

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)
FY02/2025	16,940	875	875	705	45.43	20.00	271.55
FY02/2026	16,336	1,166	1,156	828	53.57	30.00	306.55
FY02/2027CoE	17,000	1,200	1,190	800	52.45	30.00	-
FY02/2026	YoY (3.6%)	33.3%	32.1%	17.4%	-	-	-
FY02/2027CoE	YoY 4.1%	2.8%	2.9%	(3.4%)	-	-	-

Source: Company data; calculations by WRJ

1.0 Executive Summary (27 May 2026)


Structural Reform and Growth Strategy

At INTERLIFE HOLDINGS., which provides total services covering the design and construction of commercial facilities & public facilities, structural reform centered on the transformation of the business portfolio has made significant progress and, supported by a favorable external environment with continued strong market conditions, the Company has achieved a substantial increase in profit driven by the completion of large-scale, highly profitable projects and the recognition of related sales. Looking ahead, while there are issues requiring close attention such as trends in raw material prices amid an unstable international environment, the Company aims to enhance profitability toward 2030 by capturing construction demand in the Tokyo metropolitan area as well as demand related to integrated resort projects in Osaka. The CAGR indicated by the Company stands at 8.9% for sales and 11.4% for operating profit. The core of the growth strategy lies in thoroughly concentrating management resources on business development in the Interior Construction business and the Sound & Lighting Facilities business, which remain after divesting unprofitable and non-core businesses, actively pursuing the receipt and execution of large-scale, highly profitable projects, while at the same time continuing to focus on the development of new products and new business domains that are closely related to these areas. In addition, the Company places importance on advancing management that is conscious of ESG and capital efficiency. Meanwhile, the largest risk factor identified is the securing of human resources responsible for construction and related operations, and the Company is focusing on pursuing solutions in this area, including through M&A.

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

2.0 Company Profile

Essential Services for Communities

Company Name	<p>INTERLIFE HOLDINGS CO., LTD.</p> <p>Company Website</p> <p>INVESTOR RELATIONS</p> <p>Share Price (Japanese)</p> 
Established	5 October 2010
Listing	<p>4 April 2022: Tokyo Stock Exchange Standard Market (ticker: 1418)</p> <p>16 July 2013: Tokyo Stock Exchange JASDAQ (Standard Market)</p> <p>5 October 2010: Osaka Securities Exchange (JASDAQ Standard Market)</p>
Capital	¥2,979m (as of the end of February 2026)
No. of Shares	17,010,529 shares, including 1,756,580 treasury shares (as of the end of Feb. 2026)
Main Features	<ul style="list-style-type: none"> ● Deep involvement in the design and construction of commercial facilities & public facilities ● Provision of total services including management and maintenance ● Promotion of management control and related operations for consolidated subsidiaries as a holding company
Segments	<p>I . Interior Construction business</p> <p>II . Sound & Lighting Facilities business</p>
Representatives	<p>Representative Director, Chairman and CEO: Masahide Shoji</p> <p>Representative Director and President: Koji Kida</p>
Shareholders	Tatsumi 31.3%, Custody Account of Japan Trust Service Bank 3.9%, Business Partners Shareholding Association 2.9%, NOMURA Co., Ltd. 2.8%, Employee Shareholding Association 2.7%, Tokyo Tatemono Co., Ltd. 2.5% (as of the end of February 2026, excluding treasury shares)
Head Office	Chuo-ku, Tokyo, JAPAN
No. of Personnel	Consolidated: 238 (as of the end of February 2026)

Source: Company data

3.0 Management Philosophy

Comfortable Spaces Filled with Inspiration and Joy

Under its management philosophy, “We provide comfortable spaces filled with inspiration and joy to all people and contribute to society,” INTERLIFE HOLDINGS was established in October 2010 as a holding company responsible for managing its consolidated subsidiaries and related operations. Through its Interior Construction business and Sound & Lighting Facilities business, the Group operates as a collective of professionals at construction sites providing “total services for creating attractive stores and facilities,” leveraging the respective strengths of each group company to create a wide range of spaces across diverse genres.

Actual Results for FY02/2026				
	Group Companies (Wholly Owned Subsidiaries)	Sales (Composition Ratio %)	Segment Profit (Composition Ratio %)	Segment Profit Margin (%)
Interior Construction	NISSHO INTERLIFE	61.5%	49.5%	6.5%
Sound & Lighting Facilities	SYSTEM ENGINEERING SANKEN SYSTEM	38.4%	51.6%	10.9%
Equipment & Maintenance	FACILITY MANAGEMENT TAMAHIRO KOGYO	0.2%	(1.1%)	(58.6%)
Total	-	100.0%	100.0%	8.1%

Source: Company data; calculations by WRJ

While the Company name “INTERLIFE” reflects its aspiration to serve as a bridge connecting people and their living spaces, the phrase “all people” in its management philosophy conveys the intention to deliver inspiration not only to those who commission construction projects but also to the end users of the facilities themselves. In other words, the Company consistently upholds a policy that places importance on both enhancing the quality of spaces and enriching the experiences they offer. The Company’s strengths lie not only in its dual expertise in Interior Construction and Sound and Lighting Facilities but also in having established an integrated structure that covers everything from planning and design to construction and maintenance. This enables the creation of spaces across a wide range of genres that would be difficult to address through a single line of business alone, forming the Company’s distinctive competitive advantage. The management philosophy of providing comfortable spaces filled with inspiration and joy is therefore considered to serve as the foundation supporting the Group’s multi-layered capabilities and on-site execution strength.

In the results for FY02/2026, the Interior Construction business operated by NISSHO INTERLIFE, a wholly owned subsidiary, accounted for 61.5% of sales and 49.5% of segment profit. The specific scope of operations includes “planning, design, construction and after-sales support for commercial facilities and related spaces.” With construction capabilities and mobility provided by a group of approximately 250 skilled craftsmen, the Company delivers high-quality construction within short timeframes and, by functioning as both a prime contractor and subcontractor, has established a unique, one-of-a-kind business model capable of handling a wide variety of construction work as a single contractor. In addition, effective 1 June 2025 during the fiscal year, NISSHO INTERLIFE, a wholly owned subsidiary, absorbed FACILITY MANAGEMENT, a wholly owned subsidiary, through a merger and the latter’s operations, including contract cleaning, management and repair services for buildings, as well as maintenance services for air-conditioning equipment, have formed part of the Interior Construction business as the FM division from the beginning of Q2 (June–August) FY02/2026.

In the Sound & Lighting Facilities business operated by SYSTEM ENGINEERING, a wholly owned subsidiary, and SANKEN SYSTEM, a wholly owned subsidiary, the segment accounted for 38.4% of sales and 51.6% of segment profit. The specific scope of operations of SYSTEM ENGINEERING, a wholly owned subsidiary, which accounts for a substantial portion of sales in this segment, includes “planning, design, construction and maintenance of special staging and performance equipment.” By accurately identifying customer needs and proposing optimal solutions, the Company is able to ensure the smooth execution of projects as a whole and, because it can provide integrated services across the three domains of audio, lighting and video, it is able to design and construct highly user-friendly systems.

Meanwhile, the specific scope of operations of SANKEN SYSTEM, a wholly owned subsidiary, includes “everything from the design of AVC (Audio Visual & Control) systems to fabrication, construction and maintenance.” Established in 1972, the subsidiary has built up a 50-year track record by continuously refining its expertise in video, audio and stage equipment technologies and is capable of providing comprehensive support, including the fabrication of custom-made equipment and devices required for AVC systems.

According to the Company, the market faced by the Sound & Lighting Facilities business is a so-called niche market and, compared with the Interior Construction business which has a significantly larger market size, it is characterized by a smaller number of competitors and the Company’s possession of proprietary technological capabilities and know-how, resulting in a higher segment profit margin than that of the Interior Construction business. In the results for FY02/2026, the segment profit margin stood at 6.5% for the Interior Construction business, compared with 10.9% for the Sound & Lighting Facilities business.

Meanwhile, as of the end of Q1 (March–May) FY02/2026, the Company withdrew from the Equipment & Maintenance business previously operated by FACILITY MANAGEMENT, a wholly owned subsidiary, and TAMAHIRO KOGYO, a wholly owned subsidiary. As noted above, through the absorption-type merger of FACILITY MANAGEMENT, a wholly owned subsidiary, NISSHO INTERLIFE, a wholly owned subsidiary, has established an integrated structure enabling it to accept orders on a one-stop basis from construction through maintenance and upkeep and, looking ahead, the Company believes that this has put in place a framework that will further strengthen its service delivery capabilities to customers. Regarding TAMAHIRO KOGYO, a wholly owned subsidiary, which had engaged in “construction and repair of facilities such as air-conditioning, electrical, water supply, drainage and sanitary systems, as well as the sale of facility equipment,” the Company transferred its shares effective 31 May 2025 with the aim of responding to changes in the business environment.

