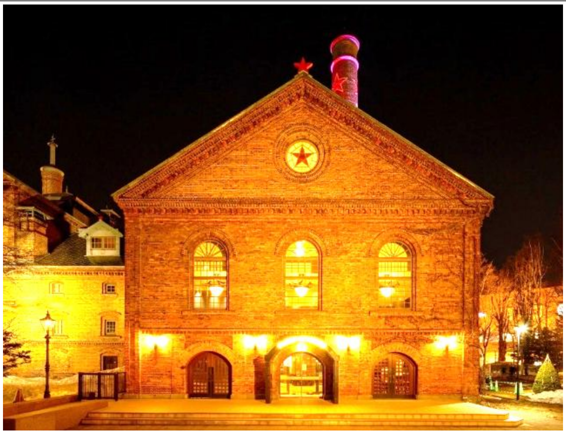
Sales Composition Ratio of Interior Construction



Source: Company Data, WRJ Calculation

Sluggish sales growth was primarily attributable to a slight decline in involvement with large-scale projects across both core divisions, i.e., the commercial environment division (planning, design and construction of commercial facilities) and the regular construction division (roughing-in work for interior decorating). Nevertheless, sales continued to be steadily recognized from secured large-scale projects that were either completed or ongoing, thereby limiting the extent of the decline. In fact, earnings increased, supported by the successful execution of a strategy centered on acquiring orders for projects with high gross profit margins. Meanwhile, when sales from NISSHO INTERLIFE (a wholly owned subsidiary) are recorded through the Osaka Office, they are included under the Osaka division.

Interior Construction – Project Example: Sapporo Beer Garden



Exterior View of Kaitakushikan

Interior View of Kaitakushikan (after completion)

Source: Company Data

As part of Q1 to Q2 (March-August) results, an example cited is the Company acting as the prime contractor for the interior renovation of Kaitakushikan at the Sapporo Beer Garden. The Sapporo Beer Garden is a landmark tourist destination in Sapporo, housed in a historic red-brick building where visitors can enjoy beer and Genghis Khan-style barbecue, while Kaitakushikan serves as a museum showcasing the history of Hokkaido's development. The recent renovation involved deep engagement by NISSHO INTERLIFE (a wholly owned subsidiary). Kaitakushikan, originally built in 1890, was last renovated in 1986, meaning this refurbishment comes after roughly 40 years.

Interior Construction – Project Example: ATRUSSBOARD® for HERALBONY LABORATORY GINZA

Source: Company Data

Moreover, NISSHO INTERLIFE (a wholly owned subsidiary), which has developed an innovative new building material called ATRUSSBOARD®, is expected to contribute to the Company's strategic priority of "building a new growth foundation" under the 5th Medium-Term Management Plan (FY02/2026–FY02/2028) through the accumulation of construction track records for this product.

Currently, sales attributable to ATRUSSBOARD® remain at a limited level; however, according to the Company, construction track records are steadily accumulating across schools, hotels, offices, and retail stores. Furthermore, efforts are being made to expand into new fields, and as part of Q1 to Q2 (March-August) results, a notable example is its adoption for the exterior wall of HERALBONY LABORATORY GINZA, a flagship location in Chuo-ku, Tokyo, operated by HERALBONY Inc, i.e., a pioneering Japanese creative company that integrates welfare and art, aiming to create new cultural value by promoting works of artists with disabilities. This project is highlighted as a representative case.

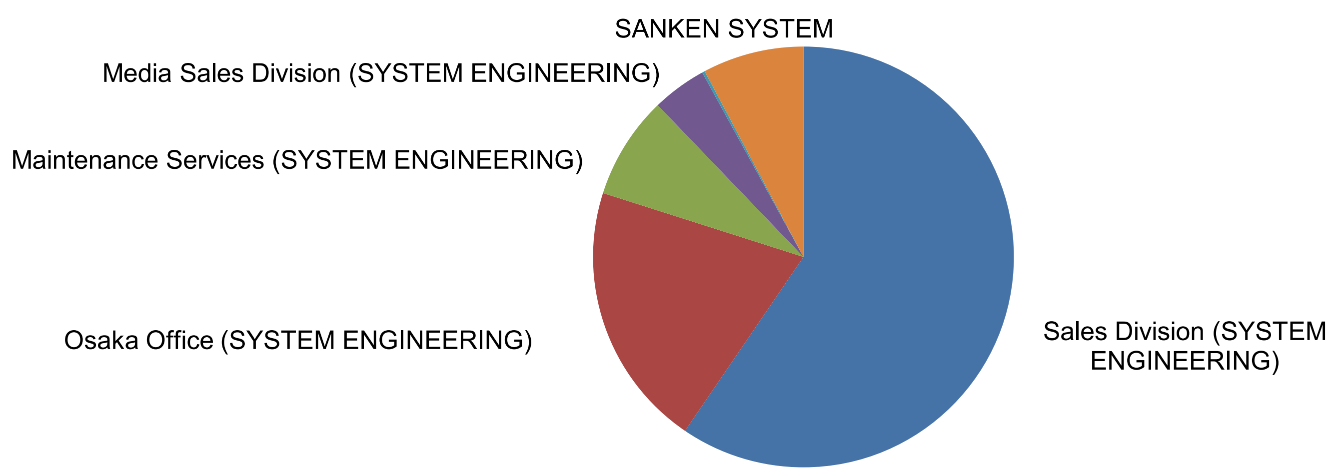
On 13 May 2025, NISSHO INTERLIFE (a wholly owned subsidiary) announced that it had obtained a patent (Patent No. 7675470) for its hybrid ultra-lightweight recycled paper & aluminum ceiling material, ATRUSSBOARD®. The development was driven by awareness of ceiling collapse accidents caused by earthquakes and/or aging, aiming to minimize the risk of injury from falling debris. The result is a new building material that is safer and more secure than conventional options, while also freeing construction workers from heavy labor. As a holding company overseeing subsidiaries such as NISSHO INTERLIFE (a wholly owned subsidiary), the Company intends to continue focusing on such initiatives to fulfill its social role and achieve sustainable growth, while contributing to a sustainable society going forward.

Although sales attributable to ATRUSSBOARD® remain limited at present, the material's outstanding safety and work-efficiency features, combined with its textured finish, enhanced durability and design flexibility achieved through plaster coating, have led to cases where it is even used as exterior cladding, as noted in the example above. However, the significant price gap compared to conventional gypsum board ceiling materials remains a major challenge for broader adoption. In the medium- to long-term, once this issue is resolved, ATRUSSBOARD® is expected to be adopted in large-scale projects, which could have a substantial impact on the Company's future performance.

Sound & Lighting Facilities (43.4% of Sales and 61.9% of Segment Profit)

In the Sound & Lighting Facilities segment, operated by SYSTEM ENGINEERING (a wholly owned subsidiary) and SANKEN SYSTEM (a wholly owned subsidiary), sales came in at ¥3,867m (up 53.5%), segment profit ¥599m (up 298.5%) and segment profit margin 15.5% (up 9.5% points).

Sales Composition Ratio of Sound & Lighting Facilities



Source: Company Data, WRJ Calculation

Performance trends in the Sound & Lighting Facilities segment are largely dependent on SYSTEM ENGINEERING (a wholly owned subsidiary), which provides comprehensive production services to cover planning, design, construction and maintenance of specialized presentation equipment for hotels, including audio, visual, lighting and rigging systems, as well as conference systems for assembly halls. In Q1 to Q2 (March-August), progress on highly profitable large-scale projects related to hotels exceeded initial plans, and new maintenance service orders were secured during the period. Furthermore, SANKEN SYSTEM (a wholly owned subsidiary), which was newly consolidated at the beginning of Q4 (December–February) FY02/2024 and delivers end-to-end solutions for AVC (Audio Visual & Control) systems, encompassing planning, design, sale, production, installation and ongoing maintenance, also achieved higher sales and earnings.

