Walden Research Japan

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Shinwa (3447)

Consolidated Fiscal Year (IFRS) (Million Yen)		Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY03/2024		12,678	700	652	409	29.46	32.00	1,100.69
FY03/2025		17,503	1,622	1,498	975	70.17	32.00	1,137.85
FY03/2026CoE		20,000	2,000	1,820	1,246	91.20	34.00	-
FY03/2025	YoY	38.1%	131.7%	129.6%	138.0%	-	-	-
FY03/2026CoE	YoY	14.3%	23.3%	21.5%	27.8%	-	-	-
Consolidated Half Year (IFRS) (Million Yen)		**Revenue**	**Operating profit**	**Profit before tax**	**Profit attributable to owners of parent**	**EPS (Yen)**	**DPS (Yen)**	**BPS (Yen)**
Q1 to Q2 FY03/2025		8,542	871	815	530	-	-	-
Q3 to Q4 FY03/2025		8,960	750	682	444	-	-	-
Q1 to Q2 FY03/2026		9,902	1,367	1,280	879	-	-	-
Q3 to Q4 FY03/2026CoE		10,097	632	539	366	-	-	-
Q1 to Q2 FY03/2026	YoY	15.9%	56.9%	57.0%	66.0%	-	-	-
Q3 to Q4 FY03/2026CoE	YoY	12.7%	(15.7%)	(21.0%)	(17.7%)	-	-	-

Source: Company Data, WRJ Calculation

1.0 Executive Summary (24 December 2025)

Leveraging Resources and M&A

Shinwa, which engages in the manufacture, sale, rental and installation services of temporary construction materials (scaffoldings) used at construction sites as well as the manufacture and sale of logistics equipment, has seen a significant boost from large-scale logistics warehouse projects, resulting in both revenue and profit levels hitting record highs since listing for Q1 to Q2 (April–September) FY03/2026. Furthermore, the Company has indicated a clear trajectory toward achieving steady growth from a medium- to long-term perspective. Having come to the stage to go for revenue of ¥20,000m originally targeted for FY03/2029, the final year of its existing medium-term management plan (FY03/2026-FY03/2029), as early as FY03/2026, the Company is now considering revising the plan. Under its growth strategy of "actively expanding business domains and services through leveraging Group resources and M&A," the Company made YAGUMI Group a subsidiary in April 2024, followed by OHTORIKINZOKU KOGYO in May 2025 and KAIZU KENSETSU in October 2025. Looking ahead, further M&A deals remain on the horizon, while the Company aims to lay the foundation for sustainable growth and accelerated progress beyond FY03/2029 by pursuing synergies created through these initiatives.

IR Representative: Hiromichi Aoki, Corporate Planning Dept. (81-(0)584-66-4436／ir@shinwa-jp.com)

2.0 Company Profile

Leader of Temporary Construction Materials (Scaffoldings)

Company Name	Shinwa Co., Ltd. IR Information Share price (Japanese)
Established	11 August 2014
Listing	4 April 2022: TSE Standard Market and NSE Premier Market (ticker: 3447) 20 March 2019: TSE 1st section and NSE 1st section 21 June 2018: Nagoya Stock Exchange (NSE) 2nd section 20 March 2018: Tokyo Stock Exchange (TSE) 2nd section
Capital	¥153m (as of the end of September 2025)
No. of Shares	14,103,000 shares, including 543,303 treasury shares (as of the end of Sep. 2025)
Main Features	● Temporary Construction Materials (Scaffoldings) side, the mainstay ● Boosting up safety of footing at construction sites ● First-class production capability with high readiness and quality
Representative	Representative Director: Kurio Noritake
Shareholders	Alinco Inc. 5.08%, Hanwa Co., Ltd. 5.08%, Kazuya Kito 1.87%, MSIP CLIENT SECURITIES 1.30%, Nakayama Trading 1.01% (as of the end of September 2025, but for treasury shares)
Head Office	Kaizu-city, Gifu-prefecture, JAPAN
No. of Personnel	Consolidated: 259, Parent: 160 (as of the end of March 2025)

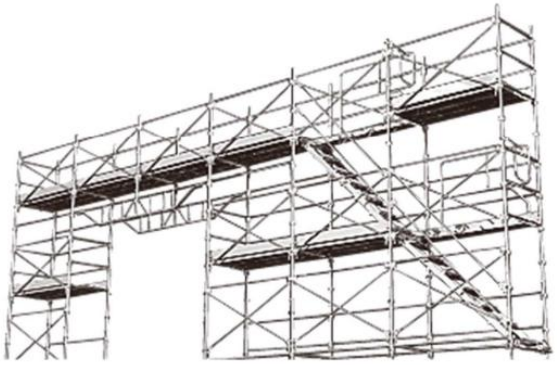
Source: Company Data

3.0 PURPOSE

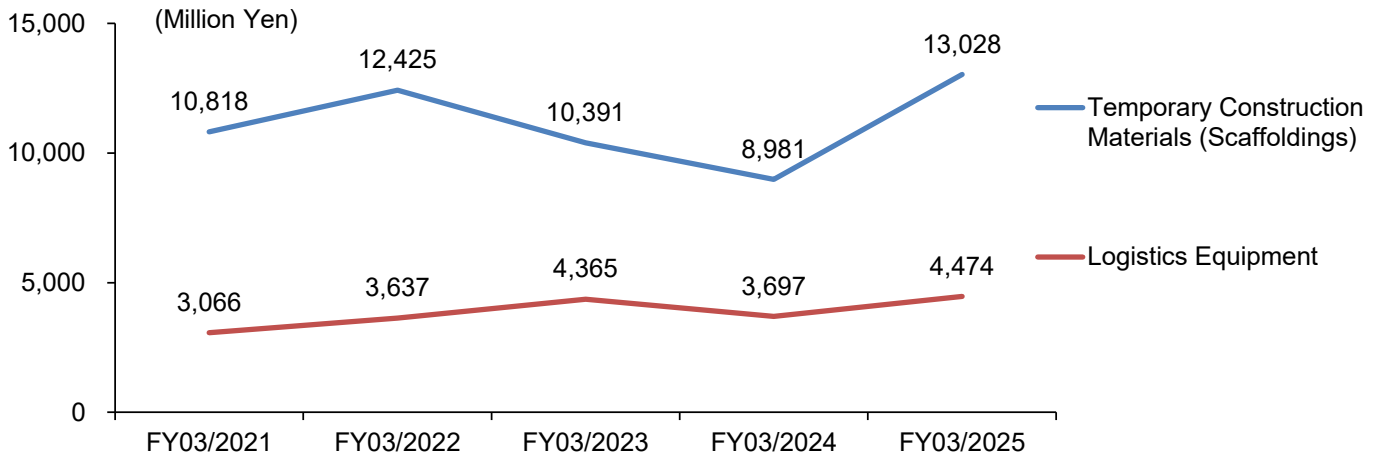
Protecting Lives and Supporting the Future

Under its purpose of "Protecting Lives and Supporting the Future," the Company aims to contribute to society through the manufacture, sale, rental and installation services of temporary construction materials (scaffoldings) used at construction sites as well as the manufacture and sale of logistics equipment. Its mission is to safeguard the lives of workers at construction sites while supporting the future of social infrastructure by engaging in maintenance initiatives. Founded in September 1997 as Shinwa Shoten and headquartered in Kaizu-city, Gifu-prefecture, the Company was listed on the Tokyo Stock Exchange and Nagoya Stock Exchange in 2018. In April 2024, it made YAGUMI Group, a major scaffoldings installation service provider, a subsidiary, followed by OHTORIKINZOKU KOGYO in May 2025 and KAIZU KENSETSU in October 2025, steadily expanding its business domains.

An Image Illustrated for Temporary Construction Materials (Scaffoldings)



Revenue by Business Division



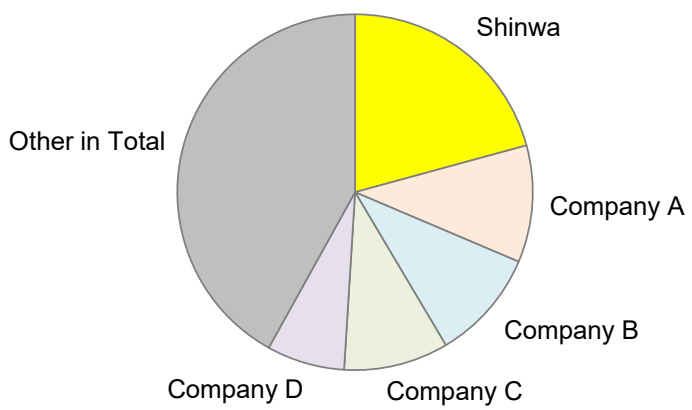
Source: Company Data

In FY03/2025, revenue came in at ¥17,503m (up 38.1% YoY). By business division, the Temporary Construction Materials (Scaffoldings) side posted revenue of ¥13,028m (up 45.1%) and the Logistics Equipment side ¥4,474m (up 21.0%), accounting for 74.4% and 25.6% of total revenue respectively. Moving into FY03/2026, as noted above, the Logistics Equipment side saw the acquisition of OHTORIKINZOKU KOGYO, an aluminum machining company, followed by the Temporary Construction Materials (Scaffoldings) side acquiring KAIZU KENSETSU, a formwork and civil engineering contractor.

Company History (extract)

Date	Events
September 1977	Began operations as Shinwa Shoten
1978	Began manufacture and sale of temporary construction materials (scaffoldings), Jack Base
January 1988	Developed Shinwa Catcher and entered the market for system scaffoldings
May 2003	Established division of Logistics Equipment
March 2018	Listed on Tokyo Stock Exchange
June 2018	Listed on Nagoya Stock Exchange
April 2024	Acquired shares of YAGUMI Group, a major scaffoldings installation service provider
May 2025	Acquired shares of OHTORIKINZOKU KOGYO, an aluminum machining company
October 2025	Acquired shares of KAIZU KENSETSU, a formwork and civil engineering contractor

Domestic Market Leader in System Scaffolding



Source: Company Data

In its core Temporary Construction Materials (Scaffoldings) side, the Company engages in the manufacture, sale, rental and installation services of temporary construction materials (scaffoldings) used at construction sites. By revenue composition, system scaffoldings accounts for 34.8%, installation services & rental for 28.2% and other for 11.4%. System scaffoldings refer to the structures temporarily installed as literal scaffolds for construction workers performing high-elevation tasks at construction sites. Specific products offered by the Company include wedge binding type scaffoldings and next-generation scaffoldings. These scaffoldings are assembled and installed on-site according to the needs of construction projects and dismantled and removed upon completion of work, which is why they are collectively referred to as temporary construction materials.