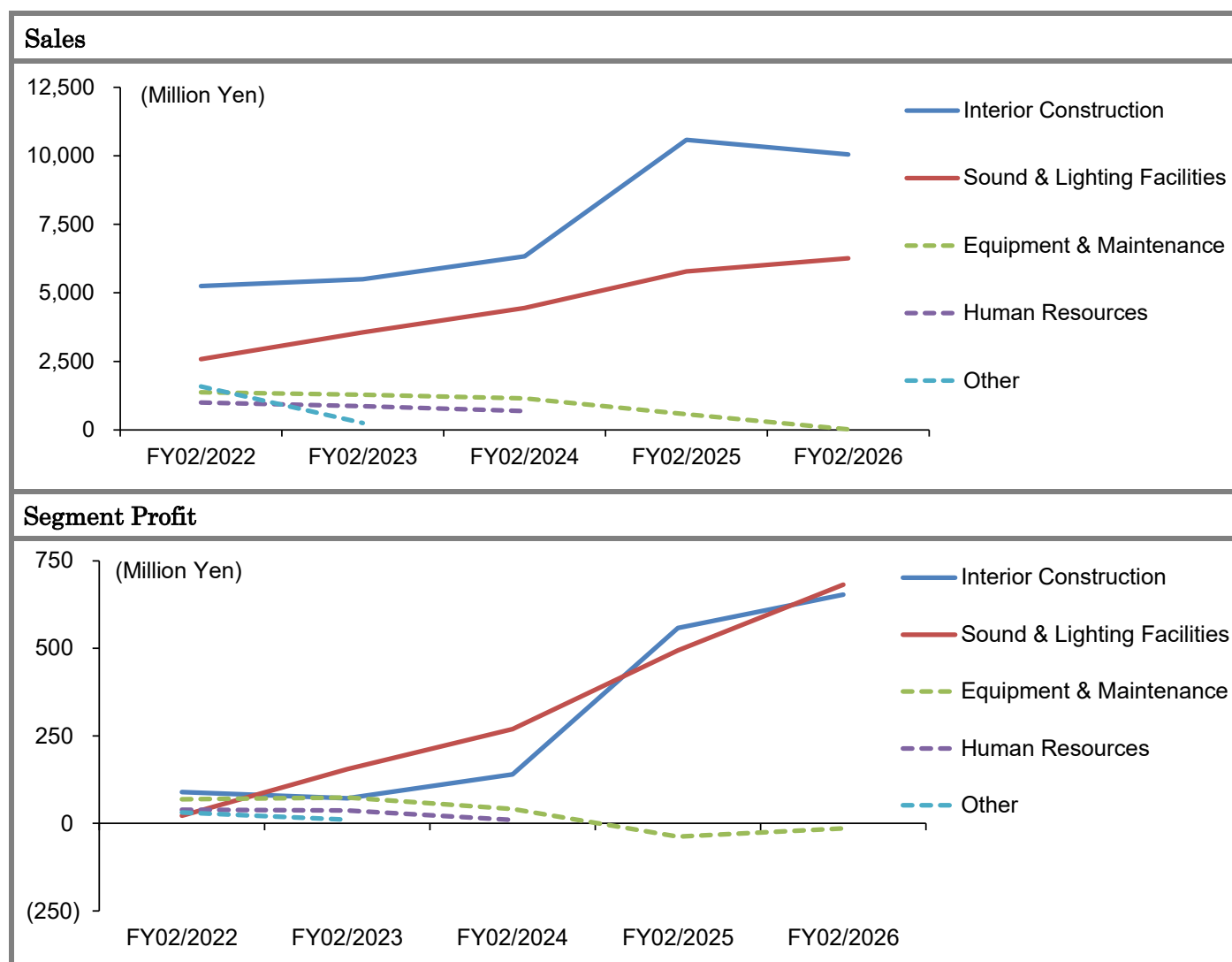
History (Selected)

Date	Overview
February 1975	NISSHO, established in Arakawa-ku, Tokyo, with flooring construction for the display industry as its core business
June 1988	The Company, changed its name from NISSHO to NISSHO INTERLIFE
August 1988	Head office, relocated to Kita-ku, Tokyo
August 1990	The Company’s shares, registered for over-the-counter trading with the Japan Securities Dealers Association
December 2004	Over-the-counter registration with the Japan Securities Dealers Association, cancelled and the Company’s shares, listed on the JASDAQ Securities Exchange
April 2010	Following the merger of the JASDAQ Securities Exchange and the Osaka Securities Exchange, the Company’s shares, listed on the Osaka Securities Exchange (JASDAQ market)
October 2010	INTERLIFE HOLDINGS, established by way of a sole share transfer by NISSHO INTERLIFE and NISSHO INTERLIFE became a wholly owned subsidiary
October 2010	The Company’s shares, listed on the Osaka Securities Exchange (JASDAQ Standard Market)
November 2011	At an extraordinary general meeting of shareholders, the fiscal yearend, changed from 20 March to the end of February
July 2013	Following the integration of the cash equity market of the Osaka Securities Exchange into the Tokyo Stock Exchange, the Company’s shares, listed on the Tokyo Stock Exchange JASDAQ (Standard)
May 2014	Head office, relocated to Chuo-ku, Tokyo
May 2017	Partially amended the articles of incorporation and transitioned to a company with an audit and supervisory committee
April 2022	Transitioned from the Tokyo Stock Exchange JASDAQ (Standard) market to the Tokyo Stock Exchange Standard market
May 2025	All shares of TAMAHIRO KOGYO, transferred
June 2025	NISSHO INTERLIFE (surviving company), merged with FACILITY MANAGEMENT (absorbed company)

4.0 Recent Trading and Prospects

FY02/2026

In FY02/2026, sales came in at ¥16,336m (down 3.6% YoY), operating profit ¥1,166m (up 33.3%), recurring profit ¥1,156m (up 32.1%) and profit attributable to owners of parent ¥828m (up 17.4%). Gross profit totaled ¥3,641m (up 7.7%) and SG&A expenses ¥2,474m (down 1.2%), resulting in a gross profit margin of 22.3% (up 2.3% points) and an SG&A ratio of 15.1% (up 0.4% points). Consequently, operating profit margin came in at 7.1% (up 2.0% points).

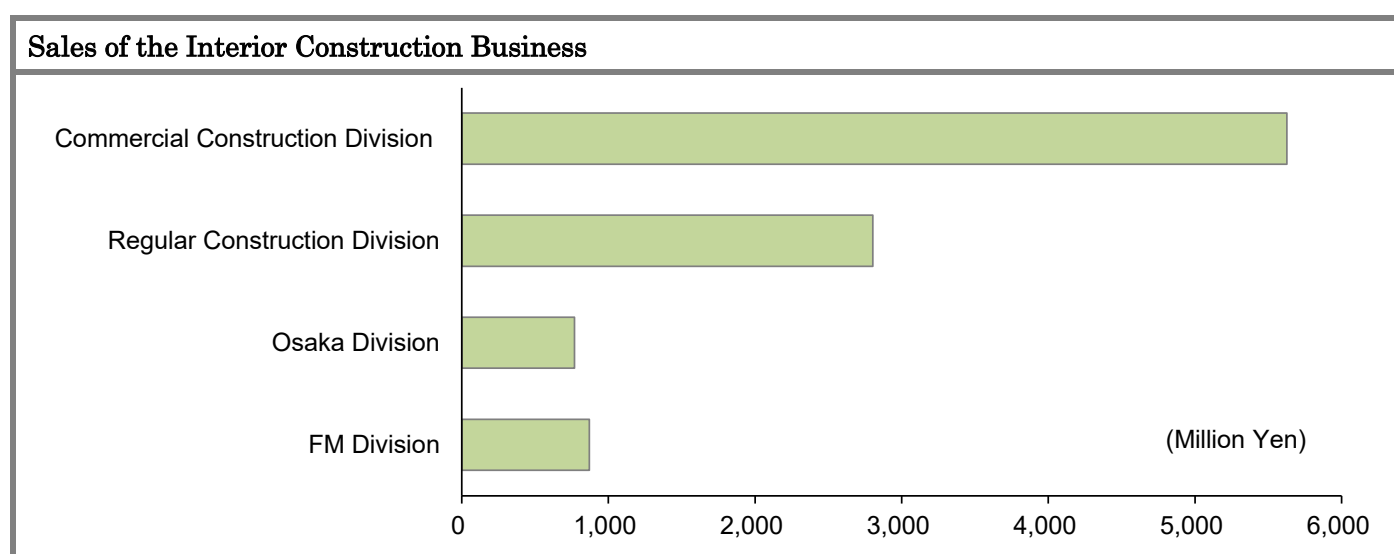


Source: Company data

At the current stage, following its efforts in structural reform centered on the transformation of the business portfolio, the Company has established a business structure consisting solely of the Interior Construction business and the Sound & Lighting Facilities business, both of which are construction-focused. In the results for FY02/2026, the reorganization of the Equipment & Maintenance business was completed. As a result, while sales declined, the Company realized cost reduction effects of approximately ¥100m and also recorded a gain on the sale of subsidiary shares of ¥70m. In addition, part of the operations of the Equipment & Maintenance business have been transferred to the Interior Construction business as the FM division from the beginning of Q2 (June–August).

Interior Construction (61.5% of Sales and 49.5% of Segment Profit)

In the Interior Construction business operated by NISSHO INTERLIFE, a wholly owned subsidiary, sales came in at ¥10,046m (down 5.1%), segment profit ¥653m (up 17.0%) and segment profit margin 6.5% (up 1.2% points). The business, whose greatest strengths lie in construction capability and mobility provided by a dedicated group of approximately 250 craftsmen, saw steady progress in the completion of urban redevelopment projects as well as office and hotel construction in both the Commercial Construction division and the Regular Construction division and, while sales declined due in part to the tapering-off of Osaka–Kansai Expo-related projects, higher profitability led to an increase in profit.