Sound & Lighting Facilities – Project Example: TOYOTA ARENA TOKYO

Large Ceiling-Mounted Speakers

Above-Ceiling System

Control Room 1

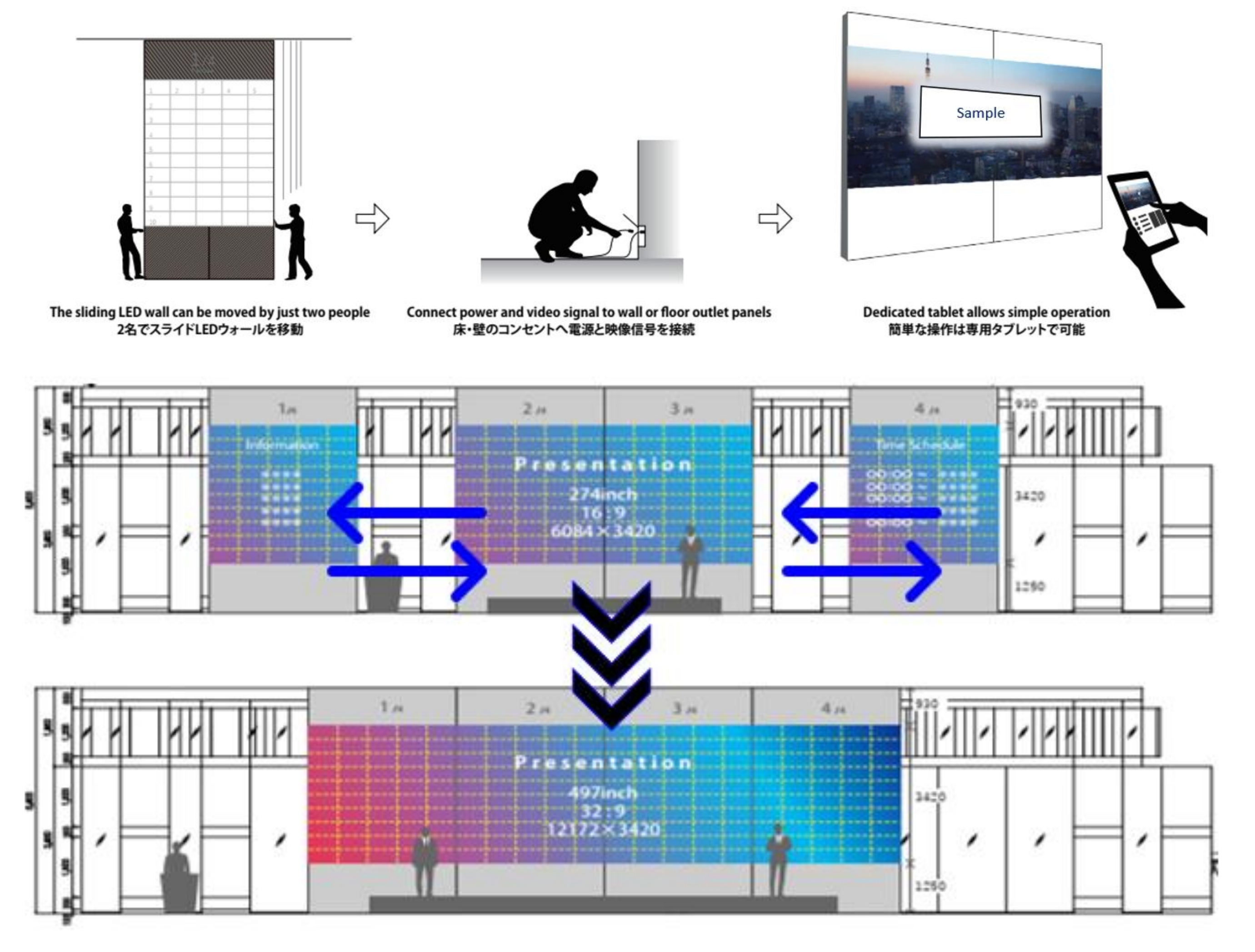
Control Room 2

Source: Company Data

As part of Q1 to Q2 (March-August) results, a notable example is the installation of audio systems at TOYOTA ARENA TOKYO, which opened on 3 October 2025. According to the Company, SYSTEM ENGINEERING (a wholly owned subsidiary) was responsible for designing large ceiling-mounted speakers, above-ceiling system and the control rooms, while SANKEN SYSTEM (a wholly owned subsidiary) handled the installation work. TOYOTA ARENA TOKYO is a state-of-the-art multipurpose facility built as the new home arena for Alvark Tokyo, a team in Japan's professional basketball league, B.LEAGUE (B1 East Division).

Meanwhile, B.LEAGUE is entering a phase aimed at becoming a world-class professional league from 2026 onward, and currently, Japan is experiencing what is often referred to as an “arena construction boom,” with new arenas being developed nationwide. According to the Company, this boom is expected to drive continued orders and sales recognition for similar projects going forward. TOYOTA ARENA TOKYO, for instance, was designed to deliver an NBA-level spectator experience and has an approximate seating capacity of 10,000. Furthermore, participation in B.LEAGUE PREMIER, the top category starting in the 2026–27 season, requires arenas with a minimum capacity of 5,000 seats, albeit with transitional measures, which is cited as a key factor behind the current construction rush.

Sound & Lighting Facilities – Project Example: Movable LED Panels



Source: Company Data

Similarly to ATRUSSBOARD®, an innovative building material developed by NISSHO INTERLIFE (a wholly owned subsidiary), SYSTEM ENGINEERING (a wholly owned subsidiary) is also expected to play a role in promoting the strategic priority of “building a new growth foundation” under the 5th Medium-Term Management Plan (FY02/2026–FY02/2028).

SYSTEM ENGINEERING (a wholly owned subsidiary), which provides comprehensive production services to cover planning, design, construction and maintenance of specialized presentation equipment for hotels, including audio, visual, lighting and rigging systems, as well as conference systems for assembly halls, has obtained a patent related to movable LED panels. The patent details are as follows: Patent No. 7748597 (P7748597), issued on 2 October 2025, titled "Large-Screen Display System and Method of Operating Large-Screen Display System." Utilizing this patented technology, the Company has already introduced movable LED panels capable of delivering dynamic visual presentations into the banquet hall of JW Marriott Hotel (foreign-owned).

Movable LED panels refer to display systems in which the panels that make up an LED screen are equipped with mechanisms allowing physical movements such as shifting, rotation and elevation. Unlike conventional fixed LED screens, this system combines video display with panel motion to deliver greater flexibility in visual presentation and staging. Using the said patented technology, dynamic visual effects can be achieved by synchronizing video content with the physical movement of LED panels, enabling flexible changes to entrance presentations and event backdrops in venues such as hotel banquet halls and sports arenas.

According to the Company, following the initial installation at the aforementioned JW Marriott Hotel (foreign-owned), inquiries for LED panels utilizing this patented technology have increased significantly. In the short term, this trend is expected to make a meaningful contribution to the Company's performance. Currently, demand is primarily driven by the need to flexibly change backdrops for weddings and corporate events in hotel banquet halls. Looking ahead, additional demand is anticipated in areas such as advertising, exhibitions and live stages, where the ability to adjust panel positions and angles will enable three-dimensional visual presentations.