The sharp revenue growth in FY03/2025 was driven by the inclusion of installation service revenue following the acquisition of YAGUMI Group, a major scaffoldings installation service provider, at the start of the fiscal year. Meanwhile, a key feature of the Company in terms of manufacturing and selling temporary construction materials (scaffoldings) is its position as the No.1 player in domestic market for system scaffoldings. Furthermore, the Company has established itself as the only domestic operator capable of delivering high-quality products that meet diverse needs for temporary construction materials (scaffoldings) used at construction sites ranging from residential housing to infrastructure and skyscrapers.

Temporary Construction Materials (Scaffoldings)	
	
Residential Construction	Condominium Construction

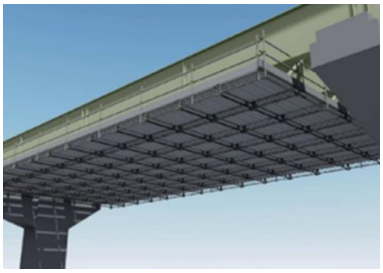
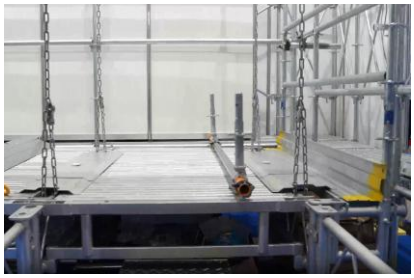
Logistics Equipment		
		
Pallets for Automotive Manufacturers	Liquid Transportation Bulk Container Cages	Racks for Large-scale Warehouses

Source: Company Data

In the Logistics Equipment side, the Company not only manufactures and sells logistics equipment used for transportation across a wide range of industries but also manufactures and sells storage equipment for use in factories and warehouses. These products are largely provided as an integrated service covering everything from proposal to design, manufacturing and installation, which has earned strong support from many customers. Moving into FY03/2026, as of Q1 to Q2 (April–September), revenue recognition for large-scale logistics warehouse projects—known to have a cyclical and significant impact on divisional revenue—entered a concentrated period, driving a substantial YoY increase in revenue for the Logistics Equipment side and making a major contribution to record highs since listing in both revenue and profit levels for the Company.

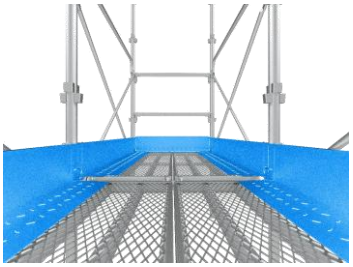
Initiatives Related to the Corporate Purpose

Under its purpose of "protecting lives and supporting the future," the Company cites the development of suspended system scaffoldings for bridges (Rapid Floor), safety measures equipment, efforts to enhance scaffoldings functionality and initiatives for weight reduction as purpose-related undertakings. Looking ahead, the Company intends to continue creating value aligned with its purpose while strengthening product competitiveness. It should be also noted that the Company has referred to Technology Applications, with details provided below.

Suspended System Scaffoldings for Bridges (Rapid Floor)	
	

Source: Company Data

Suspended system scaffoldings for bridges (Rapid Floor) offer superior characteristics in strength, safety and workability compared with conventional methods and is expected to be fully utilized in the maintenance and repair of aging bridges and other social infrastructure going forward. With its unique structure, this product achieves both a spacious work area and high strength performance, and as noted above, contributes to improved safety at construction sites, literally "protecting lives and supporting the future" for workers engaged in on-site operations. Furthermore, improvements in work efficiency and cost reduction have also been confirmed.

Development of Safety Measures Equipment		Enhancing Functionality
		
Pre-Installed Guard Rails	Toe Boards	

Source: Company Data

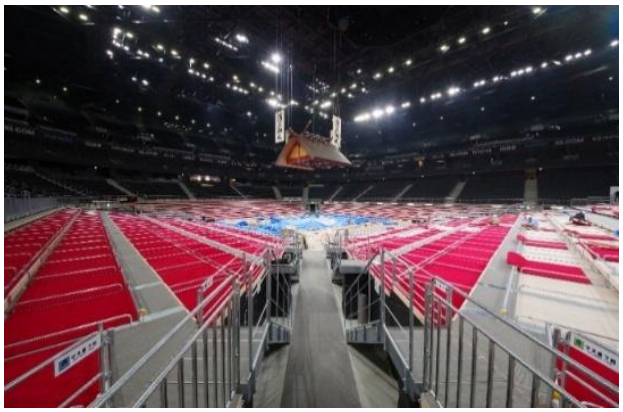
Regarding the development of safety measures equipment, the Company has developed, manufactured and sold numerous products that leverage on-site expertise from construction sites, such as pre-installed guard rails and toe boards. These safety measures equipment are designed to prevent accidents involving workers and falling materials at construction sites, thereby literally "protecting lives and supporting the future" for those engaged in on-site operations. Meanwhile, in terms of enhancing scaffoldings functionality, the Company has developed, manufactured and sold system scaffoldings equipped with higher safety features, including anti-slip mechanisms, for use in mid- to high-rise condominium and building projects, which similarly reflects its commitment to safety.

Initiatives for Weight Reduction	
	
	BUDDY SYSTEM

Source: Company Data

In its initiatives for weight reduction, the Company aims to enhance safety by reducing work burdens through lighter materials amid the aging construction workforce, while also promoting improved transportation efficiency. This, too, reflects the aspect of literally "protecting lives and supporting the future" for workers engaged in on-site operations. For example, the new product BUDDY SYSTEM achieves more than 20% weight reduction compared with conventional products.

Technology Application: Spectator Stands



Source: Company Data

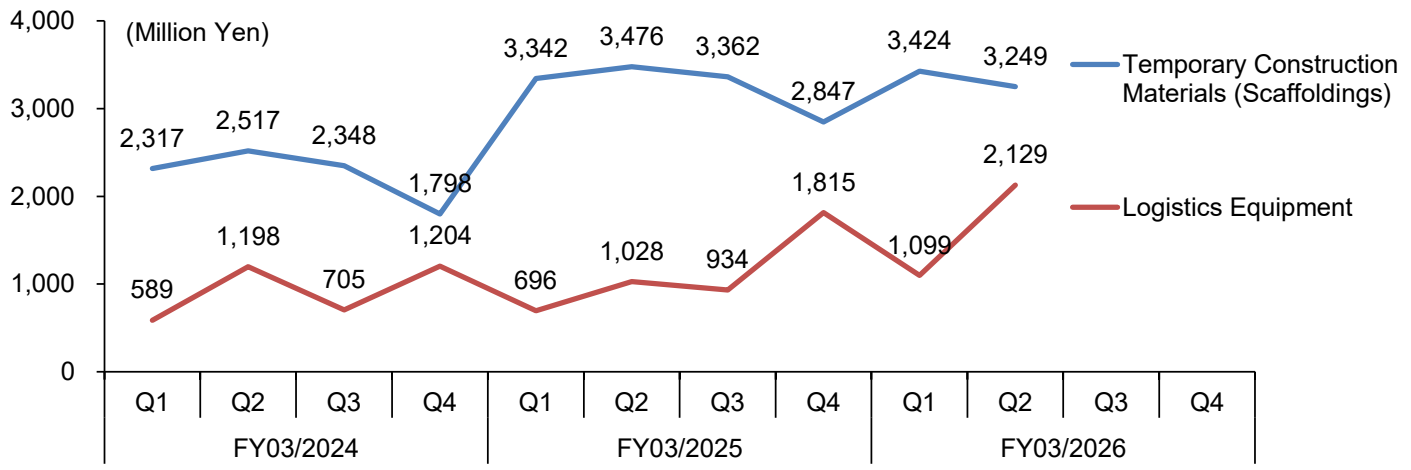
In July 2025, Aichi International Arena (commonly known as IG Arena, with a maximum capacity of 15,000–17,000 seats), one of Japan's largest multipurpose arenas located within Meijo Park in Nagoya-city, Aichi-prefecture, opened with the Grand Sumo Nagoya Tournament as its inaugural event. At the same time, spectator stands manufactured by the Company, which has been promoting enhanced scaffoldings functionality, were fully adopted. According to the Company, by applying its technological expertise in construction scaffoldings, it successfully realized complex-shaped seating arrangements that had previously been difficult to install. Millimeter-level precision has significantly improved both safety and comfort. In addition to being highly regarded as a product that simultaneously delivers safety, installation efficiency and cost reduction, its strengths include the ability to accommodate complex shapes through custom-made solutions and reliability for long-term use.

4.0 Recent Trading and Prospects

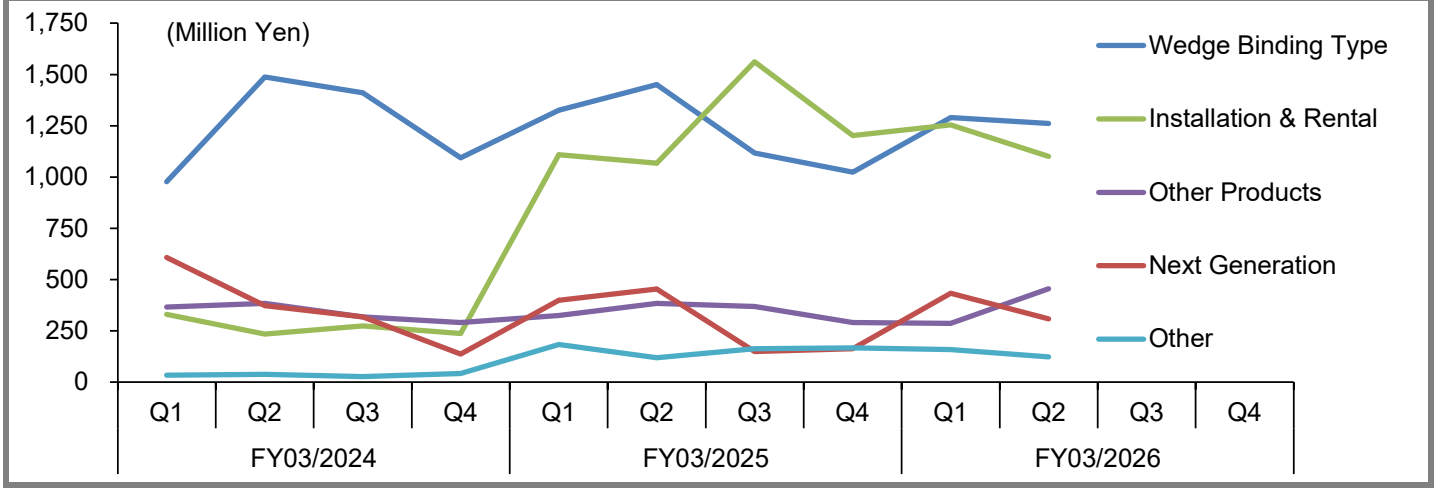
Q1 to Q2 (April–September) FY03/2026

In Q1 to Q2 (April–September) FY03/2026, revenue came in at ¥9,902m (up 15.9% YoY), operating profit ¥1,367m (up 56.9%), profit before tax ¥1,280m (up 57.0%) and profit attributable to owners of parent ¥879m (up 66.0%). Gross profit came in at ¥2,816m (up 25.9%) and SG&A expenses ¥1,487m (up 10.0%), resulting in a gross profit margin of 28.4% (up 2.2% points) and a ratio of SG&A expenses to revenue of 15.0% (down 0.8% points). Consequently, operating profit margin came in at 13.8% (up 3.6% points).