Source: Company data

In the Commercial Construction division, which undertakes planning, design and construction of commercial facilities and the like, sales have remained steady, supported by the completion of urban redevelopment projects as well as renovation work for educational institutions. In the Regular Construction division, which focuses on rough-in work for interior construction, robust order intake has been seen, mainly for projects related to urban redevelopment as well as office and hotel construction. However, in the Osaka division, where sales from both divisions are recorded through the Osaka base, the Company has been affected by the tapering-off of demand related to Osaka–Kansai Expo projects. It should be also noted that the improvement in profitability was largely attributable to contributions from large-scale, highly profitable projects.

As a construction example in the results for FY02/2026, the Company cites an interior construction project undertaken as a prime contractor at the Kaitakushikan within the Sapporo Beer Garden. While the Sapporo Beer Garden is one of Sapporo’s leading tourist attractions, where visitors can enjoy beer and Jingsukan, a Japanese grilled lamb dish, in historic red-brick buildings, the Kaitakushikan serves as a museum introducing the history of Hokkaido’s development. In the recent renovation, NISSHO INTERLIFE, a wholly owned subsidiary, was deeply involved and, given that the Kaitakushikan was originally constructed in 1890 and had last been renovated in 1986, the project represented a major refurbishment carried out after a lapse of approximately 40 years.

Meanwhile, NISSHO INTERLIFE, a wholly owned subsidiary, has developed an innovative new building material known as ATRUSSBOARD® (ceiling and exterior wall material). While sales contribution related to ATRUSSBOARD® remains at a limited level at present, the Company notes that it has steadily built up a track record of installation at schools, hotels, offices and retail stores.

Interior Construction Business – Construction Example:

Sapporo Beer Garden/Interior of the Kaitakushikan (After Completion)



Interior Construction Business – Construction Example:

ATRUSSBOARD®/HERALBONY LABORATORY GINZA



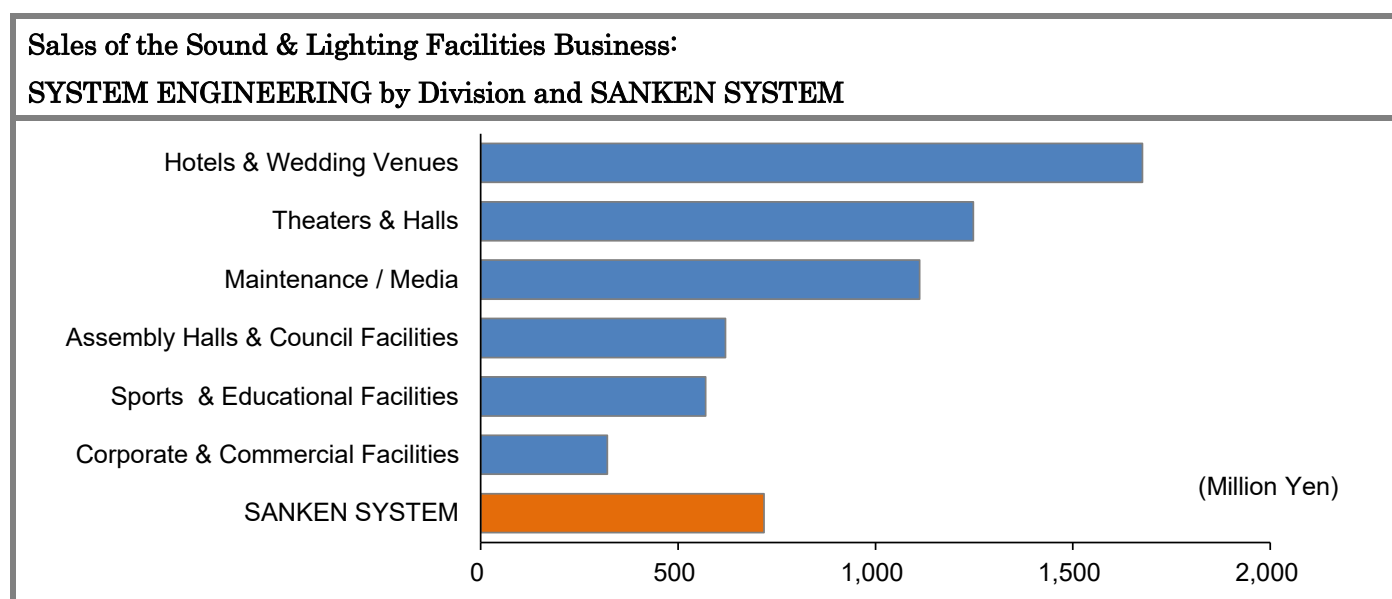
Source: Company data

On 13 May 2025, NISSHO INTERLIFE, a wholly owned subsidiary, announced that it had obtained a patent (Patent No. 7675470) related to ATRUSSBOARD®, a hybrid ultra-lightweight recycled paper and aluminum ceiling material. Having recognized past incidents of ceiling collapses caused by earthquakes and aging deterioration, the Company undertook the development of an ultra-lightweight material aimed at minimizing the risk of injuries from falling ceilings and, as a result, developed a new building material that is safer and more secure than conventional products while also relieving construction workers from heavy labor. According to the Company, by continuing to place sustained emphasis on such initiatives, it aims to fulfill its social role going forward and to realize sustainable growth while contributing to the development of a sustainable society.

As a construction example in the results for FY02/2026, the Company highlights a case in which ATRUSSBOARD® was used in a new field, having been adopted as an exterior wall material for HERALBONY LABORATORY GINZA, a flagship site with an attached shop and gallery operated by HERALBONY Co., Ltd., a Japan-originated creative company that fuses welfare and art and aims to create new culture by bringing the works of artists with disabilities to society, located in Ginza, Chuo-ku, Tokyo.

Sound & Lighting Facilities (38.4% of Sales and 51.6% of Segment Profit)

In the Sound & Lighting Facilities business, undertaken by SYSTEM ENGINEERING, a wholly owned subsidiary, and SANKEN SYSTEM, a wholly owned subsidiary, sales came in at ¥6,265m (up 8.3%), segment profit ¥682m (up 38.0%) and segment profit margin at 10.9% (up 2.3% points). According to the Company, both subsidiaries achieved increases in sales and profit.



Source: Company data

At SYSTEM ENGINEERING, a wholly owned subsidiary, which provides comprehensive production services covering planning, design, construction and maintenance of special staging equipment for hotels and the like, including audio, visual, lighting and rigging systems, as well as conference systems for assembly halls, profitability has been improving, driven by the completion of large-scale, highly profitable hotel projects and an increase in orders in the maintenance services and this has had a significant impact on sales growth and profit growth in the Sound & Lighting Facilities business. For example, SYSTEM ENGINEERING, a wholly owned subsidiary, has developed “Sliding LED Wall” with movable screen functionality and has delivered it to JW Marriott Hotel Tokyo, where it has been highly acclaimed as a “dynamic and efficient spatial production” solution that can automatically partition spaces in banquet halls and other venues. The Company also notes that it has received a considerable number of inquiries from other hotels. SYSTEM ENGINEERING, a wholly owned subsidiary, has obtained a patent related to this technology, with details as follows: Patent No. 7748597 (P7748597), issue date 2 October 2025 and title of invention “Large-screen display system and method for operating a large-screen display system.”

Meanwhile, at SANKEN SYSTEM, wholly owned subsidiary, which provides integrated support covering system construction and sales of AVC (Audio Visual & Control) equipment as well as planning, design, fabrication, construction and maintenance management on a one-stop basis, sales and profit increased compared with the previous year, driven by an increase in new orders and the creation of synergies with SYSTEM ENGINEERING, a wholly owned subsidiary.

Sound & Lighting Facilities Business – Construction Example: Kawaguchi Cultural Center



Sound & Lighting Facilities – Construction Example: TOYOTA ARENA TOKYO (Control Room)



Source: Company data

As a construction example in the results for FY02/2026, the Company cites a large-scale project at Kawaguchi Cultural Center (nickname: LILIA), where SYSTEM ENGINEERING, a wholly owned subsidiary, installed large-scale speakers on both sides of the theater hall. Located in Kawaguchi-city, Saitama-prefecture, the municipal cultural facility has been in operation for more than 30 years since its construction and, as a result, Kawaguchi City has been undertaking a large-scale renovation project, closing the entire facility for approximately two years from 1 March 2024. Following the completion of a pre-opening on 1 April 2026, the grand opening is planned for 1 July 2026.

As another construction example in the results for FY02/2026, the Company cites a large-scale project related to sound systems at TOYOTA ARENA TOKYO, which opened on 3 October 2025. According to the Company, SYSTEM ENGINEERING, a wholly owned subsidiary, received and executed orders for the design of ceiling-mounted large-scale speakers, above-ceiling systems and the control room, while SANKEN SYSTEM, a wholly owned subsidiary, received and carried out the construction work. TOYOTA ARENA TOKYO is a state-of-the-art multipurpose facility built as the new home arena of ALVARK TOKYO, a team belonging to Japan's men's professional basketball league, the B League (B.LEAGUE B1 Eastern Conference).

