



May 13, 2025

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [Japanese GAAP]

Company: Hibiya Engineering, Ltd.

Stock exchange listing: Tokyo Stock Exchange (Prime Market)

Stock code: 1982

URL: <https://www.hibiya-eng.co.jp/English>

Representative Director: Hidetaka Nakagita, President and CEO

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Scheduled date of annual general meeting of shareholders: June 24, 2025

Scheduled date to commence dividend payments: June 25, 2025

Scheduled date to file annual securities report: June 23, 2025

Preparation of supplementary explanatory documents: Yes

Holding of earnings presentation: Yes (for institutional investors and analysts)

(Yen in millions, rounded down, figures in parentheses indicate negative amounts or percentages.)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

(1) Consolidated results of operations

(Percentage figures represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2025	89,786	7.2	7,456	30.0	8,138	26.2	5,906	23.0
March 31, 2024	83,762	(0.3)	5,737	(3.6)	6,446	(2.6)	4,800	3.4

Note: Comprehensive income For the fiscal year ended March 31, 2025: 5,400 million yen [(35.0)%]
For the fiscal year ended March 31, 2024: 8,304 million yen [78.8%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	265.06	263.90	8.5	8.2	8.3
March 31, 2024	211.06	210.20	7.3	6.7	6.9

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2025: – million yen
For the fiscal year ended March 31, 2024: – million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2025	99,915	71,684	70.6	3,202.02
March 31, 2024	98,226	69,914	70.0	3,056.74

Reference: Equity (Shareholders equity + Accumulated other comprehensive income)

As of March 31, 2025: 70,500 million yen
As of March 31, 2024: 68,771 million yen

(3) Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
As of	Million yen	Million yen	Million yen	Million yen
March 31, 2025	(616)	(1,795)	(3,765)	22,778
March 31, 2024	4,167	244	(3,385)	28,956

2. Dividends

	Annual dividends per share					Total dividends (Annual)	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2024	–	43.00	–	43.00	86.00	1,960	40.7	3.0
Fiscal year ended March 31, 2025	–	44.00	–	50.00	94.00	2,090	35.5	3.0
Fiscal year ending March 31, 2026 (Forecast)	–	50.00	–	50.00	100.00		36.7	

3. Consolidated forecast for the fiscal year ending March 31, 2026 (April 1, 2025–March 31, 2026)

(Percentage figures represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	93,500	4.1	7,800	4.6	8,400	3.2	6,000	1.6	272.51

* Notes

(1) Significant changes in the scope of consolidation during the period: No

(2) Changes in accounting policies, accounting estimates, and restatement

(a) Changes in accounting policies due to revisions of accounting standards and other regulations: Yes

(b) Changes in accounting policies due to reasons other than (a): No

(c) Changes in accounting estimates: No

(d) Restatement: No

(3) Number of shares issued (common shares)

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

As of March 31, 2025: 23,756,321

As of March 31, 2024: 23,756,321

(b) Number of treasury shares at the end of the period

As of March 31, 2025: 1,738,774

As of March 31, 2024: 1,258,110

(c) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025: 22,285,622

Fiscal year ended March 31, 2024: 22,746,134

(Reference) Summary of the Non-consolidated Financial Results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

(1) Non-consolidated results of operations (Percentage figures represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2025	80,316	11.4	6,707	51.8	7,694	51.0	5,806	46.9
March 31, 2024	72,110	(2.0)	4,418	(13.3)	5,094	(11.2)	3,952	(5.0)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	260.54	259.40
March 31, 2024	173.76	173.05

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2025	91,152	63,222	69.2	2,863.40
March 31, 2024	87,244	61,726	70.6	2,737.11

Reference: Equity (Shareholders' equity + Valuation and translation adjustments)

As of March 31, 2025: 63,045 million yen

As of March 31, 2024: 61,580 million yen

2. Non-consolidated forecast for the fiscal year ending March 31, 2026 (April 1, 2025–March 31, 2026)

(Percentage figures represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	83,000	3.3	6,800	1.4	7,400	(3.8)	5,500	(5.3)	249.80

This report is exempt from audit by certified public accountants or an audit firm.

Forward-looking statements, important notes, etc.