Income Statement (Cumulative / Quarterly)

Income Statement (Million Yen)	Cons.Act Q1 02/2025	Cons.Act Q1 to Q2 02/2025	Cons.Act Q1 to Q3 02/2025	Cons.Act Q1 to Q4 02/2025	Cons.Act Q1 02/2026	Cons.Act Q1 to Q2 02/2026	Cons.Act Q1 to Q3 02/2026	Cons.Act Q1 to Q4 02/2026	YoY Net Chg.
Sales	**4,257**	**8,160**	**13,083**	**16,940**	**4,976**	**8,917**	**-**	**-**	**+757**
Cost of Sales	3,306	6,566	10,577	13,560	3,864	6,851	-	-	+285
Gross Profit	950	1,593	2,505	3,380	1,111	2,065	-	-	+471
SG&A Expenses	564	1,145	1,748	2,504	579	1,151	-	-	+5
Operating Profit	**385**	**448**	**757**	**875**	**532**	**914**	**-**	**-**	**+466**
Non-Operating Balance	3	2	1	(0)	(9)	(6)	-	-	(9)
Recurring Profit	**389**	**451**	**758**	**875**	**523**	**908**	**-**	**-**	**+456**
Extraordinary Balance	-	-	(4)	(23)	68	68	-	-	+68
Profit before Income Taxes	389	451	753	852	591	976	-	-	+525
Total Income Taxes	75	66	171	146	177	321	-	-	+254
Profit Attributable to Owners of Parent	**314**	**384**	**582**	**705**	**414**	**655**	**-**	**-**	**+270**
Sales YoY	+42.2%	+37.9%	+47.0%	+34.2%	+16.9%	+9.3%	-	-	-
Operating Profit YoY	+455.3%	+224.0%	+896.7%	+223.7%	+38.1%	+104.0%	-	-	-
Recurring Profit YoY	+419.1%	+218.4%	-	+256.0%	+34.5%	+101.2%	-	-	-
Profit Attributable to Owners of Parent YoY	+515.1%	+239.7%	+173.9%	+83.2%	+31.9%	+70.2%	-	-	-
Gross Profit Margin	22.3%	19.5%	19.1%	20.0%	22.3%	23.2%	-	-	+3.6%
SG&A Ratio	13.3%	14.0%	13.4%	14.8%	11.6%	12.9%	-	-	(1.1%)
Operating Profit Margin	9.1%	5.5%	5.8%	5.2%	10.7%	10.3%	-	-	+4.8%
Recurring Profit Margin	9.1%	5.5%	5.8%	5.2%	10.5%	10.2%	-	-	+4.7%
Profit Attributable to Owners of Parent Margin	7.4%	4.7%	4.5%	4.2%	8.3%	7.3%	-	-	+2.6%
Total Income Taxes / Profit before Income Taxes	19.3%	14.7%	22.7%	17.2%	30.0%	32.9%	-	-	+18.2%

Income Statement (Million Yen)	Cons.Act Q1 02/2025	Cons.Act Q2 02/2025	Cons.Act Q3 02/2025	Cons.Act Q4 02/2025	Cons.Act Q1 02/2026	Cons.Act Q2 02/2026	Cons.Act Q3 02/2026	Cons.Act Q4 02/2026	YoY Net Chg.
Sales	**4,257**	**3,902**	**4,923**	**3,857**	**4,976**	**3,941**	**-**	**-**	**+38**
Cost of Sales	3,306	3,259	4,011	2,982	3,864	2,987	-	-	(272)
Gross Profit	950	643	911	875	1,111	953	-	-	+310
SG&A Expenses	564	581	602	756	579	572	-	-	(8)
Operating Profit	**385**	**62**	**308**	**118**	**532**	**381**	**-**	**-**	**+319**
Non-Operating Balance	3	(0)	(1)	(2)	(9)	2	-	-	+3
Recurring Profit	**389**	**62**	**307**	**116**	**523**	**384**	**-**	**-**	**+322**
Extraordinary Balance	-	-	(4)	(18)	68	-	-	-	-
Profit before Income Taxes	389	62	302	98	591	384	-	-	+322
Total Income Taxes	75	(8)	104	(24)	177	143	-	-	+152
Profit Attributable to Owners of Parent	**314**	**70**	**197**	**122**	**414**	**240**	**-**	**-**	**+170**
Sales YoY	+42.2%	+33.5%	+64.9%	+3.6%	+16.9%	+1.0%	-	-	-
Operating Profit YoY	+455.3%	(9.3%)	-	(39.1%)	+38.1%	+511.5%	-	-	-
Recurring Profit YoY	+419.1%	(6.9%)	-	(40.9%)	+34.5%	+518.7%	-	-	-
Profit Attributable to Owners of Parent YoY	+515.1%	+13.8%	+98.9%	(28.9%)	+31.9%	+240.2%	-	-	-
Gross Profit Margin	22.3%	16.5%	18.5%	22.7%	22.3%	24.2%	-	-	+7.7%
SG&A Ratio	13.3%	14.9%	12.2%	19.6%	11.6%	14.5%	-	-	(0.4%)
Operating Profit Margin	9.1%	1.6%	6.3%	3.1%	10.7%	9.7%	-	-	+8.1%
Recurring Profit Margin	9.1%	1.6%	6.2%	3.0%	10.5%	9.8%	-	-	+8.2%
Profit Attributable to Owners of Parent Margin	7.4%	1.8%	4.0%	3.2%	8.3%	6.1%	-	-	+4.3%
Total Income Taxes / Profit before Income Taxes	19.3%	-	34.7%	-	30.0%	37.3%	-	-	-

Source: Company Data, WRJ Calculation

Segment Information (Cumulative / Quarterly)

Segment Information (Million Yen)	Cons.Act Q1 02/2025	Cons.Act Q1 to Q2 02/2025	Cons.Act Q1 to Q3 02/2025	Cons.Act Q1 to Q4 02/2025	Cons.Act Q1 02/2026	Cons.Act Q1 to Q2 02/2026	Cons.Act Q1 to Q3 02/2026	Cons.Act Q1 to Q4 02/2026	YoY Net Chg.
Interior Construction	2,615	5,342	7,657	9,728	2,485	5,024	-	-	(317)
Sound & Lighting Facilities	1,294	2,519	4,326	5,784	2,271	3,867	-	-	+1,348
Equipment & Maintenance	347	298	1,098	1,427	219	24	-	-	(273)
Sales	**4,257**	**8,160**	**13,083**	**16,940**	**4,976**	**8,917**	**-**	**-**	**+757**
Interior Construction	265	362	498	529	231	383	-	-	+20
Sound & Lighting Facilities	142	150	385	494	328	599	-	-	+449
Equipment & Maintenance	2	(4)	(34)	(8)	(9)	(14)	-	-	(9)
Segment Profit	**410**	**508**	**848**	**1,015**	**550**	**968**	**-**	**-**	**+460**
Adjustments	(24)	(60)	(91)	(139)	(17)	(54)	-	-	+6
Operating Profit	**385**	**448**	**757**	**875**	**532**	**914**	**-**	**-**	**+466**
Interior Construction	10.1%	6.8%	6.5%	5.4%	9.3%	7.6%	-	-	+0.8%
Sound & Lighting Facilities	11.0%	6.0%	8.9%	8.5%	14.5%	15.5%	-	-	+9.5%
Equipment & Maintenance	0.8%	(1.6%)	(3.2%)	(0.6%)	(4.3%)	(58.6%)	-	-	(56.9%)
Segment Profit Margin	**9.6%**	**6.2%**	**6.5%**	**6.0%**	**11.1%**	**10.9%**	**-**	**-**	**+4.6%**
Adjustments	(0.6%)	(0.7%)	(0.7%)	(0.8%)	(0.4%)	(0.6%)	-	-	+0.1%
Operating Profit Margin	**9.1%**	**5.5%**	**5.8%**	**5.2%**	**10.7%**	**10.3%**	**-**	**-**	**+4.8%**