Company Forecast for FY02/2026 and Actual 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-Jan-26	Q3 Results	16,500	1,100	1,090	750
FY02/2026Act	14-Apr-26	Q4 Results	16,336	1,166	1,156	828
		Amount of Gap	(164)	66	66	78
		Rate of Gap	(1.0%)	6.0%	6.1%	10.4%
FY02/2026CoE	14-Apr-25	Q4 Results	16,500	800	790	600
FY02/2026Act	14-Apr-26	Q4 Results	16,336	1,166	1,156	828
		Amount of Gap	(164)	366	366	228
		Rate of Gap	(1.0%)	45.8%	46.3%	38.0%
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
Q3 to Q4 FY02/2026CoE	14-Jan-26	Q3 Results	7,583	186	182	95
Q3 to Q4 FY02/2026Act	14-Apr-26	Q4 Results	7,419	252	248	173
		Amount of Gap	(164)	66	66	78
		Rate of Gap	(2.2%)	35.5%	36.3%	82.1%
Q3 to Q4 FY02/2026CoE	14-Apr-25	Q4 Results	-	-	-	-
Q3 to Q4 FY02/2026Act	14-Apr-26	Q4 Results	7,419	252	248	173
		Amount of Gap	-	-	-	-
		Rate of Gap	-	-	-	-

Source: Company data; calculations by WRJ

Income Statement (Cumulative/Quarterly)

Income Statement	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		YoY
(Million Yen)	02/2025	02/2025	02/2025	02/2025	02/2026	02/2026	02/2026	02/2026	02/2026	Net Chg.
Sales	4,257	8,160	13,083	16,940	4,976	8,917	12,397	16,336		(604)
Cost of Sales	3,306	6,566	10,577	13,560	3,864	6,851	9,598	12,695		(864)
Gross Profit	950	1,593	2,505	3,380	1,111	2,065	2,799	3,641		+260
SG&A Expenses	564	1,145	1,748	2,504	579	1,151	1,737	2,474		(30)
Operating Profit	385	448	757	875	532	914	1,062	1,166		+291
Non-Operating Balance	3	2	1	(0)	(9)	(6)	(7)	(10)		(10)
Recurring Profit	389	451	758	875	523	908	1,054	1,156		+280
Extraordinary Balance	-	-	(4)	(23)	68	68	68	63		+86
Profit before Income Taxes	389	451	753	852	591	976	1,122	1,219		+367
Total Income Taxes	75	66	171	146	177	321	381	391		+244
Profit Attributable to Owners of Parent	314	384	582	705	414	655	741	828		+122
Sales YoY	+42.2%	+37.9%	+47.0%	+34.2%	+16.9%	+9.3%	(5.2%)	(3.6%)		-
Operating Profit YoY	+455.3%	+224.0%	+896.7%	+223.7%	+38.1%	+104.0%	+40.3%	+33.3%		-
Recurring Profit YoY	+419.1%	+218.4%	-	+256.0%	+34.5%	+101.2%	+39.0%	+32.1%		-
Profit Attributable to Owners of Parent YoY	+515.1%	+239.7%	+173.9%	+83.2%	+31.9%	+70.2%	+27.3%	+17.4%		-
Gross Profit Margin	22.3%	19.5%	19.1%	20.0%	22.3%	23.2%	22.6%	22.3%		+2.3%
SGA Ratio	13.3%	14.0%	13.4%	14.8%	11.6%	12.9%	14.0%	15.1%		+0.4%
Operating Profit Margin	9.1%	5.5%	5.8%	5.2%	10.7%	10.3%	8.6%	7.1%		+2.0%
Recurring Profit Margin	9.1%	5.5%	5.8%	5.2%	10.5%	10.2%	8.5%	7.1%		+1.9%
Profit Attributable to Owners of Parent Margin	7.4%	4.7%	4.5%	4.2%	8.3%	7.3%	6.0%	5.1%		+0.9%
Corporate Tax Rate	19.3%	14.7%	22.7%	17.2%	30.0%	32.9%	34.0%	32.1%		+14.8%

Income Statement	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	Cons. Act	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		YoY
(Million Yen)	02/2025	02/2025	02/2025	02/2025	02/2026	02/2026	02/2026	02/2026	02/2026	Net Chg.
Sales	4,257	3,902	4,923	3,857	4,976	3,941	3,480	3,938		+81
Cost of Sales	3,306	3,259	4,011	2,982	3,864	2,987	2,746	3,096		+114
Gross Profit	950	643	911	875	1,111	953	733	841		(33)
SG&A Expenses	564	581	602	756	579	572	586	736		(20)
Operating Profit	385	62	308	118	532	381	147	104		(13)
Non-Operating Balance	3	(0)	(1)	(2)	(9)	2	(1)	(3)		(1)
Recurring Profit	389	62	307	116	523	384	146	101		(14)
Extraordinary Balance	-	-	(4)	(18)	68	-	0	(5)		+12
Profit before Income Taxes	389	62	302	98	591	384	146	96		(2)
Total Income Taxes	75	(8)	104	(24)	177	143	60	9		+33
Profit Attributable to Owners of Parent	314	70	197	122	414	240	86	86		(35)
Sales YoY	+42.2%	+33.5%	+64.9%	+3.6%	+16.9%	+1.0%	(29.3%)	+2.1%		-
Operating Profit YoY	+455.3%	(9.3%)	-	(39.1%)	+38.1%	+511.5%	(52.2%)	(11.6%)		-
Recurring Profit YoY	+419.1%	(6.9%)	-	(40.9%)	+34.5%	+518.7%	(52.4%)	(12.9%)		-
Profit Attributable to Owners of Parent YoY	+515.1%	+13.8%	+98.9%	(28.9%)	+31.9%	+240.2%	(56.4%)	(29.3%)		-
Gross Profit Margin	22.3%	16.5%	18.5%	22.7%	22.3%	24.2%	21.1%	21.4%		(1.3%)
SGA Ratio	13.3%	14.9%	12.2%	19.6%	11.6%	14.5%	16.8%	18.7%		(0.9%)
Operating Profit Margin	9.1%	1.6%	6.3%	3.1%	10.7%	9.7%	4.2%	2.7%		(0.4%)
Recurring Profit Margin	9.1%	1.6%	6.2%	3.0%	10.5%	9.8%	4.2%	2.6%		(0.4%)
Profit Attributable to Owners of Parent Margin	7.4%	1.8%	4.0%	3.2%	8.3%	6.1%	2.5%	2.2%		(1.0%)
Corporate Tax Rate	19.3%	-	34.7%	-	30.0%	37.3%	41.2%	10.0%		-

Source: Company data; calculations by WRJ

Segment Information (Cumulative/Quarterly)

Segment Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2025	Q1 to Q2 02/2025	Q1 to Q3 02/2025	Q1 to Q4 02/2025	Q1 02/2026	Q1 to Q2 02/2026	Q1 to Q3 02/2026	Q1 to Q4 02/2026		
Interior Construction	2,615	5,342	8,293	10,585	2,485	5,024	7,244	10,046	(538)	
Sound & Lighting Facilities	1,294	2,519	4,326	5,784	2,271	3,867	5,128	6,265	+480	
Equipment & Maintenance	347	298	463	571	219	24	24	24	(546)	
Sales	4,257	8,160	13,083	16,940	4,976	8,917	12,397	16,336	(604)	
Interior Construction	265	362	514	558	231	383	491	653	+94	
Sound & Lighting Facilities	142	150	385	494	328	599	666	682	+187	
Equipment & Maintenance	2	(4)	(50)	(37)	(9)	(14)	(14)	(14)	+23	
Segment Profit	410	508	848	1,015	550	968	1,143	1,320	+305	
Adjustments	(24)	(60)	(91)	(139)	(17)	(54)	(81)	(153)	(14)	
Operating Profit	385	448	757	875	532	914	1,062	1,166	+291	
Interior Construction	10.1%	6.8%	6.2%	5.3%	9.3%	7.6%	6.8%	6.5%	+1.2%	
Sound & Lighting Facilities	11.0%	6.0%	8.9%	8.5%	14.5%	15.5%	13.0%	10.9%	+2.3%	
Equipment & Maintenance	0.8%	(1.6%)	(11.0%)	(6.6%)	(4.3%)	(58.6%)	(58.6%)	(58.6%)	(52.0%)	
Segment Profit Margin	9.6%	6.2%	6.5%	6.0%	11.1%	10.9%	9.2%	8.1%	+2.1%	
Adjustments	(0.6%)	(0.7%)	(0.7%)	(0.8%)	(0.4%)	(0.6%)	(0.7%)	(0.9%)	(0.1%)	
Operating Profit Margin	9.1%	5.5%	5.8%	5.2%	10.7%	10.3%	8.6%	7.1%	+2.0%	