The forward-looking statements such as the forecasts of financial results stated in this report are based on the information currently available to the Company and certain assumptions that the Company judges as rational. These statements are not guarantees of future performance. Actual results may be materially different from the above forecasts for a number of reasons. For more information about these assumptions and other conditions that form the basis of these forecasts, please see page 8 of the Supplementary Information, “1. Results of Operations etc. (4) Outlook.”

(How to obtain supplementary explanatory documents and the content of the earnings presentation)

The Company plans to hold a results briefing for analysts and institutional investors on Monday, May 19, 2025. Explanatory documents distributed at the results briefing will be posted on the Company’s website immediately after it is held.

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1. Results of Operations etc.

(1) Overview of consolidated business performance

During the fiscal year ended March 31, 2025 (the “fiscal year under review”), the Japanese economy showed signs of gradual recovery. At the same time, however, opacity and uncertainty has increased amid disruptions to the international economic order stemming from the U.S. trade policy.

In the construction industry, both government construction investment and private-sector construction investment remained steady. Meanwhile, measures are required to respond to rising material prices and labor costs, as well as other issues.

In these circumstances, the Hibiya Engineering Group (the “Group”) worked to move forward with a range of initiatives in its 8th Medium-term Management Plan, such as the enhancement of sales activities to acquire orders of large-scale data centers, development of solutions for decarbonization and energy-saving, and improvement in construction efficiency. The Group also sought to, among others, strengthen human resource management and comply with regulations on the upper limit to overtime work.

As a result of these initiatives, orders received (93,655 million yen) exceeded the earnings forecast (88,500 million yen), supported by solid demand trends, but decreased year on year (down 11.3%), reflecting a strategic approach adopted by the Company in which it assessed the amount of order backlogs and the construction capability.

Net sales (89,786 million yen) fell short of the earnings forecast (91,000 million yen) due to delays in certain large-scale construction projects, but increased year on year (up 7.2%), primarily attributable to steady progress in many construction projects carried over from the previous fiscal year.

On the profit front, operating profit came to 7,456 million yen (up 30.0% year on year) and ordinary profit amounted to 8,138 million yen (up 26.2% year on year), reflecting an increase in the profitability of construction projects completed, on top of an improvement in the projected profit at the time of receiving orders. Both of these results exceeded earnings forecast (5,900 million yen for operating profit and 6,600 million yen for ordinary profit) and increased year on year. Profit attributable to owners of parent also increased year on year to 5,906 million yen (up 23.0%), reflecting an addition of extraordinary income due to the sale of cross-shareholdings.

Results of operations for business segments are as follows.

1. Construction

Segment sales increased 11.4% to 80,316 million yen and operating profit increased 51.8% to 6,707 million yen.

2. Equipment Sales

Segment sales decreased 7.3% to 7,082 million yen and operating profit decreased 6.3% to 615 million yen.

3. Equipment Manufacturing

Segment sales decreased 40.5% to 2,386 million yen and operating profit decreased 82% to 116 million yen.

Orders received by segment

Segment name	FY3/24 (Apr. 1, 2023–Mar. 31, 2024) (Million yen)	FY3/25 (Apr. 1, 2024–Mar. 31, 2025) (Million yen)	YoY change (%)
Construction	94,032	84,066	(10.6)
Equipment Sales	7,640	7,082	(7.3)
Equipment Manufacturing	3,887	2,506	(35.5)
Total	105,560	93,655	(11.3)

Net sales by segment

Segment name	FY3/24 (Apr. 1, 2023–Mar. 31, 2024) (Million yen)	FY3/25 (Apr. 1, 2024–Mar. 31, 2025) (Million yen)	YoY change (%)
Construction	72,110	80,316	11.4
Equipment Sales	7,640	7,082	(7.3)
Equipment Manufacturing	4,011	2,386	(40.5)
Total	83,762	89,786	7.2

Note: Inter-segment transactions were eliminated.

(2) Overview of financial position

Assets

The Group's total assets at the end of the fiscal year under review stood at 99,915 million yen, an increase of 1,689 million yen from the end of the previous fiscal year.

The increase in total assets was mainly attributable to year-on-year increases of 5,339 million yen in notes receivable, accounts receivable from completed construction contracts and other, and 1,446 million yen in electronically recorded monetary claims – operating stemming from an increase in net sales and other factors, partially offset by a year-on-year decrease of 4,174 million yen in cash and deposits.