Segment Information (Million Yen)	Cons.Act Q1 02/2025	Cons.Act Q2 02/2025	Cons.Act Q3 02/2025	Cons.Act Q4 02/2025	Cons.Act Q1 02/2026	Cons.Act Q2 02/2026	Cons.Act Q3 02/2026	Cons.Act Q4 02/2026	YoY Net Chg.
Interior Construction	2,615	2,726	2,315	2,070	2,485	2,539	-	-	(187)
Sound & Lighting Facilities	1,294	1,225	1,807	1,457	2,271	1,596	-	-	+371
Equipment & Maintenance	347	(48)	799	329	219	(194)	-	-	(146)
Sales	**4,257**	**3,902**	**4,923**	**3,857**	**4,976**	**3,941**	**-**	**-**	**+38**
Interior Construction	265	97	135	31	231	152	-	-	+54
Sound & Lighting Facilities	142	8	234	109	328	270	-	-	+262
Equipment & Maintenance	2	(7)	(30)	26	(9)	(5)	-	-	+2
Segment Profit	**410**	**98**	**339**	**166**	**550**	**418**	**-**	**-**	**+320**
Adjustments	(24)	(35)	(31)	(48)	(17)	(36)	-	-	(0)
Operating Profit	**385**	**62**	**308**	**118**	**532**	**381**	**-**	**-**	**+319**
Interior Construction	10.1%	3.6%	5.8%	1.5%	9.3%	6.0%	-	-	+2.4%
Sound & Lighting Facilities	11.0%	0.7%	13.0%	7.5%	14.5%	17.0%	-	-	+16.3%
Equipment & Maintenance	0.8%	16.0%	(3.8%)	8.0%	(4.3%)	2.7%	-	-	(13.3%)
Segment Profit Margin	**9.6%**	**2.5%**	**6.9%**	**4.3%**	**11.1%**	**10.6%**	**-**	**-**	**+8.1%**
Adjustments	(0.6%)	(0.9%)	(0.6%)	(1.3%)	(0.4%)	(0.9%)	-	-	(0.0%)
Operating Profit Margin	**9.1%**	**1.6%**	**6.3%**	**3.1%**	**10.7%**	**9.7%**	**-**	**-**	**+8.1%**

Source: Company Data, WRJ Calculation

Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act Q1 02/2025	Cons.Act Q2 02/2025	Cons.Act Q3 02/2025	Cons.Act Q4 02/2025	Cons.Act Q1 02/2026	Cons.Act Q2 02/2026	Cons.Act Q3 02/2026	Cons.Act Q4 02/2026	YoY Net Chg.
Cash and Deposit	2,471	2,296	2,087	1,513	3,116	2,552	-	-	+255
Notes Receivable -Trade	2,759	3,205	4,274	4,117	3,277	3,185	-	-	(20)
Inventory	13	9	12	18	19	19	-	-	+10
Costs on Construction Contracts in Progress	656	660	730	1,172	662	771	-	-	+110
Other	162	91	103	135	105	396	-	-	+304
Current Assets	**6,063**	**6,264**	**7,207**	**6,957**	**7,182**	**6,925**	**-**	**-**	**+661**
Tangible Assets	1,114	1,142	1,183	1,184	1,162	1,151	-	-	+8
Intangible Assets	543	538	530	536	523	514	-	-	(23)
Investments and Other Assets	695	710	695	759	797	797	-	-	+87
Fixed Assets	**2,353**	**2,391**	**2,409**	**2,480**	**2,483**	**2,464**	**-**	**-**	**+72**
Total Assets	**8,417**	**8,655**	**9,617**	**9,438**	**9,665**	**9,389**	**-**	**-**	**+734**
Accounts Payables	1,364	1,616	2,350	1,767	1,559	1,555	-	-	(61)
Short-Term Debt	580	515	450	650	742	545	-	-	+29
Current Portion of Long-term Debt	433	396	379	339	336	323	-	-	(73)
Other	971	1,025	1,121	1,291	1,455	1,169	-	-	+144
Current Liabilities	**3,349**	**3,553**	**4,301**	**4,049**	**4,093**	**3,592**	**-**	**-**	**+39**
Long-Term Debt	901	828	832	759	844	770	-	-	(58)
Other	343	380	406	415	382	395	-	-	+14
Fixed Liabilities	**1,244**	**1,209**	**1,238**	**1,174**	**1,227**	**1,165**	**-**	**-**	**(43)**
Total Liabilities	**4,593**	**4,762**	**5,540**	**5,223**	**5,320**	**4,758**	**-**	**-**	**(4)**
Shareholders' Equity	**3,835**	**3,907**	**4,105**	**4,228**	**4,340**	**4,570**	**-**	**-**	**+662**
Other	(13)	(16)	(29)	(14)	3	61	-	-	+76
Net Assets	**3,823**	**3,892**	**4,077**	**4,214**	**4,344**	**4,631**	**-**	**-**	**+738**
Total Liabilities & Net Assets	**8,417**	**8,655**	**9,617**	**9,438**	**9,665**	**9,389**	**-**	**-**	**+734**
Equity Capital	3,823	3,892	4,077	4,214	4,344	4,631	-	-	+739
Interest Bearing Debt	1,914	1,739	1,662	1,749	1,923	1,638	-	-	(101)
Net Debt	(557)	(557)	(426)	235	(1,193)	(914)	-	-	(357)
Equity Ratio	45.4%	45.0%	42.4%	44.7%	44.9%	49.3%	-	-	-
Net Debt Equity Ratio	(14.6%)	(14.3%)	(10.4%)	5.6%	(27.5%)	(19.7%)	-	-	-
ROE (12 months)	18.2%	18.1%	20.0%	18.0%	19.7%	22.9%	-	-	-
ROA (12 months)	7.2%	7.1%	10.9%	10.0%	11.2%	14.8%	-	-	-
Days for Inventory Turnover	18	18	16	36	16	24	-	-	-
Quick Ratio	156%	155%	148%	139%	156%	160%	-	-	-
Current Ratio	181%	176%	168%	172%	175%	193%	-	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement (Cumulative)

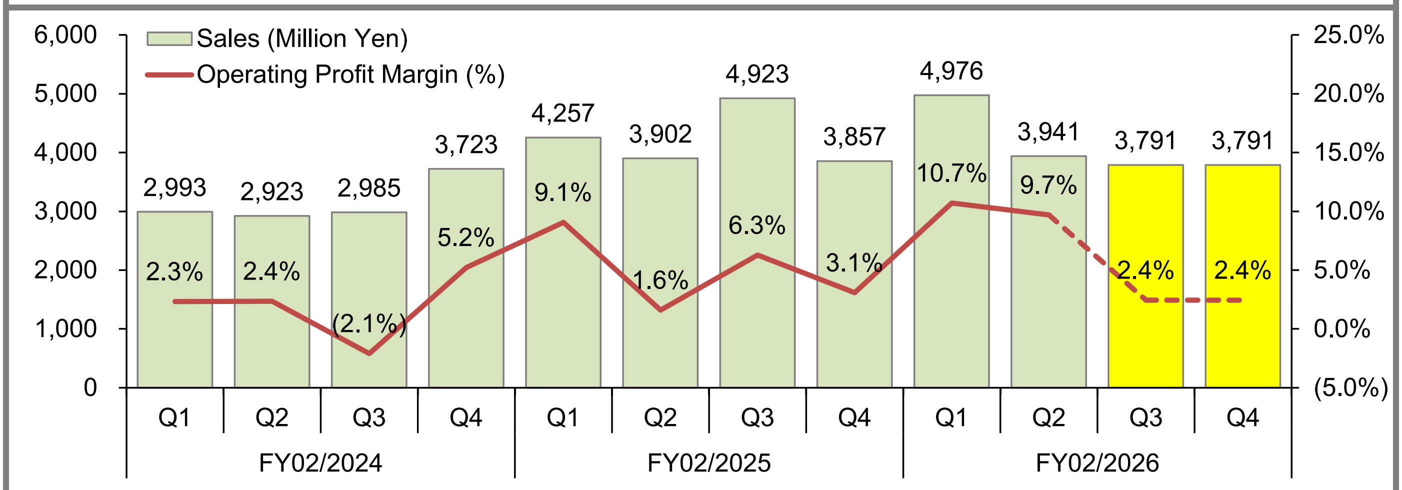
Cash Flow Statement (Million Yen)	Cons.Act Q1 02/2025	Cons.Act Q1 to Q2 02/2025	Cons.Act Q1 to Q3 02/2025	Cons.Act Q1 to Q4 02/2025	Cons.Act Q1 02/2026	Cons.Act Q1 to Q2 02/2026	Cons.Act Q1 to Q3 02/2026	Cons.Act Q1 to Q4 02/2026	YoY Net Chg.
Operating Cash Flow	-	1,149	-	484	-	1,907	-	-	+757
Investing Cash Flow	-	(48)	-	(151)	-	(382)	-	-	(335)
Operating Cash Flow and Investing Cash Flow	**-**	**1,102**	**-**	**334**	**-**	**1,525**	**-**	**-**	**+423**
Financing Cash Flow	-	(191)	-	(197)	-	(502)	-	-	(311)