Segment Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2025	Q2 02/2025	Q3 02/2025	Q4 02/2025	Q1 02/2026	Q2 02/2026	Q3 02/2026	Q4 02/2026		
Interior Construction	2,615	2,726	2,951	2,291	2,485	2,539	2,219	2,802	+510	
Sound & Lighting Facilities	1,294	1,225	1,807	1,457	2,271	1,596	1,260	1,136	(321)	
Equipment & Maintenance	347	(48)	164	107	219	(194)	-	-	(107)	
Sales	4,257	3,902	4,923	3,857	4,976	3,941	3,480	3,938	+81	
Interior Construction	265	97	151	44	231	152	107	162	+117	
Sound & Lighting Facilities	142	8	234	109	328	270	67	15	(93)	
Equipment & Maintenance	2	(7)	(45)	13	(9)	(5)	-	-	(13)	
Segment Profit	410	98	339	166	550	418	174	177	+10	
Adjustments	(24)	(35)	(31)	(48)	(17)	(36)	(26)	(72)	(24)	
Operating Profit	385	62	308	118	532	381	147	104	(13)	
Interior Construction	10.1%	3.6%	5.1%	1.9%	9.3%	6.0%	4.8%	5.8%	+3.9%	
Sound & Lighting Facilities	11.0%	0.7%	13.0%	7.5%	14.5%	17.0%	5.3%	1.4%	(6.1%)	
Equipment & Maintenance	0.8%	16.0%	(27.9%)	12.2%	(4.3%)	2.7%	-	-	-	
Segment Profit Margin	9.6%	2.5%	6.9%	4.3%	11.1%	10.6%	5.0%	4.5%	+0.2%	
Adjustments	(0.6%)	(0.9%)	(0.6%)	(1.3%)	(0.4%)	(0.9%)	(0.8%)	(1.9%)	(0.6%)	
Operating Profit Margin	9.1%	1.6%	6.3%	3.1%	10.7%	9.7%	4.2%	2.7%	(0.4%)	

Source: Company data; calculations by WRJ

Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2025	Q2 02/2025	Q3 02/2025	Q4 02/2025	Q1 02/2026	Q2 02/2026	Q3 02/2026	Q4 02/2026		
Cash and Deposit	2,471	2,296	2,087	1,513	3,116	2,552	2,532	2,640	+1,126	
Notes Receivable -Trade	2,759	3,205	4,274	4,117	3,277	3,185	3,196	2,973	(1,143)	
Inventory	13	9	12	18	19	19	14	13	(5)	
Costs on Construction Contracts in Progress	656	660	730	1,172	662	771	985	830	(342)	
Other	162	91	103	135	105	396	133	110	(24)	
Current Assets	6,063	6,264	7,207	6,957	7,182	6,925	6,862	6,567	(389)	
Tangible Assets	1,114	1,142	1,183	1,184	1,162	1,151	1,145	1,131	(52)	
Intangible Assets	543	538	530	536	523	514	506	496	(39)	
Investments and Other Assets	695	710	695	759	797	797	912	1,073	+313	
Fixed Assets	2,353	2,391	2,409	2,480	2,483	2,464	2,564	2,701	+221	
Total Assets	8,417	8,655	9,617	9,438	9,665	9,389	9,427	9,269	(168)	
Accounts Payables	1,364	1,616	2,350	1,767	1,559	1,555	1,432	1,186	(580)	
Short-Term Debt	580	515	450	650	742	545	447	350	(300)	
Current Portion of Long-term Debt	433	396	379	339	336	323	346	331	(8)	
Other	971	1,025	1,121	1,291	1,455	1,169	1,423	1,511	+219	
Current Liabilities	3,349	3,553	4,301	4,049	4,093	3,592	3,649	3,379	(669)	
Long-Term Debt	901	828	832	759	844	770	852	774	+15	
Other	343	380	406	415	382	395	421	439	+24	
Fixed Liabilities	1,244	1,209	1,238	1,174	1,227	1,165	1,273	1,214	+39	
Total Liabilities	4,593	4,762	5,540	5,223	5,320	4,758	4,922	4,593	(630)	
Shareholders' Equity	3,835	3,907	4,105	4,228	4,340	4,570	4,362	4,406	+178	
Other	(13)	(16)	(29)	(14)	3	61	141	269	+283	
Net Assets	3,823	3,892	4,077	4,214	4,344	4,631	4,504	4,676	+461	
Total Liabilities & Net Assets	8,417	8,655	9,617	9,438	9,665	9,389	9,427	9,269	(168)	
Equity Capital	3,823	3,892	4,077	4,214	4,344	4,631	4,504	4,676	+462	
Interest Bearing Debt	1,914	1,739	1,662	1,749	1,923	1,638	1,646	1,455	(293)	
Net Debt	(557)	(557)	(426)	235	(1,193)	(914)	(887)	(1,185)	(1,419)	
Equity Ratio	45.4%	45.0%	42.4%	44.7%	44.9%	49.3%	47.8%	50.4%	-	
Net Debt Equity Ratio	(14.6%)	(14.3%)	(10.4%)	5.6%	(27.5%)	(19.7%)	(19.7%)	(25.3%)	-	
ROE (12 months)	18.2%	18.1%	20.0%	18.0%	19.7%	22.9%	20.1%	18.6%	-	
ROA (12 months)	7.2%	7.1%	10.9%	10.0%	11.2%	14.8%	12.3%	12.4%	-	
Days for Inventory Turnover	18	18	16	36	16	24	33	24	-	
Quick Ratio	156%	155%	148%	139%	156%	160%	157%	166%	-	
Current Ratio	181%	176%	168%	172%	175%	193%	188%	194%	-	

Source: Company data; calculations by WRJ

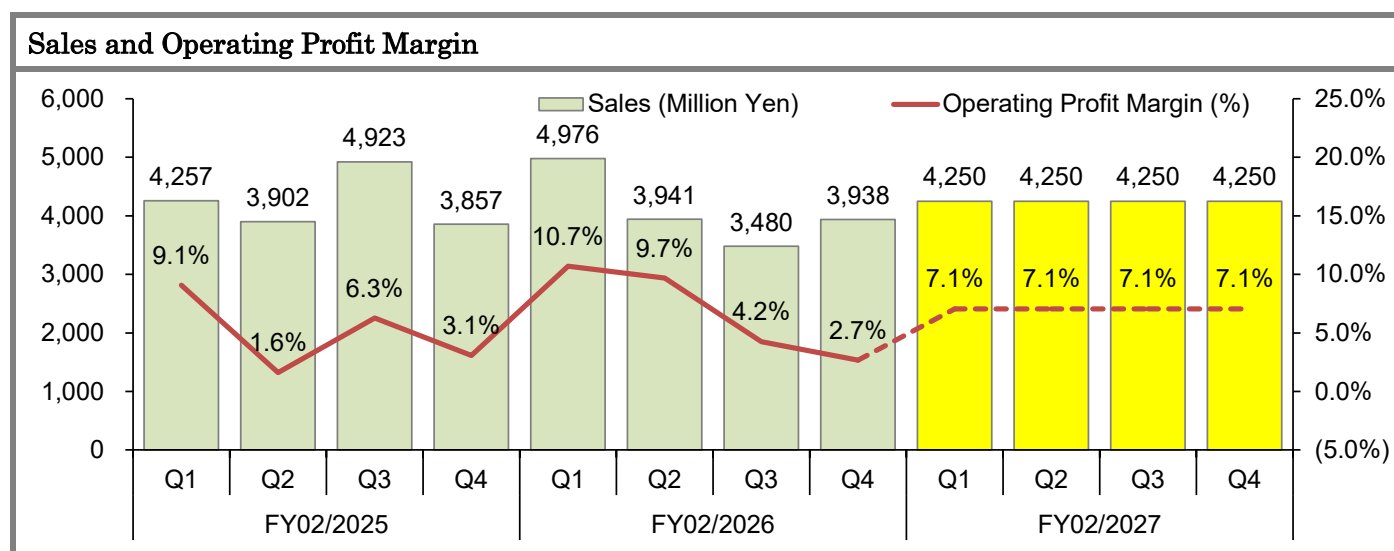
Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 02/2025	Q1 to Q2 02/2025	Q1 to Q3 02/2025	Q1 to Q4 02/2025	Q1 02/2026	Q1 to Q2 02/2026	Q1 to Q3 02/2026	Q1 to Q4 02/2026		
Operating Cash Flow	-	1,149	-	484	-	1,907	-	2,228	+1,744	
Investing Cash Flow	-	(48)	-	(151)	-	(382)	-	(108)	+42	
Operating Cash Flow and Investing Cash Flow	-	1,102	-	334	-	1,525	-	2,120	+1,786	
Financing Cash Flow	-	(191)	-	(197)	-	(502)	-	(1,015)	(819)	

