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Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 2026 [Japanese GAAP]

August 7, 2025

Company name: PENTA-OCEAN CONSTRUCTION CO.,LTD.
 Listing: Tokyo Stock Exchange, Nagoya Stock Exchange
 Securities code: 1893
 URL: <https://www.penta-ocean.co.jp>
 Representative: Takuzo Shimizu President, Chief Executive Officer and Representative Director
 Inquiries: Tsutomu Sasaki General Manager, Head of Accounting Division
 Telephone: (03)3817-7619
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

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

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

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary income | | Net income attributable to owners of parent | |
|-----------|-----------------|------|------------------|------|-----------------|------|---|------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| FY3/26 1Q | 174,141 | 12.8 | 10,278 | 42.5 | 10,040 | 36.6 | 6,899 | 32.1 |
| FY3/25 1Q | 154,349 | 21.3 | 7,213 | 8.0 | 7,348 | 7.1 | 5,222 | 9.3 |

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 7,146 million [14.1%]
 Three months ended June 30, 2024: ¥ 6,264 million [(4.4) %]

| | Earnings per share | Diluted earnings per share |
|-----------|--------------------|----------------------------|
| | Yen | Yen |
| FY3/26 1Q | 24.63 | - |
| FY3/25 1Q | 18.40 | - |

(2) Consolidated Financial Position

| | Total assets | Net assets | Capital adequacy ratio |
|---------------------|-----------------|-----------------|------------------------|
| | Millions of yen | Millions of yen | % |
| As of June 30, 2025 | 683,112 | 171,962 | 25.2 |
| March 31, 2025 | 660,127 | 172,121 | 26.1 |

(Reference) Equity: As of June 30, 2025: ¥ 171,897 million
 As of March 31, 2025: ¥ 172,061 million

2. Dividends

| | Annual dividends | | | | |
|-------------------|------------------|-----------------|-----------------|----------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| FY3/25 | - | 12.00 | - | 12.00 | 24.00 |
| FY3/26 | - | | | | |
| FY3/26 (Forecast) | | 17.00 | - | 17.00 | 34.00 |

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026(April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary income | | Net income attributable to owners of parent | | Earnings per share |
|-----------|-----------------|-------|------------------|------|-----------------|------|---|-------|--------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 727,000 | (0.1) | 39,500 | 82.0 | 36,000 | 91.1 | 25,000 | 100.6 | 89.86 |

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

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

June 30, 2025: 286,013,910 shares

March 31, 2025: 286,013,910 shares

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

June 30, 2025: 8,641,861 shares

March 31, 2025: 4,204,061 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 280,132,174 shares

Three months ended June 30, 2024: 283,741,349 shares

Note: Both the number of shares of treasury stock as of end of period, and the average number of shares outstanding during the period that is calculated by subtracting the number of shares of treasury stock from the number of outstanding shares, contain the company's shares of the BBT

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

Notes: Request for appropriate use of the business outlook and other special remarks:

1) The financial forecasts for the entire term for fiscal year ending March 31, 2026 are the same as ones provided in May 9, 2025.

2) The forecasts given above are based on information currently available and certain premises regarded as reasonable, and do not include any intent that the company will guarantee its achievement. The actual business result is inherently subject to a variety of risks and uncertainties, and may vary significantly from forecast due to factors including, but not limited to, changes in the economic or business environment and exchange rate fluctuations.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheet

(Millions of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|---|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 57,270 | 53,026 |
| Notes receivable, accounts receivable from completed construction contracts and other | 360,808 | 367,139 |
| Costs on construction contracts in progress | 21,362 | 21,505 |
| Real estate for sale and development projects in progress | 439 | 439 |
| Accounts receivable - other | 36,445 | 38,770 |
| Other | 8,148 | 12,076 |
| Allowance for doubtful accounts | (443) | (455) |
| Total current assets | 484,031 | 492,503 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Land | 33,454 | 33,454 |
| Other, net | 103,857 | 119,705 |
| Total property, plant and equipment | 137,311 | 153,159 |
| Intangible assets | 2,089 | 2,061 |
| Investments and other assets | | |
| Investment securities | 22,475 | 22,502 |
| Retirement benefit asset | 7,667 | 7,728 |
| Other | 10,794 | 9,471 |
| Allowance for doubtful accounts | (4,242) | (4,314) |
| Total investments and other assets | 36,694 | 35,387 |
| Total non-current assets | 176,096 | 190,608 |
| Total assets | 660,127 | 683,112 |