Source: Company Data, WRJ Calculation

FY02/2026 Company Forecast

FY02/2026 Company' forecast, announced on 15 October 2025, is going for prospective sales of ¥16,500m (down 2.6% YoY), operating profit of ¥1,100m (up 25.6%), recurring profit of ¥1,090m (up 24.6%) and profit attributable to owners of parent of ¥750m (up 6.4%), while operating profit margin of 6.7% (up 1.5% points).

Sales and Operating Profit Margin



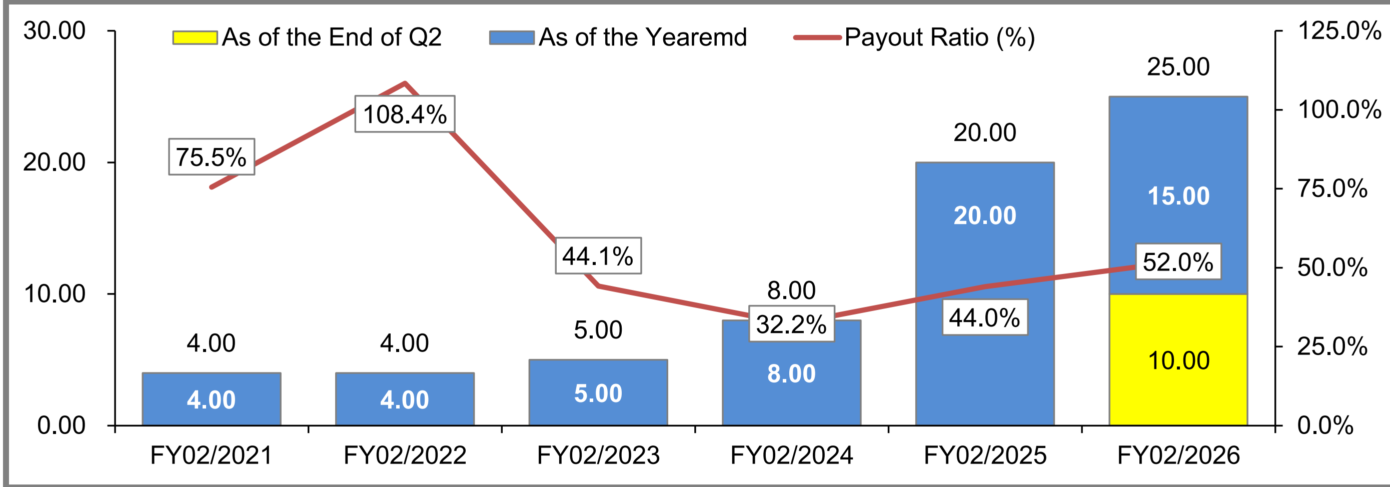
Source: Company Data, WRJ Calculation (Q3 and Q4 FY02/2026: evenly allocated based on the Company forecast for H2)

Compared with the assumptions in the initial Company forecast, announced on 14 April 2025, the gross profit margin has trended above expectations, leading to upward revisions of earnings estimates as noted above. The increase amounts to ¥300m (37.5%) for operating profit, ¥300m (38.0%) for recurring profit and ¥150m (25.0%) for profit attributable to owners of parent. Meanwhile, sales remain unchanged. Although sales have exceeded initial expectations, this is due mainly to sales being recognized ahead of schedule.

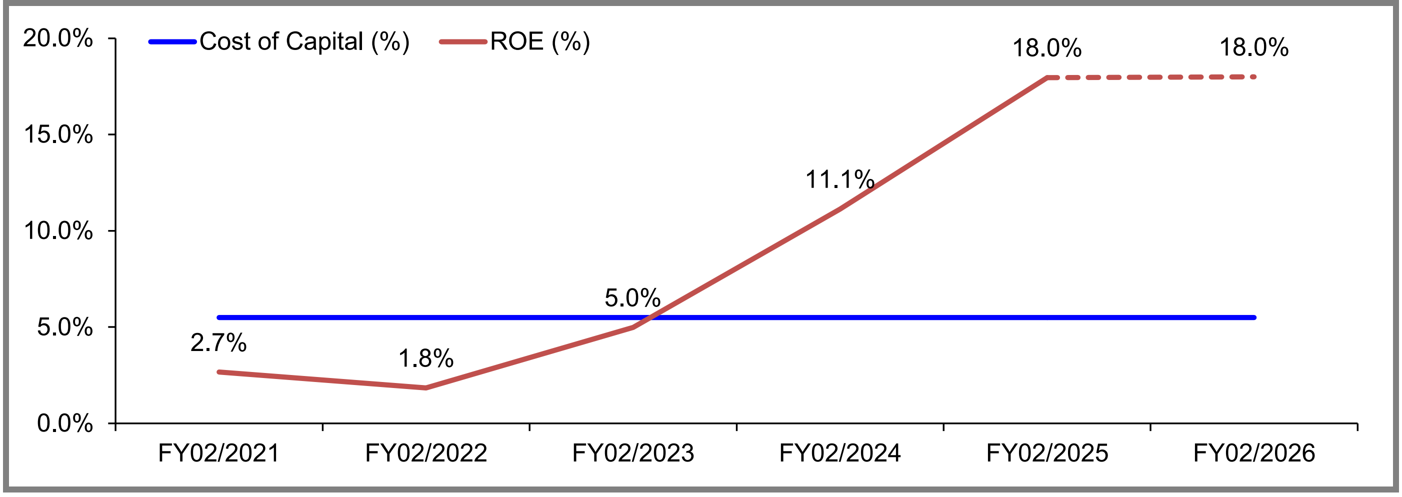
Reflecting the upward revision in earnings, the annual dividend forecast for FY02/2026 has also been increased. The initial Company forecast incorporated an annual dividend of ¥20.00 (yearend dividend of ¥20.00), whereas the current forecast calls for ¥25.00 (interim dividend of ¥10.00 and yearend dividend of ¥15.00), representing a payout ratio of 52.0%. When Q1 (March–May) results were announced on 15 July 2025, the dividend forecast was revised to ¥20.00 (interim dividend of ¥10.00 and yearend dividend of ¥10.00), introducing an interim dividend to enhance opportunities for shareholder returns. Following the latest upward revision in earnings, the yearend dividend has been raised by ¥5.00, from ¥10.00 to ¥15.00.