Source: Company data; calculations by WRJ

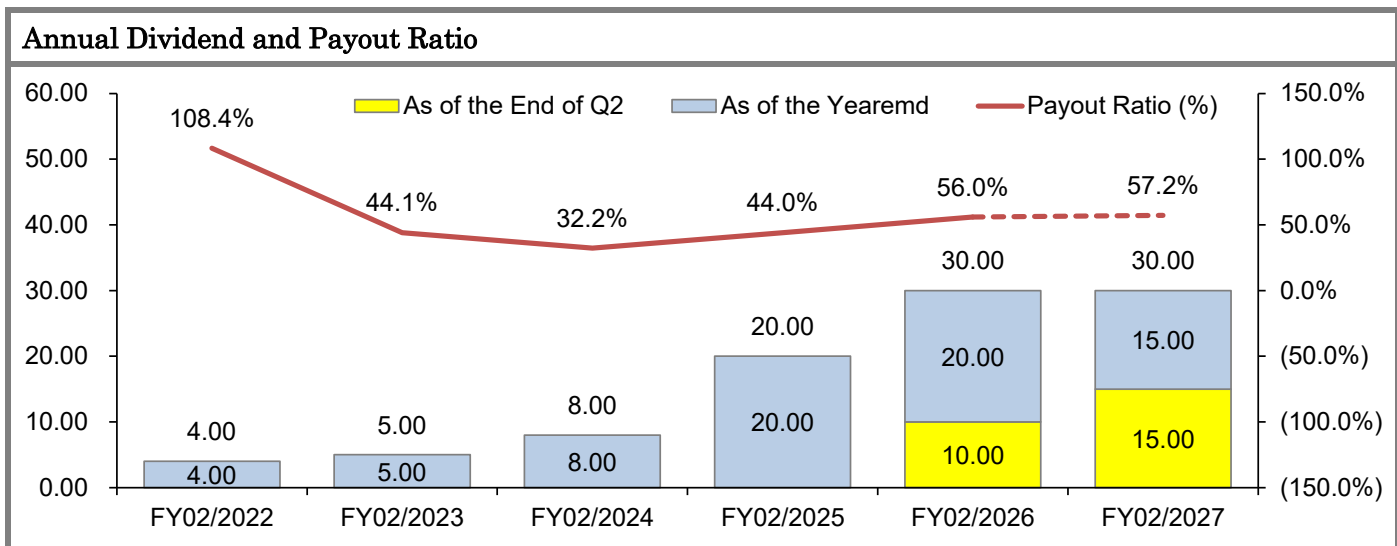
Company Forecast for FY02/2026

In the Company forecast for FY02/2027, announced on 14 April 2026, the Company is projecting sales of ¥17,000m (up 4.1% YoY), operating profit of ¥1,200m (up 2.8%), recurring profit of ¥1,190m (up 2.9%) and profit attributable to owners of parent of ¥800m (down 3.4%). The assumptions underlying the Company forecast factor in the absence of the ¥70m gain on the sale of subsidiary shares recorded as extraordinary income in FY02/2026. Operating profit margin is expected to come in at 7.1% (down 0.1% point). Meanwhile, the planned annual dividend for FY02/2027 is ¥30.00 per share (¥15.00 as of the end of Q2 and ¥15.00 at the yearend, payout ratio 57.2%).



Source: Company data; calculations by WRJ (quarters in FY02/2027: the full-year Company forecast, evenly allocated)

In addition to construction demand, in which the Company is deeply involved through the Interior Construction business, capital expenditure demand related to equipment investment, where the Company is deeply involved through the Sound & Lighting Facilities business, is also expected to remain firm going forward. While there are issues that warrant close attention, such as trends in raw material prices amid an unstable international environment, the impact of these factors is difficult to predict at present and has not been factored into the assumptions underlying the Company forecast. Meanwhile, current order intake is tracking at a level above that of the same period of the previous year. Rising costs, including raw material prices, are being addressed through pass-through to order prices and, as a result, the Company notes that a certain level of gross profit margin is being secured on a stable basis. In addition, by rigorously focusing on business development specialized in the Interior Construction business and the Sound & Lighting Facilities business, the Company aims to prioritize the acquisition of large-scale, highly profitable projects while continuing strict cost control and, based on the new growth platform established by FY02/2026, seeks to achieve stable profit growth going forward.



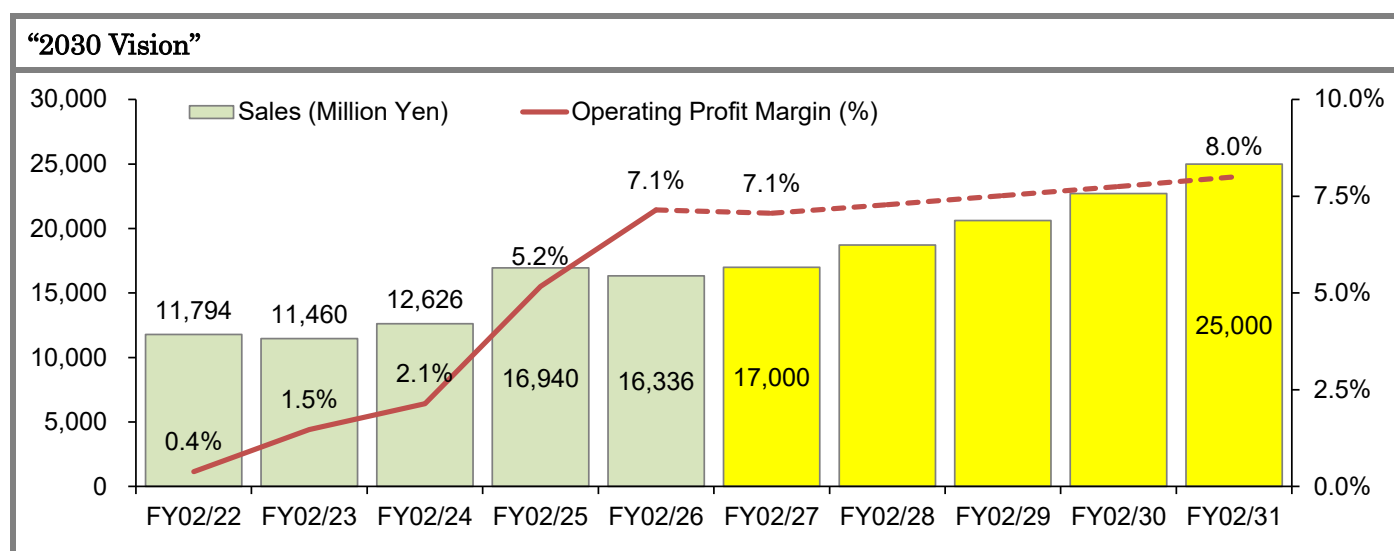
Source: Company data

The Company positions long-term shareholder returns as one of its key management priorities and has adopted a basic policy of paying stable dividends. While the target payout ratio had previously been set at 40% or higher, the Company raised its payout ratio target to 50% or higher starting in FY02/2026. In addition, it has sought to expand income opportunities for shareholders through the introduction of interim dividends, suggesting a proactive stance toward strengthening shareholder returns. As a result, while the annual dividend for FY02/2025 was ¥20.00 per share (¥20.00 at the yearend, payout ratio 44.0%), the annual dividend for FY02/2026 was increased to ¥30.00 per share (¥10.00 as of the end of Q2 and ¥20.00 at the yearend, payout ratio 56.0%), representing a ¥10.00 dividend increase in FY02/2026. As noted above, despite profit attributable to owners of parent being expected to decline slightly in FY02/2027, the planned annual dividend for FY02/2027 has been maintained at the same level as FY02/2026.

The Company positions its dividend policy as one of the key initiatives within its management approach that is conscious of capital costs and share price. As described above, it intends to actively implement shareholder returns through dividends in order to meet shareholder expectations. In addition, the Company has carried out share repurchases aimed at improving capital efficiency and has also conducted secondary offerings to enhance share liquidity. Looking ahead, the Company indicates that it will continue to implement appropriate shareholder return measures while remaining mindful of its cost of capital.

Medium- to Long-Term Earnings Outlook

The Company unveiled its “2030 Vision” at its results briefing for FY02/2026, held on 15 April 2026. As performance targets for FY02/2031, the Company aims to achieve sales of ¥25,000m, operating profit of ¥2,000m and an operating profit margin of 8.0%. Based on the results for FY02/2026 as the starting point, this implies a five-year CAGR through FY02/2031 of 8.9% for sales and 11.4% for operating profit, while the operating profit margin is expected to improve by 0.9% points.



Source: Company data; calculations by WRJ

It should be also noted that the performance targets under the “2030 Vision” were newly formulated in light of the fact that operating profit for the final year of the Fifth Medium-Term Management Plan (FY02/2026–FY02/2028), which had been set at ¥1,000m with sales of ¥20,000m and an operating profit margin of 5.0% for FY02/2028, was already exceeded at the stage of the actual results for the initial year, FY02/2026, which recorded sales of ¥16,336m, operating profit of ¥1,166m and an operating profit margin of 7.1%. Compared with initial assumptions, the primary factor behind this upward revision appears to be the greater-than-expected contributions from large-scale, highly profitable projects.

Under the slogan “NEXT STAGE 2030 (Continuing to take on the challenge of change and achieving sustainable growth)” and the Vision of “Becoming a one-of-a-kind group of the strongest professionals producing comfortable spaces,” the Fifth Medium-Term Management Plan (FY02/2026–FY02/2028) has been formulated. The basic policy of the plan is to enhance corporate value through sustained profit growth while building a foundation for the next stage of growth. The key strategic priorities are: 1) building a new growth platform, 2) further improvement in profitability and 3) Promotion of ESG initiatives. Looking toward 2030, the Company aims to enhance earning power by capturing construction demand in the Tokyo metropolitan area along with demand related to integrated resort projects in Osaka. In addition, the Company intends to continue focusing on profitability while pursuing management that is conscious of capital costs and share price, with the goal of achieving sustainable growth.

According to the Company, given that it has been planning to capture demand related to the integrated resort project in Osaka, which is scheduled to open around autumn 2030, the performance targets have been revised as described above, while there have been no changes to the underlying measures or policy framework. At the results briefing for FY02/2026, held on 15 April 2026, the Company provided further details on the key strategic priorities outlined above, as summarized below.

1) Building a New Growth Platform

To expand its growth platform, the Company intends to strengthen the foundation for securing large-scale project orders by leveraging its track record of construction projects and the trust it has established. In addition, it plans to reinforce and expand Osaka base, which is responsible for local marketing and sales activities, in order to steadily capture demand related to the integrated resort project in Osaka. The Company also plans to strengthen the development and sales of new products. Specifically, it has set out a policy to expand sales of ATRUSSBOARD®, a hybrid ultra-lightweight recycled paper and aluminum ceiling material for which NISSHO INTERLIFE, a wholly owned subsidiary, has obtained patents, while also focusing on winning orders to deliver the proprietary “Sliding LED Wall” with movable screen functionality, patented by SYSTEM ENGINEERING, a wholly owned subsidiary, to hotels and other facilities. Furthermore, with a view to expanding growth areas, the Company aims to secure orders in new fields such as museums, arena facilities and disaster prevention management centers and is also considering the execution of M&A, which it regards as indispensable for the growth of its existing businesses.