Revenue by Business Division



Revenue of Temporary Construction Materials (Scaffoldings)



Source: Company Data, WRJ Calculation

Compared with the initial Company forecast, announced on 14 May 2025, actual results came in above expectations, while performance for Q1 to Q2 (April-September) FY03/2026 marked record highs since listing in both revenue and profit levels. The initial forecast was upwardly revised on 29 September, with increases of ¥800m (up 9.1%) for revenue and ¥270m (up 30.7%) for operating profit. Furthermore, the actual results announced on 6 November exceeded even the revised forecast, with additional upside of ¥302m (up 3.1%) for revenue and ¥217m (up 18.9%) for operating profit. In light of these developments, it can be considered that the Company's forecasts are based on conservative assumptions.

The substantial YoY increase in revenue and profit was driven by record-high revenue in the Logistics Equipment side, while the core Temporary Construction Materials (Scaffoldings) side remained roughly in line with the prior-year level. During Q1 to Q2, revenue recognition for large-scale logistics warehouse projects—known to have a cyclical and significant impact on divisional revenue—entered a concentrated period, resulting in strong growth for the Logistics Equipment side. The sharp improvement in operating profit margin was attributed not only to the positive impact of higher revenue but also to successful initiatives aimed at reducing manufacturing costs. Specifically, the Company implemented a wide range of measures, including reviewing in-house versus outsourced production, reassessing suppliers to address persistently high raw material prices, optimizing logistics and improving production efficiency, thereby strengthening cost competitiveness while maintaining a stable supply structure.

Temporary Construction Materials (Scaffoldings): 67.4% of Revenue

In the Temporary Construction Materials (Scaffoldings) side, revenue came in at ¥6,673m (down 2.1%). While growth was achieved in "Installation & Rental," revenue of "Wedge Binding Type Scaffoldings" and "Next-Generation Scaffoldings" declined compared with the prior-year period. YAGUMI Group, which accounts for a significant portion of "Installation & Rental," has steadily captured robust construction demand despite the worsening labor shortage by leveraging its abundant human resources, thereby steadily building up installation service performance. In the market environment of the construction industry, where the Company is deeply involved through its Temporary Construction Materials (Scaffoldings) side, investment has remained firm against a backdrop of rising material unit prices due to soaring raw material costs and redevelopment demand. However, the increase in material unit prices, including wedge binding type scaffoldings and next-generation scaffoldings manufactured and sold by the Company, has also contributed to a decline in new housing starts, similar to the impact of labor shortages. Consequently, customers of the Company's scaffoldings products have continued to shift from "purchasing products" to "renting products," resulting in sluggish revenue of "Wedge Binding Type Scaffoldings" and "Next-Generation Scaffoldings."

Looking ahead, the Company plans to reinforce flexible proposal-based sales combining product sales and rentals. Historically, while deeply involved in manufacturing and sales, its engagement in rentals had remained limited. As part of measures to strengthen its focus on rentals, the Company has extended the depreciation period for rental assets from three years to eight years. In addition, investment cash flow for Q1 to Q2 (April-September) FY03/2026 included ¥465m in expenditures for the acquisition of property, plant and equipment, with rental assets among the main targets, further underscoring the Company's commitment to expanding its rental business.

In FY03/2025, the acquisition of YAGUMI Group, a major scaffoldings installation service provider, on 1 April 2024, had a significant impact on the performance of the Temporary Construction Materials (Scaffoldings) side. From Q1 (April–June), revenue from "Installation & Rental," for which YAGUMI Group accounts for a substantial portion, expanded sharply. Furthermore, compared with the Company's traditional focus on manufacturing and sales of scaffoldings, the gross profit margin of installation services offered by YAGUMI Group is inherently higher. As a result, the inclusion of YAGUMI Group led to an improved sales mix, driving a substantial increase in the Company's operating profit margin. Specifically, in FY03/2025, the Company achieved revenue of ¥17,503m (up 38.1% YoY), operating profit of ¥1,622m (up 131.7%) and an operating profit margin of 9.3% (up 3.7% points).

Logistics Equipment: 32.6% of Revenue

In the Logistics Equipment side, revenue came in at ¥3,228m (up 87.3%), marking a significant YoY increase and a new record high, driven by contributions from large-scale logistics warehouse projects as well as continued orders from a wide range of industries, including glass & ceramic product and automated warehouse sectors. The division has been working to improve the performance of existing products and expand its lineup, while also focusing on developing new products to meet increasingly diverse market needs and contribute to solving more challenges. Regarding OHTORIKINZOKU KOGYO, which was made a subsidiary on 1 May 2025, the Company is advancing reorganization of its business structure and integration of operational processes to create synergies going forward. However, its contribution to the performance of the Logistics Equipment side in FY03/2026 is expected to remain limited.

OHTORIKINZOKU KOGYO

Source: Company Data

OHTORIKINZOKU KOGYO, an aluminum machining company, is located in Kaizu-city, Gifu-prefecture, the same area as the Company, and has been in business for roughly 40 years. Its strength lies in its advanced aluminum machining technology. Following the recent acquisition, the Company intends to leverage its expertise in steel machining together with the subsidiary's aluminum machining capabilities to enhance manufacturing technologies on both sides while working on the development of new products.

Statement of Profit or Loss (Cumulative / Quarterly)

Statement of Profit or Loss (Million Yen)	Cons.Act Q1 03/2025	Cons.Act Q1 to Q2 03/2025	Cons.Act Q1 to Q3 03/2025	Cons.Act Q1 to Q4 03/2025	Cons.Act Q1 03/2026	Cons.Act Q1 to Q2 03/2026	Cons.Act Q1 to Q3 03/2026	Cons.Act Q1 to Q4 03/2026	YoY Net Chg.
Revenue	**4,038**	**8,542**	**12,840**	**17,503**	**4,523**	**9,902**	**-**	**-**	**+1,359**
Cost of revenue	2,987	6,305	9,379	13,084	3,225	7,086	-	-	+781
Gross profit	1,050	2,237	3,460	4,418	1,298	2,816	-	-	+578
SG&A expenses	631	1,351	2,022	2,763	653	1,487	-	-	+135
Other income and expenses (net)	2	(13)	(19)	(32)	38	39	-	-	+52
Operating profit	**421**	**871**	**1,418**	**1,622**	**682**	**1,367**	**-**	**-**	**+495**
Financial income and costs (net)	(25)	(56)	(92)	(123)	(49)	(87)	-	-	(30)
Profit before tax	**395**	**815**	**1,325**	**1,498**	**633**	**1,280**	**-**	**-**	**+465**
Income tax expenses	131	285	459	525	192	403	-	-	+118
Profit	**264**	**529**	**865**	**972**	**440**	**876**	**-**	**-**	**+346**
Profit attributable to owners of parent	265	530	867	975	441	879	-	-	+349
Profit attributable to non-controlling interests	(0)	(0)	(1)	(2)	(1)	(3)	-	-	(2)
Profit attributable to owners of parent	**265**	**530**	**867**	**975**	**441**	**879**	**-**	**-**	**+349**
Revenue YoY	+38.9%	+29.0%	+32.7%	+38.1%	+12.0%	+15.9%	-	-	-
Operating profit YoY	+137.0%	+67.4%	+104.3%	+131.7%	+62.0%	+56.9%	-	-	-
Profit before tax YoY	+138.9%	+64.2%	+101.9%	+129.6%	+60.0%	+57.0%	-	-	-
Profit YoY	+142.2%	+54.7%	+96.2%	+136.7%	+66.4%	+65.5%	-	-	-
Profit attributable to owners of parent YoY	+139.6%	+56.0%	+97.5%	+138.0%	+66.4%	+66.0%	-	-	-
Gross profit margin	26.0%	26.2%	27.0%	25.2%	28.7%	28.4%	-	-	+2.2%
SG&A ratio	15.6%	15.8%	15.8%	15.8%	14.5%	15.0%	-	-	(0.8%)
Operating profit margin	10.4%	10.2%	11.0%	9.3%	15.1%	13.8%	-	-	+3.6%
Profit before tax margin	9.8%	9.5%	10.3%	8.6%	14.0%	12.9%	-	-	+3.4%
Profit margin	6.6%	6.2%	6.7%	5.6%	9.7%	8.9%	-	-	+2.7%
Profit attributable to owners of parent margin	6.6%	6.2%	6.8%	5.6%	9.8%	8.9%	-	-	+2.7%
Income tax expenses / Profit before tax	33.1%	35.0%	34.7%	35.1%	30.5%	31.5%	-	-	(3.5%)