Promoting "management with an awareness of capital cost and stock price," the Company has not only planned to achieve a payout ratio of over 50% as noted above, but also announced on 29 July 2025 that it would implement a share repurchase program. According to the Company, the purpose is to improve capital efficiency and enhance shareholder returns through flexible capital policies that take into account market conditions and financial position. The shares to be acquired are common stock, with a maximum of 500,000 shares (representing 3.22% of outstanding shares excluding treasury shares) and an upper limit of ¥200m in total acquisition cost. The acquisition period runs from 1 August 2025 to 30 December 2025, and purchases will be made through market transactions on the Tokyo Stock Exchange. As of 31 October, the Company had already acquired 291,300 shares (¥127m) and intends to continue purchases up to the stated limit by the end of the acquisition period.

Annual Dividend and Payout Ratio



Cost of Capital and ROE (Forecast: Lower Bound)



Source: Company Data, WRJ Calculation

ROE, a key indicator of capital efficiency, reached 18.0% for FY02/2025, a historically high level for the Company. Based on the Company's estimated capital cost of approximately 5.5%, the equity spread has expanded to around 12.5% points. For Q1 to Q2 (March–August) FY02/2026, our calculation shows a trailing 12-month ROE of 22.9% (compared with 2.7% in FY02/2021), while the current Company forecast incorporates an ROE of at least 18.0% for FY02/2026. In light of trends over the past five years, the Company has achieved remarkable progress in promoting "management with an awareness of capital cost and stock price," and has announced plans to pursue further initiatives aimed at enhancing shareholder value and corporate value through proactive market engagement.

FY02/2026 Company Forecast and Results

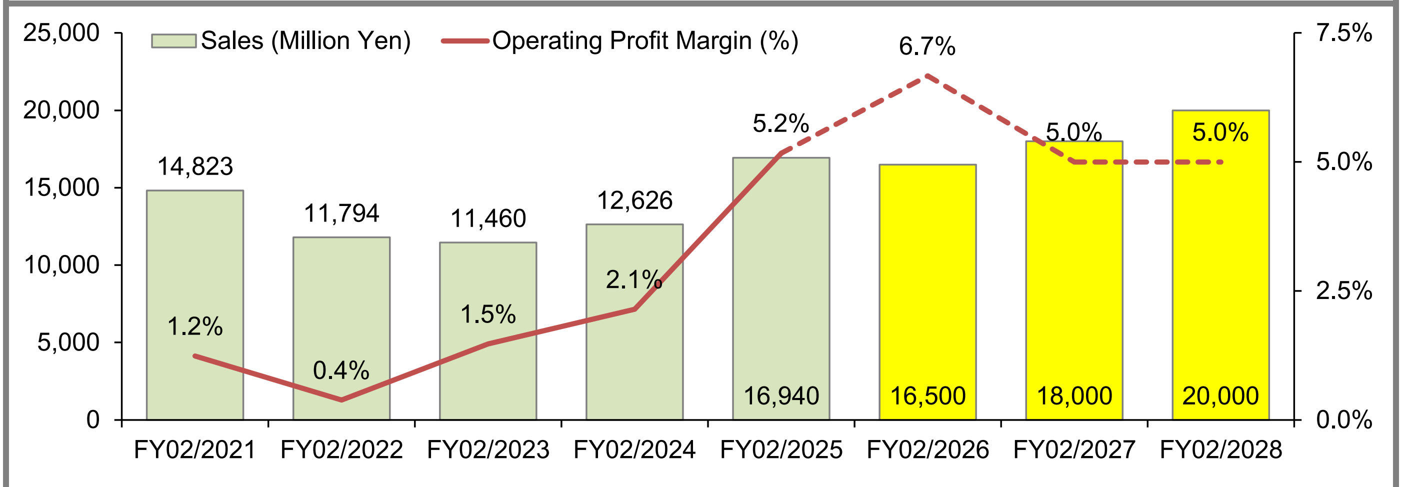
Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY02/2026CoE	14-Apr-25	Q4 Results	16,500	800	790	600
FY02/2026CoE	15-Jul-25	Q1 Results	16,500	800	790	600
FY02/2026CoE	15-Oct-25	Q2 Results	16,500	1,100	1,090	750
		Amount of Gap	0	300	300	150
		Rate of Gap	0.0%	37.5%	38.0%	25.0%
FY02/2026CoE	14-Apr-25	Q4 Results	16,500	800	790	600
FY02/2026CoE	15-Oct-25	Q2 Results	16,500	1,100	1,090	750
		Amount of Gap	0	300	300	150
		Rate of Gap	0.0%	37.5%	38.0%	25.0%
Consolidated Half Year (Million Yen)	**Date**	**Event**	**Sales**	**Operating Profit**	**Recurring Profit**	**Profit Attributable to Owners of Parent**
Q1 to Q2 FY02/2026CoE	14-Apr-25	Q4 Results	-	-	-	-
Q1 to Q2 FY02/2026CoE	15-Jul-25	Q1 Results	-	-	-	-
Q1 to Q2 FY02/2026Act	15-Oct-25	Q2 Results	8,917	914	908	655
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Q1 to Q2 FY02/2026CoE	14-Apr-25	Q4 Results	-	-	-	-
Q1 to Q2 FY02/2026Act	15-Oct-25	Q2 Results	8,917	914	908	655
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Consolidated Half Year (Million Yen)	**Date**	**Event**	**Sales**	**Operating Profit**	**Recurring Profit**	**Profit Attributable to Owners of Parent**
Q3 to Q4 FY02/2026CoE	14-Apr-25	Q4 Results	-	-	-	-
Q3 to Q4 FY02/2026CoE	15-Jul-25	Q1 Results	-	-	-	-
Q3 to Q4 FY02/2026CoE	15-Oct-25	Q2 Results	7,583	186	182	95
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-
Q3 to Q4 FY02/2026CoE	14-Apr-25	Q4 Results	-	-	-	-
Q3 to Q4 FY02/2026CoE	15-Oct-25	Q2 Results	7,583	186	182	95
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-