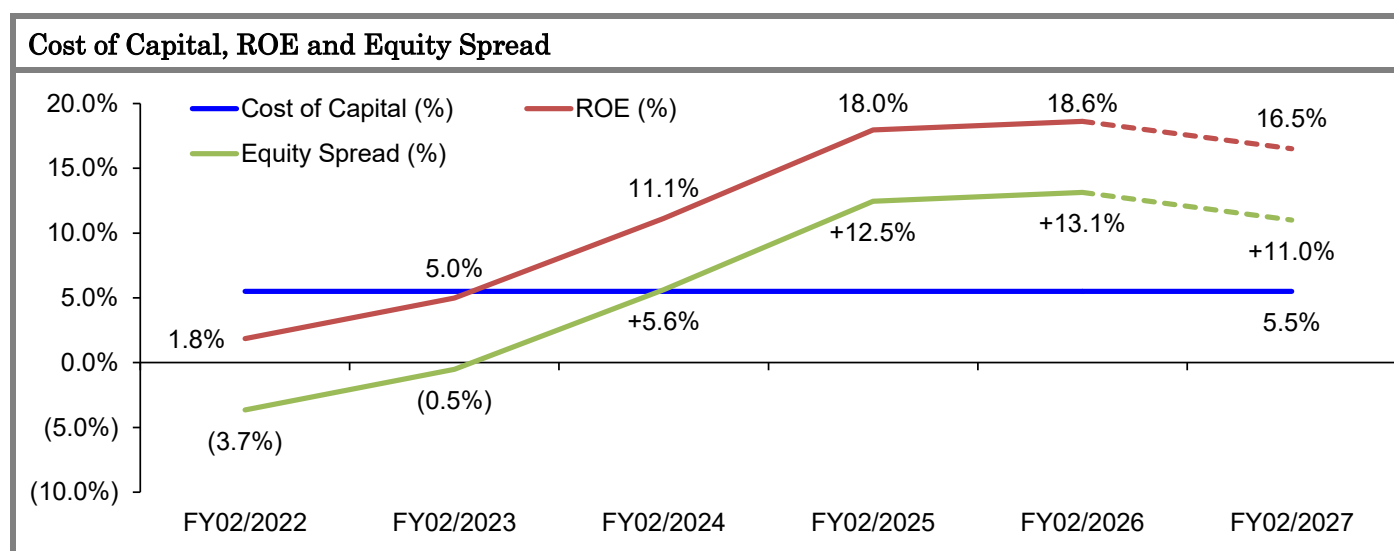
2) Further Improvement in Profitability

To strengthen its earning power, the Company intends to continue focusing on securing large-scale, highly profitable projects in order to maintain profit margins. At the same time, it will thoroughly pursue cost control by responding promptly to trends in rising prices of materials and products and will promote cost reduction initiatives. In addition, with the aim of improving productivity, the Company plans to promote DX through the active use of generative AI, while also advancing the development of professionally certified personnel to further enhance its technological capabilities.

3) Promotion of ESG Initiatives

With respect to investment in human capital, the Company plans to strengthen the human resources functions at NISSHO INTERLIFE, a wholly owned subsidiary, SYSTEM ENGINEERING, a wholly owned subsidiary and SANKEN SYSTEM, a wholly owned subsidiary, in order to focus on the recruitment, development and retention of personnel, while also making proactive investments aimed at improving employee treatment and working conditions. Furthermore, the Company intends to implement measures to enhance employee engagement, defined as the extent to which employees proactively commit to and contribute to their work and the Company. In terms of strengthening governance, the Company plans to accelerate the disclosure timing of its securities reports while also promoting thorough anti-harassment measures. In addition, with regard to advancing management that is conscious of capital costs and share price, the Company intends to pursue proactive IR activities, including dialogue with institutional investors and briefings for retail investors. The Company also places importance on maintaining a dividend payout ratio of 50% or higher on an ongoing basis.

According to the Company, the feasibility of investment in human capital and the execution of M&A could have a significant impact on the achievement of the performance targets set out in the “2030 Vision.” As noted above, the five-year CAGR through FY02/2031 is projected at 8.9% for sales, implying an aim to increase sales by approximately 1.5 times over this period. Accordingly, the Company recognizes that it will also be necessary to expand the capacity of human capital responsible for construction and related operations on a commensurate scale.

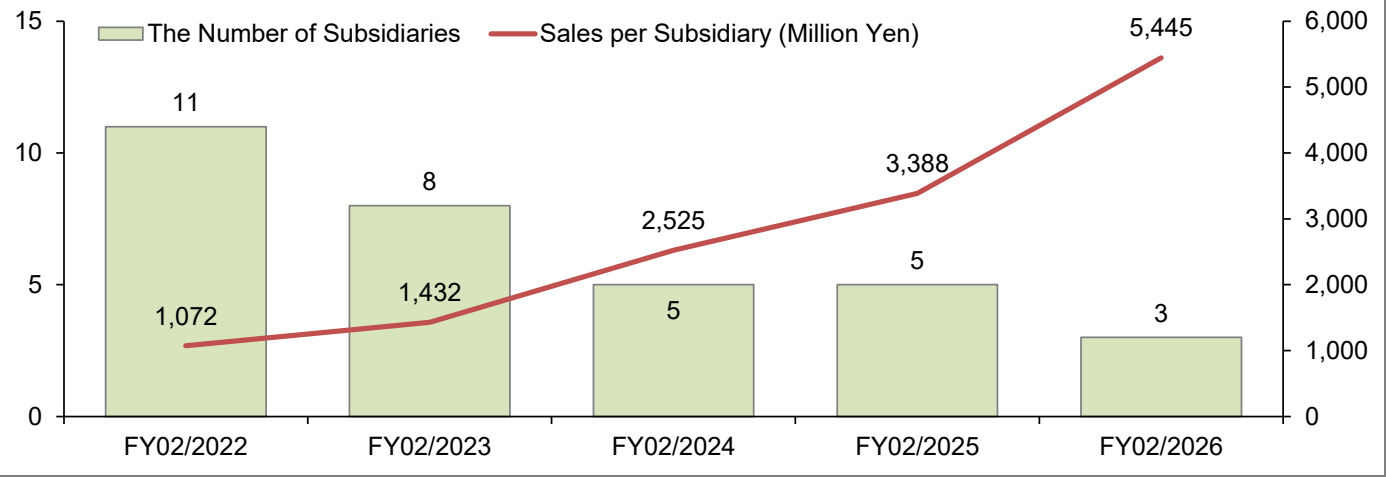


Source: Company data; calculations by WRJ

Over the past five years, during which the Company has pursued structural reform centered on the reorganization of its business portfolio and developed management conscious of capital efficiency, the Company has achieved a turnaround to a positive equity spread, defined as ROE minus the Company’s estimated cost of capital of 5.5%. This is considered a significant achievement. Based on the assumptions underlying the Company forecast for FY02/2027, a high level of equity spread is also expected to be maintained going forward.

From the yearend of FY02/2025 to the yearend of FY02/2026, equity capital, which forms the denominator of ROE, increased by 11.0% from ¥4,214m to ¥4,676m, while profit attributable to owners of parent, the numerator, came in at ¥828m (up 17.4%), resulting in ROE rising gradually from 18.0% to 18.6%. Looking ahead to FY02/2027, profit attributable to owners of parent is expected to decline moderately, partly due to the absence of the ¥70m gain on the sale of subsidiary shares recorded as extraordinary income in FY02/2026, while equity capital is projected to continue increasing steadily. As a result, ROE is expected to decline moderately from 18.6% in FY02/2026 to 16.5% in FY02/2027, however, as noted above, the equity spread is expected to remain at a high level of +11.0%.

The Number of Subsidiaries and Sales per Subsidiary



Source: Company data; calculations by WRJ

Over the past five years, the Company has made significant progress in structural reform centered on the reorganization of its business portfolio. While the number of consolidated subsidiaries declined from 11 as of the yearend of FY02/2022 to three as of the yearend of FY02/2026, sales per subsidiary expanded sharply over the same period, increasing from ¥1,072m to ¥5,445m. Through measures such as the divestment of subsidiaries engaged in unprofitable and non-core businesses, the Company has established a business structure that enables it to concentrate resources on its current core businesses, namely the Interior Construction business and the Sound & Lighting Facilities business.

In FY02/2023, the initial year of the Fourth Medium-Term Management Plan (FY02/2023–FY02/2025), the number of consolidated subsidiaries was reduced from 11 at the beginning of the fiscal year to eight as of the yearend. As a result, as of the yearend, the Company operated a total of six business segments, comprising the Interior Construction business (NISSHO INTERLIFE), the Sound & Lighting Facilities business (SYSTEM ENGINEERING), the Equipment & Maintenance business (FACILITY MANAGEMENT and TAMAHIRO KOGYO), the Telecommunications and Human Resources Services business (NIL TELECOM and AVANCE AGILE), the Real Estate business (LARGO CORPORATION) and Other businesses (ADVANTAGE). Meanwhile, from the beginning of Q4 (December–February) FY02/2024, SANKEN SYSTEM, which had been deeply involved in subcontracting work for SYSTEM ENGINEERING, a wholly owned subsidiary, was newly added to the scope of consolidation as a wholly owned subsidiary and this has led to the realization of synergies within the Sound & Lighting Facilities business.