Statement of Profit or Loss (Million Yen)	Cons.Act Q1 03/2025	Cons.Act Q2 03/2025	Cons.Act Q3 03/2025	Cons.Act Q4 03/2025	Cons.Act Q1 03/2026	Cons.Act Q2 03/2026	Cons.Act Q3 03/2026	Cons.Act Q4 03/2026	YoY Net Chg.
Revenue	**4,038**	**4,504**	**4,297**	**4,662**	**4,523**	**5,379**	**-**	**-**	**+874**
Cost of revenue	2,987	3,317	3,074	3,705	3,225	3,861	-	-	+544
Gross profit	1,050	1,187	1,223	957	1,298	1,517	-	-	+330
SG&A expenses	631	720	671	740	653	833	-	-	+113
Other income and expenses (net)	2	(16)	(5)	(12)	38	0	-	-	+17
Operating profit	**421**	**450**	**546**	**204**	**682**	**685**	**-**	**-**	**+234**
Financial income and costs (net)	(25)	(30)	(36)	(31)	(49)	(37)	-	-	(7)
Profit before tax	**395**	**419**	**510**	**172**	**633**	**647**	**-**	**-**	**+227**
Income tax expenses	131	154	174	65	192	210	-	-	+56
Profit	**264**	**265**	**336**	**106**	**440**	**436**	**-**	**-**	**+171**
Profit attributable to owners of parent	265	264	337	107	441	438	-	-	+173
Profit attributable to non-controlling interests	(0)	0	(1)	(1)	(1)	(1)	-	-	(2)
Profit attributable to owners of parent	**265**	**264**	**337**	**107**	**441**	**438**	**-**	**-**	**+173**
Revenue YoY	+38.9%	+21.2%	+40.7%	+55.3%	+12.0%	+19.4%	-	-	-
Operating profit YoY	+137.0%	+31.4%	+215.0%	-	+62.0%	+52.1%	-	-	-
Profit before tax YoY	+138.9%	+26.8%	+219.1%	-	+60.0%	+54.2%	-	-	-
Profit YoY	+142.2%	+13.7%	+240.3%	-	+66.4%	+64.5%	-	-	-
Profit attributable to owners of parent YoY	+139.6%	+15.6%	+239.3%	-	+66.4%	+65.5%	-	-	-
Gross profit margin	26.0%	26.4%	28.5%	20.5%	28.7%	28.2%	-	-	+1.9%
SG&A ratio	15.6%	16.0%	15.6%	15.9%	14.5%	15.5%	-	-	(0.5%)
Operating profit margin	10.4%	10.0%	12.7%	4.4%	15.1%	12.7%	-	-	+2.7%
Profit before tax margin	9.8%	9.3%	11.9%	3.7%	14.0%	12.0%	-	-	+2.7%
Profit margin	6.6%	5.9%	7.8%	2.3%	9.7%	8.1%	-	-	+2.2%
Profit attributable to owners of parent margin	6.6%	5.9%	7.8%	2.3%	9.8%	8.1%	-	-	+2.3%
Income tax expenses / Profit before tax	33.1%	36.8%	34.2%	38.1%	30.5%	32.6%	-	-	(4.2%)

Source: Company Data, WRJ Calculation

Revenue by Business Division (Cumulative / Quarterly)

Revenue by Business Division	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	YoY
(Million Yen)	03/2025	03/2025	03/2025	03/2025	03/2026	03/2026	03/2026	03/2026	Net Chg.
Wedge Binding Type Scaffoldings	1,325	2,776	3,894	4,918	1,290	2,552	-	-	(223)
Next Generation Scaffoldings	398	852	1,002	1,165	433	741	-	-	(110)
Installation & Rental	1,109	2,178	3,740	4,943	1,254	2,355	-	-	+176
Other Products	324	708	1,078	1,368	286	742	-	-	+33
Other	183	302	465	632	158	282	-	-	(20)
Temporary Construction Materials (Scaffoldings)	3,342	6,818	10,180	13,028	3,424	6,673	-	-	(144)
Logistics Equipment	696	1,724	2,659	4,474	1,099	3,228	-	-	+1,504
Revenue	**4,038**	**8,542**	**12,840**	**17,503**	**4,523**	**9,902**	**-**	**-**	**+1,359**
Wedge Binding Type Scaffoldings	+35.6%	+12.6%	+0.4%	(1.0%)	(2.7%)	(8.1%)	-	-	-
Next Generation Scaffoldings	(34.3%)	(13.0%)	(22.7%)	(18.8%)	+8.9%	(13.0%)	-	-	-
Installation & Rental	+235.6%	+285.7%	+346.1%	+359.8%	+13.0%	+8.1%	-	-	-
Other Products	(11.5%)	(5.7%)	+0.9%	+0.7%	(11.7%)	+4.7%	-	-	-
Other	+429.2%	+317.8%	+364.8%	+347.1%	(13.4%)	(6.7%)	-	-	-
Temporary Construction Materials (Scaffoldings)	+44.2%	+41.0%	+41.7%	+45.1%	+2.5%	(2.1%)	-	-	-
Logistics Equipment	+18.1%	(3.5%)	+6.7%	+21.0%	+57.9%	+87.3%	-	-	-
Revenue (YoY)	**+38.9%**	**+29.0%**	**+32.7%**	**+38.1%**	**+12.0%**	**+15.9%**	**-**	**-**	**-**
Wedge Binding Type Scaffoldings	32.8%	32.5%	30.3%	28.1%	28.5%	25.8%	-	-	-
Next Generation Scaffoldings	9.9%	10.0%	7.8%	6.7%	9.6%	7.5%	-	-	-
Installation & Rental	27.5%	25.5%	29.1%	28.2%	27.7%	23.8%	-	-	-
Other Products	8.0%	8.3%	8.4%	7.8%	6.3%	7.5%	-	-	-
Other	4.5%	3.5%	3.6%	3.6%	3.5%	2.8%	-	-	-
Temporary Construction Materials (Scaffoldings)	82.8%	79.8%	79.3%	74.4%	75.7%	67.4%	-	-	-
Logistics Equipment	17.2%	20.2%	20.7%	25.6%	24.3%	32.6%	-	-	-
Revenue (Composition Ratio)	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**-**	**-**	**-**

Revenue by Business Division	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY
(Million Yen)	03/2025	03/2025	03/2025	03/2025	03/2026	03/2026	03/2026	03/2026	Net Chg.
Wedge Binding Type Scaffoldings	1,325	1,450	1,117	1,024	1,290	1,261	-	-	(188)
Next Generation Scaffoldings	398	453	149	163	433	308	-	-	(145)
Installation & Rental	1,109	1,068	1,562	1,202	1,254	1,101	-	-	+32
Other Products	324	383	369	290	286	455	-	-	+71
Other	183	119	162	167	158	123	-	-	+4
Temporary Construction Materials (Scaffoldings)	3,342	3,476	3,362	2,847	3,424	3,249	-	-	(226)
Logistics Equipment	696	1,028	934	1,815	1,099	2,129	-	-	+1,101
Revenue	**4,038**	**4,504**	**4,297**	**4,662**	**4,523**	**5,379**	**-**	**-**	**+874**
Wedge Binding Type Scaffoldings	+35.6%	(2.5%)	(20.8%)	(6.3%)	(2.7%)	(13.0%)	-	-	-
Next Generation Scaffoldings	(34.3%)	+21.9%	(52.8%)	+18.8%	+8.9%	(32.1%)	-	-	-
Installation & Rental	+235.6%	+356.5%	+470.8%	+408.4%	+13.0%	+3.0%	-	-	-
Other Products	(11.5%)	(0.3%)	+16.6%	(0.1%)	(11.7%)	+18.6%	-	-	-
Other	+429.2%	+215.4%	+487.7%	+304.3%	(13.4%)	+3.6%	-	-	-
Temporary Construction Materials (Scaffoldings)	+44.2%	+38.1%	+43.2%	+58.3%	+2.5%	(6.5%)	-	-	-
Logistics Equipment	+18.1%	(14.2%)	+32.5%	+50.7%	+57.9%	+107.1%	-	-	-
Revenue (YoY)	**+38.9%**	**+21.2%**	**+40.7%**	**+55.3%**	**+12.0%**	**+19.4%**	**-**	**-**	**-**
Wedge Binding Type Scaffoldings	32.8%	32.2%	26.0%	22.0%	28.5%	23.5%	-	-	-
Next Generation Scaffoldings	9.9%	10.1%	3.5%	3.5%	9.6%	5.7%	-	-	-
Installation & Rental	27.5%	23.7%	36.4%	25.8%	27.7%	20.5%	-	-	-
Other Products	8.0%	8.5%	8.6%	6.2%	6.3%	8.5%	-	-	-
Other	4.5%	2.6%	3.8%	3.6%	3.5%	2.3%	-	-	-
Temporary Construction Materials (Scaffoldings)	82.8%	77.2%	78.2%	61.1%	75.7%	60.4%	-	-	-
Logistics Equipment	17.2%	22.8%	21.8%	38.9%	24.3%	39.6%	-	-	-
Revenue (Composition Ratio)	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**-**	**-**	**-**

Source: Company Data, WRJ Calculation

Statement of Financial Position (Quarterly)

Statement of Financial Position	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	Cons.Act Q1	Cons.Act Q2	Cons.Act Q3	Cons.Act Q4	YoY
(Million Yen)	03/2025	03/2025	03/2025	03/2025	03/2026	03/2026	03/2026	03/2026	Net Chg.
Cash and cash equivalents	1,133	1,844	2,416	2,908	3,940	3,717	-	-	+1,872
Trade and other receivables	3,361	3,630	3,467	4,410	3,779	4,104	-	-	+473
Inventory	3,466	2,720	3,004	2,439	3,447	2,548	-	-	(172)
Other	131	79	205	118	207	146	-	-	+66
Total current assets	**8,093**	**8,275**	**9,093**	**9,876**	**11,375**	**10,515**	**-**	**-**	**+2,240**
Property, plant and equipment	3,901	4,179	4,575	5,163	5,420	5,598	-	-	+1,419
Right-of-use assets	384	1,024	1,002	993	1,020	1,012	-	-	(12)
Goodwill	12,521	12,521	12,521	12,264	12,264	12,264	-	-	(256)
Intangible assets	1,344	1,341	1,351	1,438	1,429	1,418	-	-	+77
Other	355	224	228	230	436	462	-	-	+238
Total non-current assets	**18,507**	**19,291**	**19,679**	**20,090**	**20,572**	**20,756**	**-**	**-**	**+1,465**
Total assets	**26,600**	**27,566**	**28,772**	**29,967**	**31,947**	**31,272**	**-**	**-**	**+3,706**
Trade and other payables	1,280	1,077	1,587	1,603	1,490	1,112	-	-	+35
Borrowings	6,149	3,105	3,281	4,589	5,965	5,648	-	-	+2,542
Other	442	570	453	500	547	843	-	-	+272
Total current liabilities	**7,871**	**4,754**	**5,322**	**6,693**	**8,003**	**7,605**	**-**	**-**	**+2,850**
Corporate Bond	-	-	-	-	46	46	-	-	+46
Borrowings	2,639	5,821	6,207	5,897	6,353	5,618	-	-	(203)
Other	726	1,373	1,509	1,530	1,816	1,795	-	-	+422
Total non-current liabilities	**3,365**	**7,195**	**7,717**	**7,427**	**8,170**	**7,413**	**-**	**-**	**+218**
Total liabilities	**11,237**	**11,949**	**13,039**	**14,121**	**16,173**	**15,018**	**-**	**-**	**+3,069**
Total equity attributable to owners of parent	**15,350**	**15,609**	**15,726**	**15,841**	**15,769**	**16,251**	**-**	**-**	**+642**
Other	12	7	6	5	3	1	-	-	(5)
Total equity	**15,363**	**15,616**	**15,732**	**15,846**	**15,773**	**16,253**	**-**	**-**	**+637**
Total liabilities and equity	**26,600**	**27,566**	**28,772**	**29,967**	**31,947**	**31,272**	**-**	**-**	**+3,706**
Equity attributable to owners of parent	15,350	15,609	15,726	15,841	15,769	16,251	-	-	+642
Interest-bearing debt	8,788	8,927	9,489	10,487	12,365	11,313	-	-	+2,385
Net debt	7,654	7,082	7,072	7,578	8,424	7,595	-	-	+513
Equity ratio	57.7%	56.6%	54.7%	52.9%	49.4%	52.0%	-	-	-
Net debt-to-equity ratio	49.9%	45.4%	45.0%	47.8%	53.4%	46.7%	-	-	-
ROE (12 months)	3.7%	3.9%	5.4%	6.3%	7.4%	8.3%	-	-	-
ROA (12 months)	3.7%	4.0%	5.3%	5.9%	5.9%	6.7%	-	-	-
Days for inventory turnover	106	75	89	60	98	60	-	-	-
Quick ratio	57%	115%	111%	109%	96%	103%	-	-	-
Current ratio	103%	174%	171%	148%	142%	138%	-	-	-