Source: Company Data, WRJ Calculation

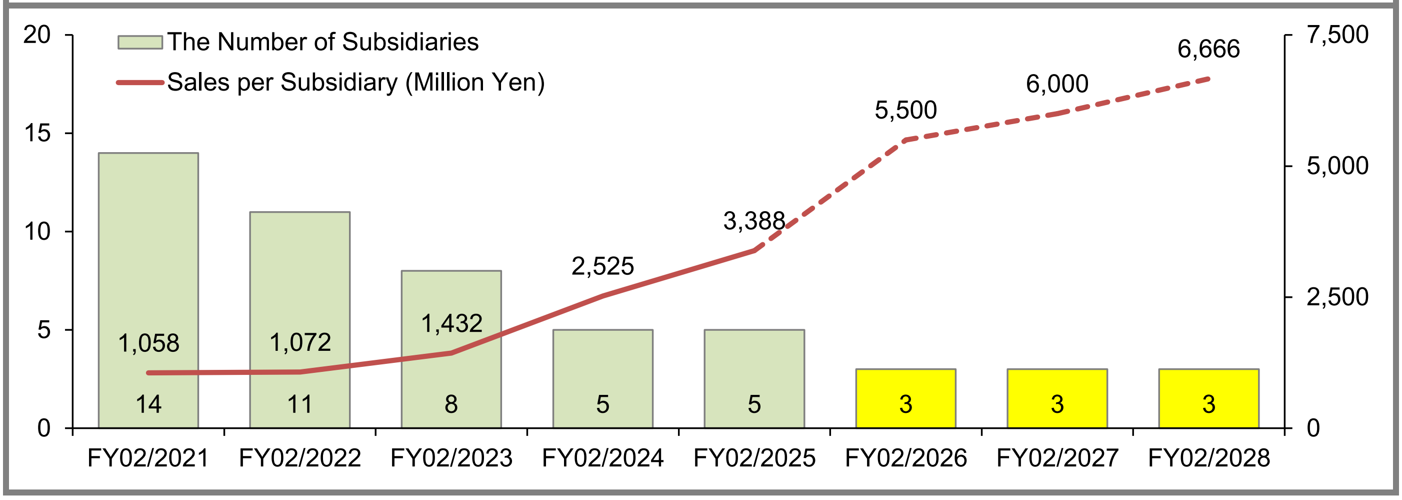
Medium- to Long-Term Outlook

Under its 5th Medium-Term Management Plan (FY02/2026-FY02/2028), announced on 14 April 2025,, the Company has adopted the slogan, NEXT STAGE 2030, signaling its commitment to continuous transformation and sustainable growth. With a growth perspective toward 2030, the Company aims to capture construction demand in the Tokyo metropolitan area and demand related to integrated resort (IR) development in Osaka, while further strengthening "management with an awareness of capital cost and stock price." The performance targets set for the final year, FY02/2028, are sales of ¥20,000m, operating profit of ¥1,000m (operating margin of 5.0%), recurring profit of ¥990m and profit attributable to owners of parent of ¥700m.

The 5th Medium-Term Management Plan (FY02/2025-FY02/2028)



The Number of Subsidiaries and Sales per Subsidiary



Source: Company Data, WRJ Calculation

However, as noted earlier, the current Company forecast for FY02/2026, announced on 15 October 2025, already anticipates an operating profit level exceeding the target of ¥1,000m (operating profit margin of 5.0%) set for the final year of the Medium-Term Management Plan (FY02/2026-FY02/2028), Specifically, the forecast calls for sales of ¥16,500m (down 2.6% YoY), operating profit of ¥1,100m (up 25.6%) and an operating profit margin of 6.7% (up 1.5% points). Once results for H2 (September–February) are finalized, it is likely that the contents of the Medium-Term Management Plan will be reviewed. For now, the Company aims to leverage this upside momentum to sustain earnings growth and ultimately establish a structure capable of achieving ¥20,000m in sales by 2030.

Business Portfolio Restructuring

During the period of the 4h Medium-Term Management Plan (FY02/2023–FY02/2025), significant progress was made in reorganizing the portfolio toward construction-centric businesses. At of the end of FY02/2021, the Company had 14 subsidiaries under its umbrella; by the end of the first year of the plan, FY02/2023, this number had already been consolidated to eight. Subsequently, by the end of the final year, FY02/2025, the number of subsidiaries was further reduced to five.

Meanwhile, sales per subsidiary have expanded significantly, and operating profit margin has continued to trend upward, indicating that the business portfolio restructuring has been effective and has had a substantial impact on the strong sales and earnings growth achieved during the 4th Medium-Term Management Plan (FY02/2023–FY02/2025). Furthermore, as noted earlier, additional consolidation has taken place in FY02/2026, reducing the number of subsidiaries to three, which is expected to drive further increases in sales per subsidiary going forward.

In the first year of the 4th Medium-Term Management Plan (FY02/2023–FY02/2025), in addition to the Interior Construction segment, the Sound & Lighting Facilities segment and the Equipment & Maintenance segment, the Company also operated in some other segments such as Telecommunications & Human Resources Services (NIL TELECOM and AVAVCE AGILE), Real Estate (LARGO CORPORATION) and Other (ADVANTAGE).

However, as suggested above, all shares of subsidiaries engaged primarily in non-construction businesses have been sold. At the same time, from Q4 (December–February) FY02/2024, SANKEN SYSTEM (a wholly owned subsidiary) was newly consolidated, further underscoring the Company's proactive efforts to restructure its portfolio toward construction-focused operations.

5th Medium-Term Management Plan

Under the 5th Medium-Term Management Plan (FY02/2026–FY02/2028), the Company has set forth the basic policy of “enhancing corporate value through sustainable earnings growth and building a foundation for a new growth stage.” To achieve this, three key strategies have been identified: “building a new growth foundation,” “further improving profitability,” and “promoting ESG initiatives.”

Regarding “building a new growth foundation,” the Company aims to further strengthen the business portfolio restructuring that made significant progress under the 4h Medium-Term Management Plan (FY02/2023–FY02/2025), thereby expanding its growth base. In addition, it plans to focus on developing new products, such as ATRUSSBOARD®, i.e., an innovative building material promoted by NISSHO INTERLIFE (a wholly owned subsidiary) and movable LED panels developed by SYSTEM ENGINEERING (a wholly owned subsidiary), which have already obtained patents. Furthermore, the Company continues to explore M&A opportunities and business alliances to accelerate expansion into new growth areas.

Regarding “further improving profitability,” the Company aims to strengthen its earning power by focusing on securing highly profitable large-scale projects and promoting cost reductions through rigorous cost control. Based on the results for Q1 to Q2 (March–August) FY02/2026, these initiatives appear to have already made significant progress. Furthermore, to enhance productivity, the Company is considering company-wide implementation of generative AI and expanding its scope of application in business operations.

Regarding “promoting ESG initiatives,” the Company is steadily advancing human capital investment through focused efforts on recruitment, development and retention. In addition, with the appointment of a female independent outside director starting in FY02/2026, the Company has outlined plans to further strengthen governance. As previously noted, proactive measures to promote “management with an awareness of capital cost and stock price” are also being implemented.

5.0 Financial Statements

Income Statement

Income Statement (Million Yen)	Cons.Act FY 02/2021	Cons.Act FY 02/2022	Cons.Act FY 02/2023	Cons.Act FY 02/2024	Cons.Act FY 02/2025	Cons.CoE FY 02/2026	YoY Net Chg.
Sales	**14,823**	**11,794**	**11,460**	**12,626**	**16,940**	**16,500**	**(440)**
Cost of Sales	11,305	9,098	9,094	10,107	13,560	12,985	(574)
Gross Profit	3,518	2,695	2,366	2,518	3,380	3,514	+133
SG&A Expenses	3,334	2,650	2,197	2,247	2,504	2,411	(93)
Operating Profit	**183**	**45**	**168**	**270**	**875**	**1,100**	**+224**
Non-Operating Balance	102	3	8	(24)	(0)	(10)	(9)
Recurring Profit	**286**	**48**	**177**	**245**	**875**	**1,090**	**+214**
Extraordinary Balance	(17)	78	63	236	(23)	-	-
Profit before Income Taxes	268	127	240	482	852	-	-
Total Income Taxes	167	55	61	97	146	-	-
Profit Attributable to Owners of Parent	**101**	**71**	**179**	**384**	**705**	**750**	**+44**
Sales YoY	(22.2%)	(20.4%)	(2.8%)	+10.2%	+34.2%	(2.6%)	-
Operating Profit YoY	(48.4%)	(75.3%)	+272.7%	+60.4%	+223.7%	+25.6%	-
Recurring Profit YoY	(15.9%)	(83.0%)	+265.2%	+38.6%	+256.0%	+24.6%	-
Profit Attributable to Owners of Parent YoY	(6.1%)	(29.5%)	+150.3%	+114.6%	+83.2%	+6.4%	-
Gross Profit Margin	23.7%	22.9%	20.6%	19.9%	20.0%	21.3%	+1.3%
SG&A Ratio	22.5%	22.5%	19.2%	17.8%	14.8%	14.6%	(0.2%)
Operating Profit Margin	1.2%	0.4%	1.5%	2.1%	5.2%	6.7%	+1.5%
Recurring Profit Margin	1.9%	0.4%	1.5%	1.9%	5.2%	6.6%	+1.4%
Profit Attributable to Owners of Parent Margin	0.7%	0.6%	1.6%	3.0%	4.2%	4.5%	+0.4%
Total Income Taxes / Profit before Income Taxes	62.2%	43.7%	25.5%	20.2%	17.2%	-	-