(Millions of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|---|----------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable for construction contracts and other | 156,821 | 137,357 |
| Short-term borrowings | 57,011 | 75,428 |
| Commercial papers | 9,961 | 29,868 |
| Current portion of bonds payable | 10,000 | 10,000 |
| Income taxes payable | 2,783 | 2,396 |
| Advances received on construction contracts in progress | 30,388 | 33,999 |
| Deposits received | 81,519 | 75,894 |
| Provision for loss on construction contracts | 6,191 | 4,713 |
| Other provisions | 4,577 | 2,685 |
| Other | 19,591 | 12,891 |
| Total current liabilities | 378,846 | 385,236 |
| Non-current liabilities | | |
| Bonds payable | 31,000 | 31,000 |
| Long-term borrowings | 58,503 | 73,026 |
| Deferred tax liabilities for land revaluation | 3,787 | 3,787 |
| Provisions | 492 | 447 |
| Retirement benefit liability | 1,246 | 1,249 |
| Other | 14,129 | 16,402 |
| Total non-current liabilities | 109,159 | 125,913 |
| Total liabilities | 488,005 | 511,150 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 30,449 | 30,449 |
| Capital surplus | 18,386 | 18,386 |
| Retained earnings | 111,155 | 114,662 |
| Treasury shares | (2,759) | (6,673) |
| Total shareholders' equity | 157,233 | 156,826 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 5,007 | 5,015 |
| Deferred gains or losses on hedges | 13 | 12 |
| Revaluation reserve for land | 3,869 | 3,869 |
| Foreign currency translation adjustment | 3,510 | 3,771 |
| Remeasurements of defined benefit plans | 2,426 | 2,402 |
| Total accumulated other comprehensive income | 14,828 | 15,071 |
| Non-controlling interests | 60 | 64 |
| Total net assets | 172,121 | 171,962 |
| Total liabilities and net assets | 660,127 | 683,112 |

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statement of Income (For the three months)

| | (Millions of yen) | |
|--|--|--|
| | FY3/25 1Q (From Apr.1,2024 to Jun.30,2024) | FY3/26 1Q (From Apr.1,2025 to Jun.30,2025) |
| Net sales | | |
| Net sales of completed construction contracts | 148,907 | 170,025 |
| Other sales | 5,441 | 4,115 |
| Total net sales | 154,349 | 174,141 |
| Cost of sales | | |
| Cost of sales of completed construction contracts | 136,269 | 154,071 |
| Other cost of sales | 4,657 | 3,329 |
| Total cost of sales | 140,926 | 157,400 |
| Gross profit | | |
| Gross profit on completed construction contracts | 12,638 | 15,954 |
| Gross profit - other | 784 | 786 |
| Total gross profit | 13,422 | 16,740 |
| Selling, general and administrative expenses | 6,209 | 6,462 |
| Operating profit | 7,213 | 10,278 |
| Non-operating income | | |
| Interest income | 93 | 57 |
| Dividend income | 135 | 140 |
| Foreign exchange gains | 650 | 242 |
| Other | 49 | 81 |
| Total non-operating income | 928 | 521 |
| Non-operating expenses | | |
| Interest expenses | 529 | 648 |
| Other | 264 | 111 |
| Total non-operating expenses | 793 | 759 |
| Ordinary income | 7,348 | 10,040 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 3 | 1 |
| Total extraordinary income | 3 | 1 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 21 | 54 |
| Other | 0 | 1 |
| Total extraordinary losses | 21 | 55 |
| Income before income taxes | 7,330 | 9,986 |
| Income taxes - current | 875 | 1,705 |
| Income taxes - deferred | 1,263 | 1,376 |
| Total income taxes | 2,138 | 3,082 |
| Net income | 5,191 | 6,903 |
| Net income(loss) attributable to non-controlling interests | (30) | 3 |
| Net income attributable to owners of parent | 5,222 | 6,899 |

Quarterly Consolidated Statement of Comprehensive Income (For the three months)

| | (Millions of yen) | |
|--|--|--|
| | FY3/25 1Q (From Apr.1,2024 to Jun.30,2024) | FY3/26 1Q (From Apr.1,2025 to Jun.30,2025) |
| Net income | 5,191 | 6,903 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 11 | 7 |
| Deferred gains or losses on hedges | (6) | (1) |
| Foreign currency translation adjustment | 1,157 | 261 |
| Remeasurements of defined benefit plans, net of tax | (88) | (24) |
| Total other comprehensive income | 1,073 | 243 |
| Comprehensive income | 6,264 | 7,146 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 6,295 | 7,142 |
| Comprehensive income attributable to non-controlling interests | (30) | 4 |