Source: Company Data, WRJ Calculation

Statement of Cash Flows (Cumulative / Quarterly)

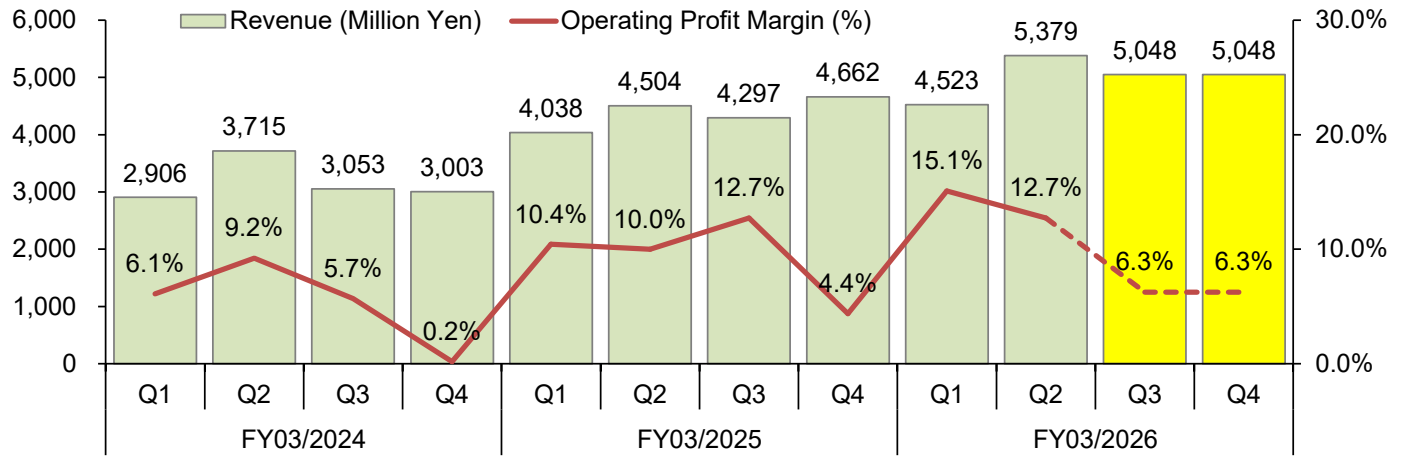
Statement of Cashflows	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	Cons.Act Q1	Cons.Act Q1 to Q2	Cons.Act Q1 to Q3	Cons.Act Q1 to Q4	YoY
(Million Yen)	03/2025	03/2025	03/2025	03/2025	03/2026	03/2026	03/2026	03/2026	Net Chg.
Cashflows from operating activities	-	312	-	848	-	986	-	-	+673
Cashflows from Investing activities	-	(3,605)	-	(4,318)	-	(305)	-	-	+3,300
Cashflows from operating and investing activities	**-**	**(3,293)**	**-**	**(3,469)**	**-**	**681**	**-**	**-**	**+3,974**
Cashflows from financing activities	-	(3,295)	-	4,536	-	128	-	-	+3,423

Source: Company Data, WRJ Calculation

Company Forecast for FY03/2026

The Company forecast for FY03/2026, announced on 6 November 2025, calls for revenue of ¥20,000m (up 14.3% YoY), operating profit of ¥2,000m (up 23.3%), profit before tax of ¥1,820m (up 21.5%) and profit attributable to owners of parent of ¥1,246m (up 27.8%). Operating profit margin is projected at 10.0% (up 0.7% point).

Revenue and Operating Profit Margin



Source: Company Data, WRJ Calculation (allocating the Company forecast for H2 FY03/2026 evenly between Q3 and Q4)

According to the timely disclosure titled "Incident of Fund Outflow at Our Subsidiary," published on 3 December, it states, "On 29 November 2025, our subsidiary received fraudulent instructions from a malicious third party, resulting in an unauthorized outflow of funds. Shortly after the outflow, we confirmed that the instructions were false and determined that the case was highly likely to constitute a criminal act. Accordingly, we immediately consulted with the police and filed a damage report, while forming a countermeasure team to work on securing and recovering the outflowed funds. We deeply apologize for the significant concern and inconvenience caused to our shareholders, investors and other stakeholders."

Regarding the estimated loss, the Company stated, "As of now, if the funds cannot be recovered, the estimated maximum loss is approximately ¥250m. This amount is a provisional estimate at this point and may fluctuate depending on future recovery status and whether additional costs arise. We are currently conducting a detailed review to determine the final amount of damage." Regarding the impact on earnings forecasts, the Company commented, "If this matter requires a revision to the consolidated earnings forecast for FY03/2026, we will promptly disclose such information."

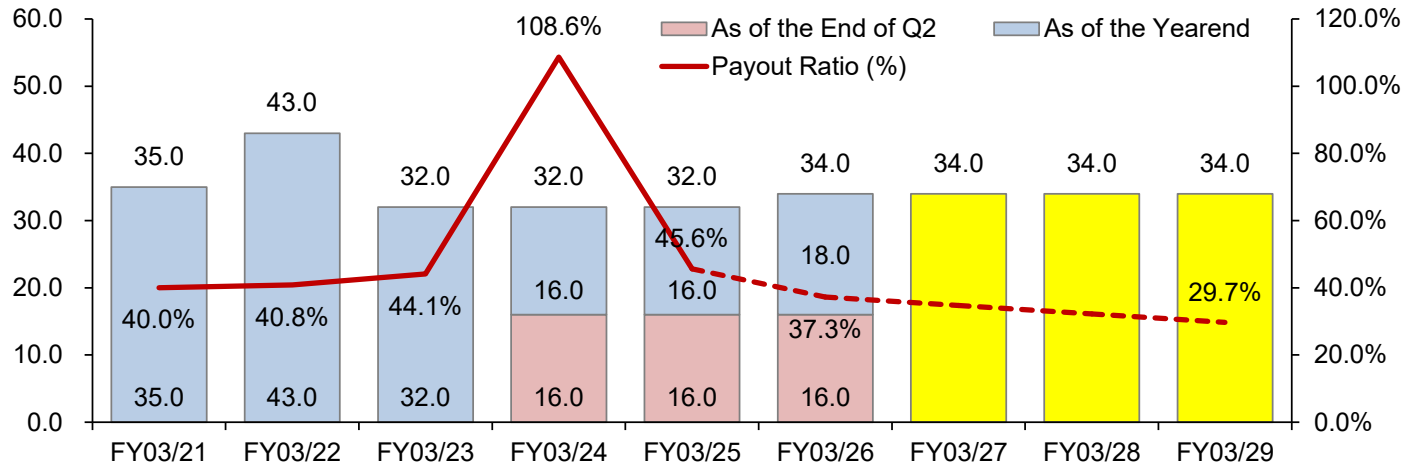
Meanwhile, the latest Company forecast mentioned above reflects an upward revision from the initial forecast announced on 14 May 2025. The revision amounts to ¥2,200m (up 12.4%) in revenue, ¥350m (up 21.2%) in operating profit, ¥300m (up 19.7%) in profit before tax and ¥246m (up 24.6%) in profit attributable to owners of parent. As noted earlier, conservative assumptions appear to have been applied here as well, and even if the aforementioned loss were to materialize, the latest Company forecast is likely to be achieved. It should also be noted that, under the IFRS accounting standards adopted by the Company, the above-mentioned loss would be recognized from the operating profit level.