Source: Company Data, WRJ Calculation

Segment Information

Segment Information (Million Yen)	Cons.Act FY 02/2021	Cons.Act FY 02/2022	Cons.Act FY 02/2023	Cons.Act FY 02/2024	Cons.Act FY 02/2025	Cons.CoE FY 02/2026	YoY Net Chg.
Interior Construction	-	5,244	5,500	6,334	9,728	-	-
Sound & Lighting Facilities	-	2,584	3,560	4,451	5,784	-	-
Equipment & Maintenance	-	1,376	1,282	1,153	1,427	-	-
Sales	**14,823**	**11,794**	**11,460**	**12,626**	**16,940**	**16,500**	**(440)**
Interior Construction	-	89	71	139	529	-	-
Sound & Lighting Facilities	-	22	154	269	494	-	-
Equipment & Maintenance	-	68	73	41	(8)	-	-
Segment Profit	**-**	**251**	**348**	**460**	**1,015**	**-**	**-**
Adjustments	-	(205)	(179)	(189)	(139)	-	-
Operating Profit	**183**	**45**	**168**	**270**	**875**	**1,100**	**+224**
Interior Construction	-	1.7%	1.3%	2.2%	5.4%	-	-
Sound & Lighting Facilities	-	0.9%	4.4%	6.0%	8.5%	-	-
Equipment & Maintenance	-	5.0%	5.7%	3.6%	(0.6%)	-	-
Segment Profit Margin	**-**	**2.1%**	**3.0%**	**3.6%**	**6.0%**	**-**	**-**
Adjustments	-	(1.7%)	(1.6%)	(1.5%)	(0.8%)	-	-
Operating Profit Margin	**1.2%**	**0.4%**	**1.5%**	**2.1%**	**5.2%**	**6.7%**	**+1.5%**

Source: Company Data, WRJ Calculation

Balance Sheet

Balance Sheet (Million Yen)	Cons.Act FY 02/2021	Cons.Act FY 02/2022	Cons.Act FY 02/2023	Cons.Act FY 02/2024	Cons.Act FY 02/2025	Cons.CoE FY 02/2026	YoY Net Chg.
Cash and Deposit	3,184	2,233	1,787	1,419	1,513	-	-
Notes Receivable -Trade	1,530	2,349	2,661	3,363	4,117	-	-
Inventory	68	59	4	14	18	-	-
Costs on Construction Contracts in Progress	594	419	671	833	1,172	-	-
Other	172	239	90	176	135	-	-
Current Assets	**5,551**	**5,300**	**5,215**	**5,808**	**6,957**	**-**	**-**
Tangible Assets	1,615	1,207	1,151	1,111	1,184	-	-
Intangible Assets	468	391	297	543	536	-	-
Investments and Other Assets	691	664	634	672	759	-	-
Fixed Assets	**2,776**	**2,263**	**2,083**	**2,326**	**2,480**	**-**	**-**
Total Assets	**8,327**	**7,564**	**7,298**	**8,135**	**9,438**	**-**	**-**
Accounts Payables	1,203	1,691	1,854	1,653	1,767	-	-
Short-Term Debt	650	450	450	450	650	-	-
Current Portion of Long-term Debt	404	330	376	472	339	-	-
Current Portion of Bonds Payable	105	-	-	-	-	-	-
Other	1,139	416	574	714	1,291	-	-
Current Liabilities	**3,502**	**2,887**	**3,256**	**3,290**	**4,049**	**-**	**-**
Bonds Payable	62	-	-	-	-	-	-
Long-Term Debt	571	472	499	867	759	-	-
Other	345	286	261	340	415	-	-
Fixed Liabilities	**979**	**759**	**761**	**1,207**	**1,174**	**-**	**-**
Total Liabilities	**4,482**	**3,647**	**4,017**	**4,497**	**5,223**	**-**	**-**
Shareholders' Equity	**3,922**	**3,964**	**3,338**	**3,652**	**4,228**	**-**	**-**
Other	(78)	(48)	(59)	(15)	(14)	-	-
Net Assets	**3,845**	**3,917**	**3,280**	**3,637**	**4,214**	**-**	**-**
Total Liabilities & Net Assets	**8,327**	**7,564**	**7,298**	**8,135**	**9,438**	**-**	**-**
Equity Capital	3,845	3,917	3,280	3,637	4,214	-	-
Interest Bearing Debt	1,794	1,252	1,326	1,789	1,749	-	-
Net Debt	(1,391)	(981)	(462)	370	235	-	-
Equity Ratio	46.2%	51.8%	45.0%	44.7%	44.7%	-	-
Net Debt Equity Ratio	(36.2%)	(25.0%)	(14.1%)	10.2%	5.6%	-	-
ROE (12 months)	2.7%	1.8%	5.0%	11.1%	18.0%	18.0%	-
ROA (12 months)	3.1%	0.6%	2.4%	3.2%	10.0%	-	-
Days for Inventory Turnover	21	19	27	30	32	-	-
Quick Ratio	135%	159%	137%	145%	139%	-	-
Current Ratio	158%	184%	160%	177%	172%	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement

Cash Flow Statement (Million Yen)	Cons.Act FY 02/2021	Cons.Act FY 02/2022	Cons.Act FY 02/2023	Cons.Act FY 02/2024	Cons.Act FY 02/2025	Cons.CoE FY 02/2026	YoY Net Chg.
Operating Cash Flow	633	(795)	161	(623)	484	-	-
Investing Cash Flow	41	439	119	(58)	(151)	-	-
Operating Cash Flow and Investing Cash Flow	**674**	**(355)**	**281**	**(681)**	**334**	**-**	**-**
Financing Cash Flow	(637)	(589)	(729)	261	(197)	-	-

Source: Company Data, WRJ Calculation

Per Share Data

Per Share Data (Before Adjustments for Split) (Yen)	Cons.Act FY 02/2021	Cons.Act FY 02/2022	Cons.Act FY 02/2023	Cons.Act FY 02/2024	Cons.Act FY 02/2025	Cons.CoE FY 02/2026	YoY Net Chg.
No. of Shares FY End (thousand shares)	20,011	20,011	20,011	20,011	17,011	-	-
Net Profit / EPS (thousand shares)	19,181	19,421	15,831	15,507	15,520	-	-
Treasury Shares FY End (thousand shares)	751	570	4,519	4,495	1,490	-	-
Earnings Per Share	5.30	3.69	11.33	24.82	45.43	48.11	-
Earnings Per Share (Fully Diluted)	-	-	-	-	-	-	-
Book Value Per Share	199.67	201.49	211.77	234.45	271.55	-	-
Dividend Per Share	4.00	4.00	5.00	8.00	20.00	25.00	-
Per Share Data (After Adjustments for Split) (Yen)	**Cons.Act FY 02/2021**	**Cons.Act FY 02/2022**	**Cons.Act FY 02/2023**	**Cons.Act FY 02/2024**	**Cons.Act FY 02/2025**	**Cons.CoE FY 02/2026**	**YoY Net Chg.**
Share Split Factor	1	1	1	1	1	1	-
Earnings Per Share	5.30	3.69	11.33	24.82	45.43	48.11	-
Book Value Per Share	199.67	201.49	211.77	234.45	271.55	-	-
Dividend Per Share	4.00	4.00	5.00	8.00	20.00	25.00	-
Payout Ratio	75.5%	108.4%	44.1%	32.2%	44.0%	52.0%	-

Source: Company Data, WRJ Calculation

Disclaimer

Information here is a summary of "IR Information" of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. "IR Information" of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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