5.0 Financial Statements

Income Statement

Income Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 02/2022	FY 02/2023	FY 02/2024	FY 02/2025	FY 02/2026	FY 02/2027	YoY Net Chg.
Sales	11,794	11,460	12,626	16,940	16,336	17,000	+663
Cost of Sales	9,098	9,094	10,107	13,560	12,695	13,311	+615
Gross Profit	2,695	2,366	2,518	3,380	3,641	3,689	+47
SG&A Expenses	2,650	2,197	2,247	2,504	2,474	2,512	+37
Operating Profit	45	168	270	875	1,166	1,200	+33
Non-Operating Balance	3	8	(24)	(0)	(10)	(10)	+0
Recurring Profit	48	177	245	875	1,156	1,190	+33
Extraordinary Balance	78	63	236	(23)	63	-	-
Profit before Income Taxes	127	240	482	852	1,219	-	-
Total Income Taxes	55	61	97	146	391	-	-
Profit Attributable to Owners of Parent	71	179	384	705	828	800	(28)
Sales YoY	(20.4%)	(2.8%)	+10.2%	+34.2%	(3.6%)	+4.1%	-
Operating Profit YoY	(75.3%)	+272.7%	+60.4%	+223.7%	+33.3%	+2.8%	-
Recurring Profit YoY	(83.0%)	+265.2%	+38.6%	+256.0%	+32.1%	+2.9%	-
Profit Attributable to Owners of Parent YoY	(29.5%)	+150.3%	+114.6%	+83.2%	+17.4%	(3.4%)	-
Gross Profit Margin	22.9%	20.6%	19.9%	20.0%	22.3%	21.7%	(0.6%)
SGA Ratio	22.5%	19.2%	17.8%	14.8%	15.1%	15.1%	(0.0%)
Operating Profit Margin	0.4%	1.5%	2.1%	5.2%	7.1%	7.1%	(0.1%)
Recurring Profit Margin	0.4%	1.5%	1.9%	5.2%	7.1%	7.0%	(0.1%)
Profit Attributable to Owners of Parent Margin	0.6%	1.6%	3.0%	4.2%	5.1%	4.7%	(0.4%)
Corporate Tax Rate	43.7%	25.5%	20.2%	17.2%	32.1%	-	-

Source: Company data; calculations by WRJ

Segment Information

Segment Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 02/2022	FY 02/2023	FY 02/2024	FY 02/2025	FY 02/2026	FY 02/2027	YoY Net Chg.
Interior Construction	5,244	5,500	6,334	10,585	10,046	-	-
Sound & Lighting Facilities	2,584	3,560	4,451	5,784	6,265	-	-
Equipment & Maintenance	1,376	1,282	1,153	571	24	-	-
Sales	11,794	11,460	12,626	16,940	16,336	17,000	+663
Interior Construction	89	71	139	558	653	-	-
Sound & Lighting Facilities	22	154	269	494	682	-	-
Equipment & Maintenance	68	73	41	(37)	(14)	-	-
Segment Profit	251	348	460	1,015	1,320	-	-
Adjustments	(205)	(179)	(189)	(139)	(153)	-	-
Operating Profit	45	168	270	875	1,166	1,200	+33
Interior Construction	1.7%	1.3%	2.2%	5.3%	6.5%	-	-
Sound & Lighting Facilities	0.9%	4.4%	6.0%	8.5%	10.9%	-	-
Equipment & Maintenance	5.0%	5.7%	3.6%	(6.6%)	(58.6%)	-	-
Segment Profit Margin	2.1%	3.0%	3.6%	6.0%	8.1%	-	-
Adjustments	(1.7%)	(1.6%)	(1.5%)	(0.8%)	(0.9%)	-	-
Operating Profit Margin	0.4%	1.5%	2.1%	5.2%	7.1%	7.1%	(0.1%)

Source: Company data; calculations by WRJ

Balance Sheet

Balance Sheet	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	02/2022	02/2023	02/2024	02/2025	02/2026	02/2027	Net Chg.
Cash and Deposit	2,233	1,787	1,419	1,513	2,640	-	-
Notes Receivable -Trade	2,349	2,661	3,363	4,117	2,973	-	-
Inventory	59	4	14	18	13	-	-
Costs on Construction Contracts in Progress	419	671	833	1,172	830	-	-
Other	239	90	176	135	110	-	-
Current Assets	5,300	5,215	5,808	6,957	6,567	-	-
Tangible Assets	1,207	1,151	1,111	1,184	1,131	-	-
Intangible Assets	391	297	543	536	496	-	-
Investments and Other Assets	664	634	672	759	1,073	-	-
Fixed Assets	2,263	2,083	2,326	2,480	2,701	-	-
Total Assets	7,564	7,298	8,135	9,438	9,269	-	-
Accounts Payables	1,691	1,854	1,653	1,767	1,186	-	-
Short-Term Debt	450	450	450	650	350	-	-
Current Portion of Long-term Debt	330	376	472	339	331	-	-
Other	416	574	714	1,291	1,511	-	-
Current Liabilities	2,887	3,256	3,290	4,049	3,379	-	-
Long-Term Debt	472	499	867	759	774	-	-
Other	286	261	340	415	439	-	-
Fixed Liabilities	759	761	1,207	1,174	1,214	-	-
Total Liabilities	3,647	4,017	4,497	5,223	4,593	-	-
Shareholders' Equity	3,964	3,338	3,652	4,228	4,406	-	-
Other	(48)	(59)	(15)	(14)	269	-	-
Net Assets	3,917	3,280	3,637	4,214	4,676	-	-
Total Liabilities & Net Assets	7,564	7,298	8,135	9,438	9,269	-	-
Equity Capital	3,917	3,280	3,637	4,214	4,676	-	-
Interest Bearing Debt	1,252	1,326	1,789	1,749	1,455	-	-
Net Debt	(981)	(462)	370	235	(1,185)	-	-
Equity Ratio	51.8%	45.0%	44.7%	44.7%	50.4%	-	-
Net Debt Equity Ratio	(25.0%)	(14.1%)	10.2%	5.6%	(25.3%)	-	-
ROE (12 months)	1.8%	5.0%	11.1%	18.0%	18.6%	16.5%	-
ROA (12 months)	0.6%	2.4%	3.2%	10.0%	12.4%	-	-
Days for Inventory Turnover	19	27	30	32	24	-	-
Quick Ratio	159%	137%	145%	139%	166%	-	-
Current Ratio	184%	160%	177%	172%	194%	-	-

Source: Company data; calculations by WRJ

Cash Flow Statement

Cash Flow Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	02/2022	02/2023	02/2024	02/2025	02/2026	02/2027	Net Chg.
Operating Cash Flow	(795)	161	(623)	484	2,228	-	-
Investing Cash Flow	439	119	(58)	(151)	(108)	-	-
Operating Cash Flow and Investing Cash Flow	(355)	281	(681)	334	2,120	-	-
Financing Cash Flow	(589)	(729)	261	(197)	(1,015)	-	-

Source: Company data; calculations by WRJ

Per Share Data

Per Share Data (Before Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 02/2022	FY 02/2023	FY 02/2024	FY 02/2025	FY 02/2026	FY 02/2027	YoY Net Chg.
No. of Shares FY End (thousand shares)	20,011	20,011	20,011	17,011	17,011	-	-
Net Profit / EPS (thousand shares)	19,421	15,831	15,507	15,520	15,457	-	-
Treasury Shares FY End (thousand shares)	570	4,519	4,495	1,490	1,757	-	-
Earnings Per Share	3.69	11.33	24.82	45.43	53.57	52.45	-
Earnings Per Share (Fully Diluted)	-	-	-	-	-	-	-
Book Value Per Share	201.49	211.77	234.45	271.55	306.55	-	-
Dividend Per Share	4.00	5.00	8.00	20.00	30.00	30.00	-
Per Share Data (After Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
FY 02/2022	FY 02/2023	FY 02/2024	FY 02/2025	FY 02/2026	FY 02/2027	YoY Net Chg.	
Share Split Factor	1	1	1	1	1	1	-
Earnings Per Share	3.69	11.33	24.82	45.43	53.57	52.45	-
Book Value Per Share	201.49	211.77	234.45	271.55	306.55	-	-
Dividend Per Share	4.00	5.00	8.00	20.00	30.00	30.00	-
Payout Ratio	108.4%	44.1%	32.2%	44.0%	56.0%	57.2%	-

Source: Company data; calculations by WRJ

Disclaimer

The information presented herein has been compiled in report format by Walden Research Japan, which has summarized the “IR information” disclosed by the subject company from a neutral and professional standpoint. “IR information” refers specifically to: (1) the content of one-on-one interviews conducted with the Company by us, (2) briefings for institutional investors, (3) timely disclosure materials and (4) information published on the Company’s website.

Company Name: Walden Research Japan Incorporated

Head Office: Ginza Ishii Building Level 4, 6-14-8 Ginza, Chuo-ku, Tokyo 104-0061, JAPAN

URL: <https://walden.co.jp/>

Email: info@walden.co.jp

Tel: +81-3-3553-3769