FY03/2026 Company Forecast and Actual Results

Cons. Fiscal Year (IFRS) (Million Yen)	Date	Event	Revenue	Operating profit	Profit before tax	Profit attributable to owners of parent
FY03/2026CoE	14-May-25	Q4 Results	17,800	1,650	1,520	1,000
FY03/2026CoE	04-Aug-25	Q1 Results	17,800	1,650	1,520	1,000
FY03/2026CoE	29-Sep-25	Revision	17,800	1,650	1,520	1,000
FY03/2026CoE	06-Nov-25	Q2 Results	20,000	2,000	1,820	1,246
		Amount of Gap	2,200	350	300	246
		Rate of Gap	12.4%	21.2%	19.7%	24.6%
FY03/2026CoE	14-May-25	Q4 Results	17,800	1,650	1,520	1,000
FY03/2026CoE	06-Nov-25	Q2 Results	20,000	2,000	1,820	1,246
		Amount of Gap	2,200	350	300	246
		Rate of Gap	12.4%	21.2%	19.7%	24.6%
Cons. Half Year (IFRS) (Million Yen)	**Date**	**Event**	**Revenue**	**Operating profit**	**Profit before tax**	**Profit attributable to owners of parent**
Q1 to Q2 FY03/2026CoE	14-May-25	Q4 Results	8,800	880	840	550
Q1 to Q2 FY03/2026CoE	04-Aug-25	Q1 Results	8,800	880	840	550
Q1 to Q2 FY03/2026CoE	29-Sep-25	Revision	9,600	1,150	1,050	730
		Amount of Gap	800	270	210	180
		Rate of Gap	9.1%	30.7%	25.0%	32.7%
Q1 to Q2 FY03/2026Act	06-Nov-25	Q2 Results	9,902	1,367	1,280	879
		Amount of Gap	302	217	230	149
		Rate of Gap	3.1%	18.9%	21.9%	20.4%
Q1 to Q2 FY03/2026CoE	14-May-25	Q4 Results	8,800	880	840	550
Q1 to Q2 FY03/2026Act	06-Nov-25	Q2 Results	9,902	1,367	1,280	879
		Amount of Gap	1,102	487	440	329
		Rate of Gap	12.5%	55.3%	52.4%	59.8%
Cons. Half Year (IFRS)	**Date**	**Event**	**Revenue**	**Operating profit**	**Profit before tax**	**Profit attributable to owners of parent**
Q3 to Q4 FY03/2026CoE	14-May-25	Q4 Results	9,000	770	680	450
Q3 to Q4 FY03/2026CoE	04-Aug-25	Q1 Results	9,000	770	680	450
Q3 to Q4 FY03/2026CoE	29-Sep-25	Revision	8,200	500	470	270
		Amount of Gap	(800)	(270)	(210)	(180)
		Rate of Gap	(8.9%)	(35.1%)	(30.9%)	(40.0%)
Q3 to Q4 FY03/2026CoE	06-Nov-25	Q2 Results	10,098	633	540	367
		Amount of Gap	1,898	133	70	97
		Rate of Gap	23.1%	26.6%	14.9%	35.9%
Q3 to Q4 FY03/2026CoE	14-May-25	Q4 Results	9,000	770	680	450
Q3 to Q4 FY03/2026CoE	06-Nov-25	Q2 Results	10,098	633	540	367
		Amount of Gap	1,098	(137)	(140)	(83)
		Rate of Gap	12.2%	(17.8%)	(20.6%)	(18.4%)

Source: Company Data, WRJ Calculation

Annual Dividend and Payout Ratio



Source: Company Data, WRJ Calculation

On 14 May 2025, the Company announced a change in its dividend policy and the implementation of a share buyback. Regarding the dividend policy, the Company shifted from its previous target of "a payout ratio of 40% or more" to "a progressive dividend policy with a minimum annual dividend of ¥32.0 per share." According to the Company, this decision reflects a comprehensive consideration of the balance between internal reserves required for growth investments such as future M&A and financial base enhancement, and shareholder returns through dividends as well as share buybacks. As for the share buyback, the Company planned to acquire its common shares through market purchases on the Tokyo Stock Exchange during the period from 15 May 2025 to 30 September 2025, with an upper limit of 430,000 shares (3.09% of the total number of issued shares excluding treasury shares) and a total acquisition cost of ¥300m. However, as of the settlement date of 9 June 2025, the share buyback had already been completed, with 395,600 shares acquired for a total cost of ¥299m.

At the beginning of FY03/2026, the planned annual dividend was ¥32.0 per share (¥16.0 as of the end of Q2 and ¥16.0 as of the yearend). Following the upward revision of the Company's earnings forecast mentioned earlier, the yearend dividend was increased from ¥16.0 to ¥18.0, bringing the current planned annual dividend for FY03/2026 to ¥34.0 per share (payout ratio: 37.3%). Based on its fundamental policy of implementing a progressive dividend with a minimum annual dividend of ¥32.0, the Company appears to be pursuing more aggressive shareholder returns in light of the recent upward revision to its earnings forecast. According to the Company, it intends to continue emphasizing shareholder returns while securing internal reserves necessary for growth investments and strengthening its financial base to enhance corporate value. In view of the concept of progressive dividends, the minimum annual dividend has effectively been raised from ¥32.0 to ¥34.0. Under the existing medium-term management plan (FY03/2025–FY03/2029), the Company aims to achieve EPS of ¥114.57 in FY03/2029. Applying the newly assumed minimum annual dividend of ¥34.0 would imply a payout ratio of 29.7% for FY03/2029.

Temporary Construction Materials

Under the Company forecast for FY03/2026, announced on 6 November 2025, revenue for the Temporary Construction Materials side is expected to reach ¥14,400m (up 10.5%). Demand for system scaffoldings such as wedge binding scaffoldings is projected to remain at a stable level, while contributions from scaffoldings installation services to revenue are expected to continue. Furthermore, the Company aims to promote the development and dissemination of infrastructure-related products, high value-added products and services.

According to the Company's understanding, the market environment surrounding the division and future demand trends are as follows: In addition to growing demand for maintenance and repair, demand expansion driven by heightened safety awareness is also expected. Furthermore, the shortage of skilled workers is considered to be a tailwind for the Company.

In Japan's construction industry, more than half of residential properties are over 20 years old and are increasingly deteriorating. Similarly, social infrastructure developed by national and local governments —such as roads, ports, water supply systems, parks, telecommunications, airports and dams—is also aging, making the implementation of countermeasures an urgent task. In addition, the severe shortage of labor at construction sites, particularly the decline in skilled craftsmen, has become a major issue that needs to be addressed. Furthermore, responding to legal changes, such as revisions to safety and health regulations, is also required as part of the evolving environment.

In view of the above, demand for maintenance and repair of housing and social infrastructure is expected to continue expanding, as is demand for scaffoldings with enhanced safety features. In addition, new demand is likely to emerge for labor-saving and simplified assembly processes for scaffoldings. The Company intends to leverage its strengths to steadily capture these growing needs.

The Company is deeply involved in an integrated process of manufacturing, selling and installing high-quality system scaffoldings with superior safety and workability, which positions it well to respond to the anticipated expansion in demand described above. In addition, the Company is recognized for its strong product development capabilities, enabling it to respond swiftly to evolving societal needs.

On 1 October 2025, within the Temporary Construction Materials side, the Company made KAIZU KENSETSU—a formwork and civil engineering contractor with sales of ¥2,329m and operating profit of ¥48m for FY06/2025—a subsidiary. This is expected to contribute to the division's performance in H2 (October–March). According to the Company, this acquisition will enable it to provide a more diversified range of services and, going forward, focus on creating corporate value through shared use of management resources.

Logistics Equipment

Under the Company forecast for FY03/2026 announced on 6 November 2025, revenue for the Logistics Equipment side is expected to reach ¥5,600m (up 25.2%), marking the highest level since listing. By product category, steady performance is anticipated for bulk containers for liquid transport and racks for logistics warehouses. Furthermore, following the acquisition of aluminum machining company, OHTORIKINZOKU KOGYO, as a subsidiary, the Company has outlined a policy to focus on developing and manufacturing products that leverage aluminum materials, while promoting proposals to expand sales of these newly developed products, thereby aiming to secure a greater number of high value-added projects.

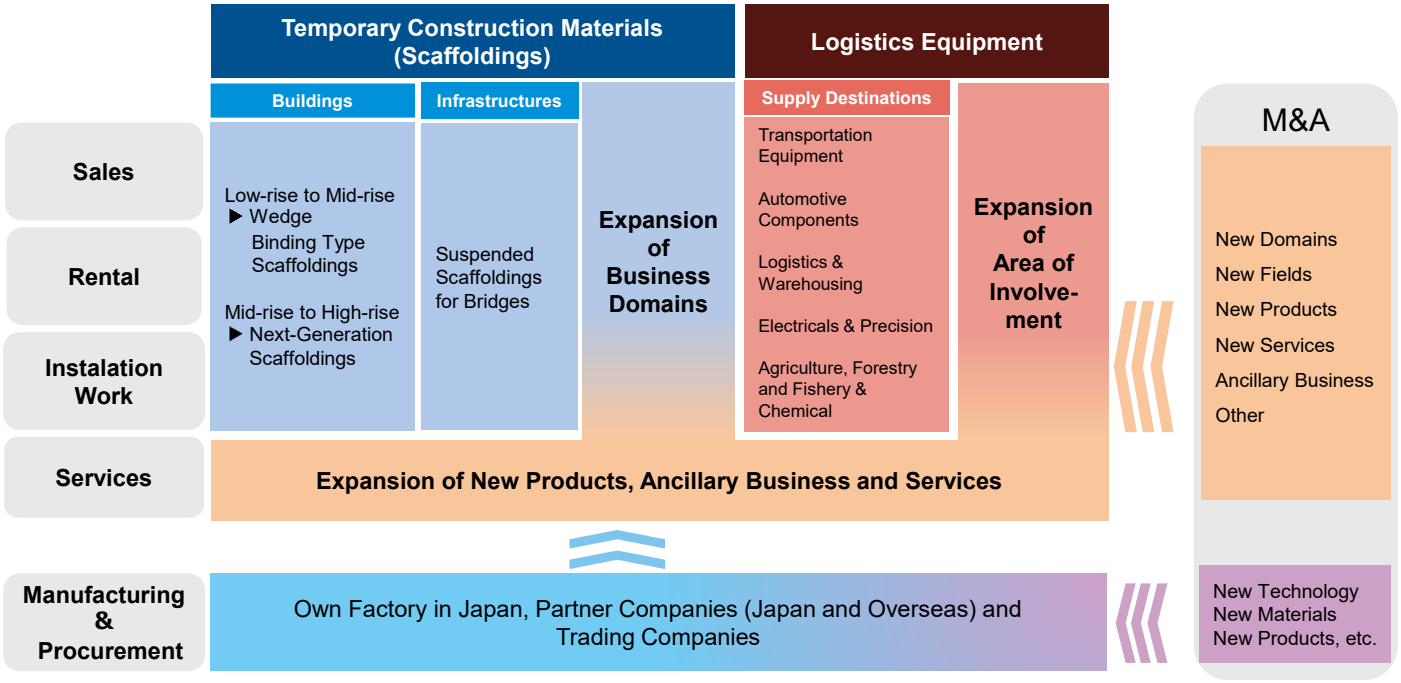
In the Logistics Equipment side, the Company plans to deepen its presence in existing sectors such as chemicals, automotive, general-purpose goods, agriculture and fisheries and electronics, while also seeking to enter new areas by leveraging its existing technologies and expertise. Having built a track record across these diverse fields, the Company aims to accelerate its growth by expanding into labor-saving solutions, focusing on overseas markets and actively pursuing opportunities in industries where it has no prior experience. While logistics equipment is used across virtually all industries, the needs and challenges in each sector vary widely. The Company intends to address these diverse requirements by utilizing its accumulated strengths in development, sales, manufacturing and know-how.