(Reference)

Non-Consolidated Orders Received, Net Sales and Backlog

1. Orders Received (Millions of Yen)

| | | | FY3/25 1Q (From Apr. 1, 2024 to Jun. 30, 2024) | FY3/26 1Q (From Apr. 1, 2025 to Jun. 30, 2025) | Increase (Decrease) | Rate of change (%) |
|--------|--------------------------------|-----------------------|--|--|------------------------|--------------------|
| | | Public works | 20,016 | 26,297 | 6,281 | 31.4 |
| | | Private works | 8,235 | 29,559 | 21,323 | 258.9 |
| | Domestic civil engineering | | 28,251 | 55,857 | 27,605 | 97.7 |
| | | Public works | 846 | 566 | (280) | (33.1) |
| | | Private works | 72,207 | 132,420 | 60,213 | 83.4 |
| | Domestic building construction | | 73,054 | 132,986 | 59,932 | 82.0 |
| | | Civil engineering | 4,974 | 120,496 | 115,521 | 2,322.2 |
| | | Building construction | 1,632 | 4,117 | 2,484 | 152.2 |
| | Overseas | | 6,607 | 124,613 | 118,006 | 1,786.1 |
| | Construction Total | | 107,912 | 313,457 | 205,544 | 190.5 |
| Others | | 76 | 77 | 1 | 1.4 | |
| Total | | 107,989 | 313,534 | 205,545 | 190.3 | |

2. Net Sales (Millions of Yen)

| | | | FY3/25 1Q (From Apr. 1, 2024 to Jun. 30, 2024) | FY3/26 1Q (From Apr. 1, 2025 to Jun. 30, 2025) | Increase (Decrease) | Rate of change (%) |
|--------|--------------------------------|-----------------------|--|--|------------------------|--------------------|
| | | Public works | 43,596 | 47,016 | 3,420 | 7.8 |
| | | Private works | 19,003 | 16,546 | (2,456) | (12.9) |
| | Domestic civil engineering | | 62,599 | 63,563 | 963 | 1.5 |
| | | Public works | 5,111 | 12,190 | 7,078 | 138.5 |
| | | Private works | 40,971 | 53,462 | 12,490 | 30.5 |
| | Domestic building construction | | 46,083 | 65,652 | 19,569 | 42.5 |
| | | Civil engineering | 17,413 | 13,187 | (4,225) | (24.3) |
| | | Building construction | 15,200 | 20,432 | 5,232 | 34.4 |
| | Overseas | | 32,613 | 33,620 | 1,006 | 3.1 |
| | Construction Total | | 141,296 | 162,835 | 21,539 | 15.2 |
| Others | | 76 | 77 | 1 | 1.4 | |
| Total | | 141,372 | 162,913 | 21,540 | 15.2 | |

3. Backlog (Millions of Yen)

| | | | FY3/25 1Q (Jun. 30, 2024) | FY3/26 1Q (Jun. 30, 2025) | Increase (Decrease) | Rate of change (%) |
|--------|--------------------------------|-----------------------|------------------------------|------------------------------|------------------------|--------------------|
| | | Public works | 191,089 | 168,121 | (22,967) | (12.0) |
| | | Private works | 134,298 | 134,779 | 481 | 0.4 |
| | Domestic civil engineering | | 325,388 | 302,901 | (22,486) | (6.9) |
| | | Public works | 127,457 | 163,153 | 35,696 | 28.0 |
| | | Private works | 282,092 | 352,649 | 70,557 | 25.0 |
| | Domestic building construction | | 409,549 | 515,803 | 106,253 | 25.9 |
| | | Civil engineering | 101,050 | 229,947 | 128,896 | 127.6 |
| | | Building construction | 246,630 | 197,779 | (48,851) | (19.8) |
| | Overseas | | 347,681 | 427,727 | 80,045 | 23.0 |
| | Construction Total | | 1,082,619 | 1,246,432 | 163,812 | 15.1 |
| Others | | - | - | - | - | |
| Total | | 1,082,619 | 1,246,432 | 163,812 | 15.1 | |