To enter the labor-saving sector, the Company plans to handle AGVs (Automated Guided Vehicles) and related consulting services, thereby capturing specific labor-saving needs in warehouse operations. For overseas expansion, the Company intends to leverage its track record of delivering logistics equipment abroad and strengthen its capability to provide products and services globally. Regarding its proactive approach to new industries, the Company aims to identify needs related to the transportation and storage of specialized goods and deliver new value propositions to address them, thereby driving sustainable expansion of the Logistics Equipment side's business scope.

Shinwa Group Growth Strategy

The Shinwa Group growth strategy is centered on achieving sustainable growth from a medium- to long-term perspective by "actively expanding business domains and services through leveraging group resources and M&A." On the sales side, the Company aims to broaden its business scope, including services, in both the Temporary Construction Materials (Scaffoldings) side and the Logistics Equipment side. To support this, on the manufacturing and procurement operations, it plans to strengthen efforts within the Group and make greater use of partner companies' production networks, while promoting business expansion through collaboration with closely affiliated suppliers. M&A is positioned as a very important strategic element that can accelerate the Company's transformation and evolution, and the Company indicates its intention to actively pursue deals, also for FY03/2027 and thereafter—particularly those that generate significant synergies with existing operations.

Shinwa Group's Growth Strategy

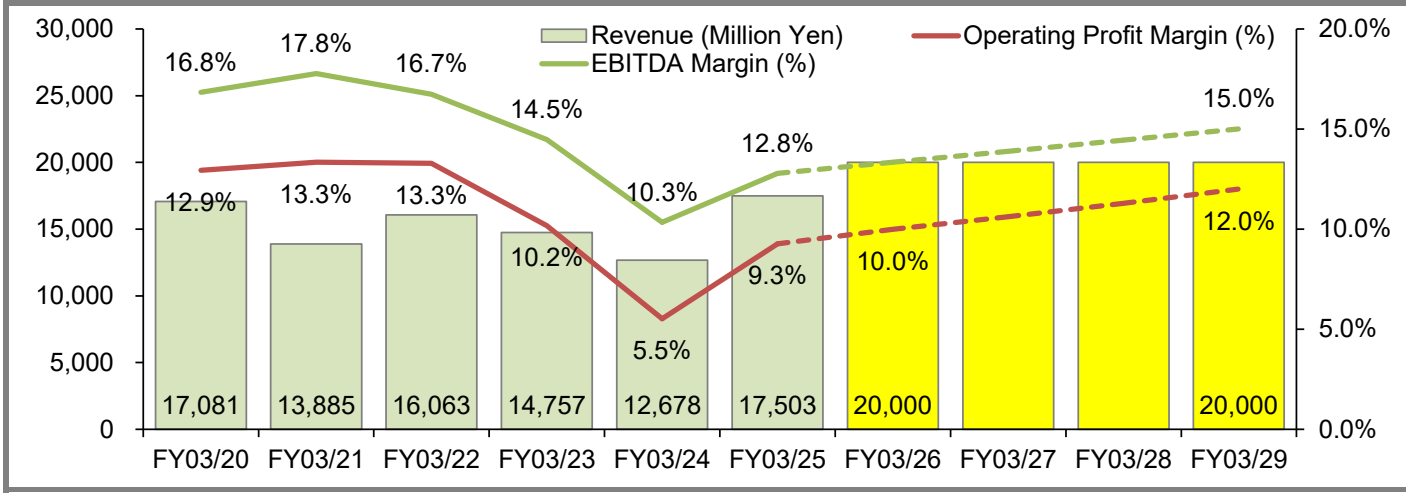


Source: Company Data

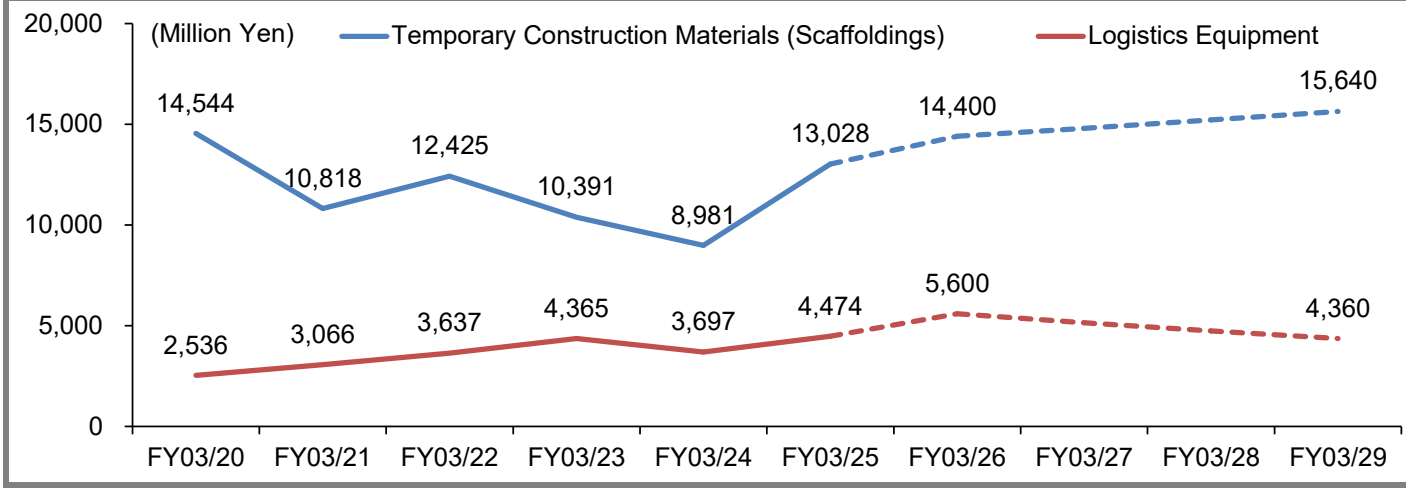
Medium- to Long-Term Performance Outlook

On 9 May 2024, the Company announced the formulation of its medium-term management plan (FY03/2025–FY03/2029). The numerical targets set for the final year, FY03/2029, are revenue of ¥20,000m, operating profit of ¥2,400m and EBITDA of ¥3,000m. Based on FY03/2024 results as the starting point, the CAGR is projected at 9.5% for revenue, 27.9% for operating profit and 18.0% for EBITDA. During this period, the operating profit margin is expected to rise from 5.5% to 12.0% (up 6.5% points), while the EBITDA margin from 10.3% to 15.0% (up 4.7% points). In addition, the Company has set a target of achieving ROE of 8.5% in FY03/2029 (compared with 2.7% in FY03/2024).

Medium-Term Management Plan (FY03/2025–FY03/2029) : Revenue, OPM and EBITDA Margin



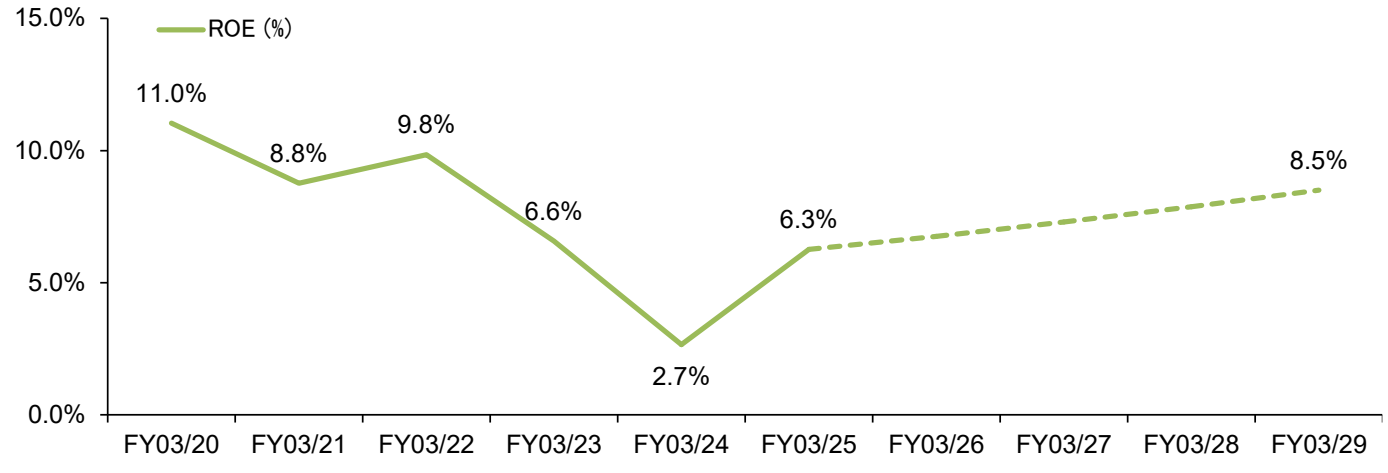
Medium-Term Management Plan (FY03/2025–FY03/2029) : Revenue by Business Division



Source: Company Data, WRJ Calculation

Meanwhile, the Company is now considering revising its existing medium-term management plan (FY03/2026–FY03/2029), as the revenue target of ¥20,000m originally set for the final year, FY03/2029, is now expected to be achieved as early as FY03/2026. By business division, a significant deviation from the initial assumptions is observed in the Logistics Equipment side. While the plan calls for revenue of ¥4,380m in FY03/2029, the current Company forecast for FY03/2026 already anticipates revenue of ¥5,600m.

Medium-Term Management Plan (FY03/2025–FY03/2029) : ROE



Source: Company Data

However, the revenue of the Logistics Equipment side in FY03/2026 is partly boosted by temporary factors, and is not expected to maintain a steady upward trend into FY03/2027 and beyond. In Q1 to Q2 (April–September) FY03/2026, revenue for the division reflects a cyclical concentration of large-scale logistics warehouse projects, which tend to have a significant impact periodically. In fact, throughout FY03/2026, revenue recognition from these large-scale logistics warehouse projects is expected to remain highly concentrated, implying a certain degree of recoil in FY03/2027.

5.0 Financial Statements

Statement of Profit or Loss

Statement of Profit or Loss (Million Yen)	Cons.Act FY 03/2021	Cons.Act FY 03/2022	Cons.Act FY 03/2023	Cons.Act FY 03/2024	Cons.Act FY 03/2025	Cons.CoE FY 03/2026	YoY Net Chg.
Revenue	**13,885**	**16,063**	**14,757**	**12,678**	**17,503**	**20,000**	**+2,496**
Cost of revenue	10,263	11,941	11,257	9,880	13,084	-	-
Gross profit	3,621	4,122	3,499	2,797	4,418	-	-
SG&A expenses	1,809	1,978	1,959	2,078	2,763	-	-
Other income and expenses (net)	40	(7)	(38)	(19)	(32)	-	-
Operating profit	**1,853**	**2,135**	**1,501**	**700**	**1,622**	**2,000**	**+377**
Financial income and costs (net)	(68)	(71)	(67)	(47)	(123)	(180)	(56)
Profit before tax	**1,784**	**2,063**	**1,434**	**652**	**1,498**	**1,820**	**+321**
Income tax expenses	541	651	448	241	525	574	+48
Profit	**1,242**	**1,411**	**985**	**411**	**972**	**1,246**	**+273**
Profit attributable to owners of parent	1,231	1,452	1,007	409	975	1,246	+270
Profit attributable to non-controlling interests	11	(40)	(21)	1	(2)	-	-
Profit attributable to owners of parent	**1,231**	**1,452**	**1,007**	**409**	**975**	**1,246**	**+270**
Revenue YoY	(18.7%)	+15.7%	(8.1%)	(14.1%)	+38.1%	+14.3%	-
Operating profit YoY	(16.2%)	+15.3%	(29.7%)	(53.4%)	+131.7%	+23.3%	-
Profit before tax YoY	(16.6%)	+15.7%	(30.5%)	(54.5%)	+129.6%	+21.5%	-
Profit YoY	(15.3%)	+13.6%	(30.2%)	(58.3%)	+136.7%	+28.1%	-
Profit attributable to owners of parent YoY	(16.0%)	+17.9%	(30.6%)	(59.3%)	+138.0%	+27.8%	-
Gross profit margin	26.1%	25.7%	23.7%	22.1%	25.2%	-	-
SG&A ratio	13.0%	12.3%	13.3%	16.4%	15.8%	-	-
Operating profit margin	13.3%	13.3%	10.2%	5.5%	9.3%	10.0%	+0.7%
Profit before tax margin	12.8%	12.8%	9.7%	5.1%	8.6%	9.1%	+0.5%
Profit margin	9.0%	8.8%	6.7%	3.2%	5.6%	6.2%	+0.7%
Profit attributable to owners of parent margin	8.9%	9.0%	6.8%	3.2%	5.6%	6.2%	+0.7%
Income tax expenses / Profit before tax	30.3%	31.6%	31.3%	37.0%	35.1%	31.5%	(3.5%)

Source: Company Data, WRJ Calculation

Per Share Data

Per Share Data (Before Adjustments for Split) (Yen)	Cons.Act FY 03/2021	Cons.Act FY 03/2022	Cons.Act FY 03/2023	Cons.Act FY 03/2024	Cons.Act FY 03/2025	Cons.CoE FY 03/2026	YoY Net Chg.
No. of Shares FY End (thousand shares)	14,103	14,103	14,103	14,103	14,103	-	-
Net Profit / EPS (thousand Shares)	14,091	13,789	13,902	13,906	13,895	-	-
Treasury Shares FY End (thousand shares)	0	207	193	193	180	-	-
Basic Earnings per Share	87.42	105.36	72.49	29.46	70.17	91.20	-
Diluted Earnings per Share	87.09	105.35	72.49	-	-	-	-
Book Value per Share	1,019.59	1,088.87	1,117.56	1,100.69	1,137.85	-	-
Dividend per Share	35.00	43.00	32.00	32.00	32.00	34.00	-
Per Share Data (After Adjustments for Split) (Yen)	**Cons.Act FY 03/2021**	**Cons.Act FY 03/2022**	**Cons.Act FY 03/2023**	**Cons.Act FY 03/2024**	**Cons.Act FY 03/2025**	**Cons.CoE FY 03/2026**	**YoY Net Chg.**
Share Split Factor	1	1	1	1	1	1	-
Basic Earnings per Share	87.42	105.36	72.49	29.46	70.17	91.20	-
Book Value per Share	1,019.59	1,088.87	1,117.56	1,100.69	1,137.85	-	-
Dividend per Share	35.00	43.00	32.00	32.00	32.00	34.00	-
Payout Ratio	40.0%	40.8%	44.1%	108.6%	45.6%	37.3%	-

Source: Company Data, WRJ Calculation

Revenue by Division

Revenue by Business Division (Million Yen)	Cons.Act FY 03/2021	Cons.Act FY 03/2022	Cons.Act FY 03/2023	Cons.Act FY 03/2024	Cons.Act FY 03/2025	Cons.CoE FY 03/2026	YoY Net Chg.
Wedge Binding Type Scaffoldings	5,821	7,411	5,866	4,970	4,918	-	-
Next Generation Scaffoldings	1,798	2,220	1,713	1,434	1,165	-	-
Installation & Rental	-	-	-	1,075	4,943	-	-
Other Products	-	-	-	1,359	1,368	-	-
Other	-	-	-	141	632	-	-
Temporary Construction Materials (Scaffoldings)	10,818	12,425	10,391	8,981	13,028	14,400	+1,371
Logistics Equipment	3,066	3,637	4,365	3,697	4,474	5,600	+1,125
Revenue	**13,885**	**16,063**	**14,757**	**12,678**	**17,503**	**20,000**	**+2,496**
Wedge Binding Type Scaffoldings	(33.5%)	+27.3%	(20.8%)	(15.3%)	(1.0%)	-	-
Next Generation Scaffoldings	(16.8%)	+23.5%	(22.8%)	(16.3%)	(18.8%)	-	-
Installation & Rental	-	-	-	-	+359.8%	-	-
Other Products	-	-	-	-	+0.7%	-	-
Other	-	-	-	-	+347.1%	-	-
Temporary Construction Materials (Scaffoldings)	(25.6%)	+14.9%	(16.4%)	(13.6%)	+45.1%	+10.5%	-
Logistics Equipment	+20.9%	+18.6%	+20.0%	(15.3%)	+21.0%	+25.2%	-
Revenue (YoY)	**(18.7%)**	**+15.7%**	**(8.1%)**	**(14.1%)**	**+38.1%**	**+14.3%**	**-**
Wedge Binding Type Scaffoldings	41.9%	46.1%	39.8%	39.2%	28.1%	-	-
Next Generation Scaffoldings	13.0%	13.8%	11.6%	11.3%	6.7%	-	-
Installation & Rental	-	-	-	8.5%	28.2%	-	-
Other Products	-	-	-	10.7%	7.8%	-	-
Other	-	-	-	1.1%	3.6%	-	-
Temporary Construction Materials (Scaffoldings)	77.9%	77.4%	70.4%	70.8%	74.4%	72.0%	-
Logistics Equipment	22.1%	22.6%	29.6%	29.2%	25.6%	28.0%	-
Revenue (Composition Ratio)	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**-**

Source: Company Data, WRJ Calculation

Statement of Cashflows

Statement of Cashflows (Million Yen)	Cons.Act FY 03/2021	Cons.Act FY 03/2022	Cons.Act FY 03/2023	Cons.Act FY 03/2024	Cons.Act FY 03/2025	Cons.CoE FY 03/2026	YoY Net Chg.
Cashflows from operating activities	2,892	835	686	1,973	848	-	-
Cashflows from Investing activities	(181)	(817)	(659)	(626)	(4,318)	-	-
Cashflows from operating and investing activities	**2,711**	**18**	**26**	**1,347**	**(3,469)**	**-**	**-**
Cashflows from financing activities	(1,104)	(1,306)	(1,424)	(1,569)	4,536	-	-

Source: Company Data, WRJ Calculation

Statement of Financial Position

Statement of Financial Position (Million Yen)	Cons.Act FY 03/2021	Cons.Act FY 03/2022	Cons.Act FY 03/2023	Cons.Act FY 03/2024	Cons.Act FY 03/2025	Cons.CoE FY 03/2026	YoY Net Chg.
Cash and cash equivalents	4,738	3,460	2,063	1,843	2,908	-	-
Trade and other receivables	3,006	2,759	2,450	2,225	4,410	-	-
Inventory	1,483	2,467	3,406	3,182	2,439	-	-
Other	62	393	41	39	118	-	-
Total current assets	**9,290**	**9,081**	**7,962**	**7,291**	**9,876**	**-**	**-**
Property, plant and equipment	2,054	2,450	2,403	2,488	5,163	-	-
Right-of-use assets	380	324	240	204	993	-	-
Goodwill	9,221	9,221	9,221	9,221	12,264	-	-
Intangible assets	1,237	1,371	1,387	1,352	1,438	-	-
Other	51	66	79	117	230	-	-
Total non-current assets	**12,945**	**13,434**	**13,332**	**13,384**	**20,090**	**-**	**-**
Total assets	**22,236**	**22,515**	**21,294**	**20,675**	**29,967**	**-**	**-**
Trade and other payables	803	1,192	664	1,045	1,603	-	-
Borrowings	581	1,622	4,242	1,490	4,589	-	-
Other	1,044	737	335	407	500	-	-
Total current liabilities	**2,428**	**3,552**	**5,241**	**2,943**	**6,693**	**-**	**-**
Corporate Bond	-	-	-	-	-	-	-
Borrowings	4,717	3,234	-	1,963	5,897	-	-
Other	647	569	501	449	1,530	-	-
Total non-current liabilities	**5,364**	**3,804**	**501**	**2,413**	**7,427**	**-**	**-**
Total liabilities	**7,793**	**7,357**	**5,742**	**5,357**	**14,121**	**-**	**-**
Total equity attributable to owners of parent	**14,379**	**15,130**	**15,545**	**15,310**	**15,841**	**-**	**-**
Other	63	27	6	8	5	-	-
Total equity	**14,443**	**15,158**	**15,552**	**15,318**	**15,846**	**-**	**-**
Total liabilities and equity	**22,236**	**22,515**	**21,294**	**20,675**	**29,967**	**-**	**-**
Equity attributable to owners of parent	14,379	15,130	15,545	15,310	15,841	-	-
Interest-bearing debt	5,298	4,857	4,242	3,454	10,487	-	-
Net debt	560	1,397	2,178	1,611	7,578	-	-
Equity ratio	64.7%	67.2%	73.0%	74.0%	52.9%	-	-
Net debt-to-equity ratio	3.9%	9.2%	14.0%	10.5%	47.8%	-	-
ROE (12 months)	8.8%	9.8%	6.6%	2.7%	6.3%	-	-
ROA (12 months)	8.1%	9.2%	6.5%	3.1%	5.9%	-	-
Days for inventory turnover	53	75	110	118	68	-	-
Quick ratio	319%	175%	86%	138%	109%	-	-
Current ratio	382%	256%	152%	248%	148%	-	-

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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