Liabilities

The Group's total liabilities at the end of the fiscal year under review stood at 28,230 million yen, a decrease of 80 million yen from the end of the previous fiscal year.

The decrease in liabilities was mainly attributable to year-on-year decreases of 428 million yen in notes payable, accounts payable for construction contracts and other due to a decrease in trade payables and the shortening of payment term, and 968 million yen in advances received on construction contracts in progress, partially offset by a year-on-year increase of 1,147 million yen in income taxes payable due mainly to a year-on-year increase in profit.

Net assets

The Group's net assets at the end of the fiscal year under review stood at 71,684 million yen, an increase of 1,769 million yen from the end of the previous fiscal year.

The increase in net assets was mainly attributable to a year-on-year increase of 3,941 million yen in retained earnings due to the posting of profit attributable to owners of parent of 5,906 million yen, partially offset by payment of dividends and repurchase of treasury shares.

(3) Overview of cash flows

At the end of the fiscal year under review, cash flows from operating activities resulted in cash outflow of 616 million yen. This was mainly due to a decrease in cash inflows attributable to increased trade receivables from higher sales as well as an increase in cash outflows linked to decreased trade payable due primarily to the shortening of payment term, despite an increase in profit before income taxes.

Cash flows from investing activities resulted in cash outflow of 1,795 million yen. This was primarily due to an increase in cash outflows as a result of shifting the focus of short-term investment management from cash equivalents to marketable securities and investment securities in response to changes in the financial environment, although cash outflows from capital investment and other activities were on a par with the previous fiscal year.

Cash flows from financing activities resulted in cash outflow of 3,765 million yen. The amount of cash outflow increased 380 million yen year on year primarily due to an increase in cash outflow associated with repurchase and sale of treasury shares.

The result of these cash flows was a net decrease of 6,177 million yen in cash and cash equivalents, to 22,778 million yen at the end of the fiscal year under review.

(Reference) Cash flow index trends

	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25
Equity ratio (%)	70.9	70.7	67.2	70.0	70.6
Equity ratio based on market value (%)	53.8	49.2	52.4	68.1	68.9
Ratio of interest-bearing debt to cash flows (years)	–	–	–	–	–
Interest coverage ratio (times)	32,387.4	318.7	21,713.1	–	–

Equity ratio:	Equity/Total assets
Equity ratio based on market value:	Market capitalization/Total assets
Ratio of interest-bearing debt to cash flows:	Interest-bearing debt/Operating cash flows
Interest coverage ratio:	Operating cash flows/Interest expenses

- Notes
1. All indicators are based on figures in the consolidated financial statements.
 2. Market capitalization was calculated based on the number of shares issued excluding the number of treasury shares.
 3. Operating cash flows are net cash provided by operating activities shown in the consolidated statements of cash flows. Interest-bearing debt is the sum of all short-term borrowings on the consolidated balance sheets. Interest is the amount of interest paid on the consolidated statements of cash flows
 4. Ratio of interest-bearing debt to cash flows is not shown for the fiscal year ended March,31 2021 because of the absence of interest-bearing debt.
 5. Ratio of interest-bearing debt to cash flows is not shown for the fiscal year ended March,31 2022 because of the absence of interest-bearing debt.
 6. Ratio of interest-bearing debt to cash flows is not shown for the fiscal year ended March,31 2023 because of the absence of interest-bearing debt.
 7. Ratio of interest-bearing debt to cash flows is not shown for the fiscal year ended March,31 2024 because of the absence of interest-bearing debt. The interest coverage ratio is not shown either because of the absence of interest payment.
 8. Ratio of interest-bearing debt to cash flows is not shown for the fiscal year ended March,31 2025 because of the absence of interest-bearing debt. The interest coverage ratio is not shown either because of the absence of interest payment.

(4) Outlook

Looking to the future, moderate recovery is expected to continue with the improvement of the employment and income environment. However, attention should be directed toward the adverse effects of global economic uncertainties, fluctuations in the financial and capital markets, and their resulting adverse effects on the domestic economy and other negative outcomes.

In the construction industry, overall investment in construction is expected to remain strong, but it is important to keep a close watch on investment restraints and other unfavorable situations triggered by rising construction costs.

In the 61st period (the fiscal year ending March 31, 2026), which is the last fiscal year of the 8th Medium-term Management Plan, the Company will continue to cultivate its core businesses deeply, expand the scope of its operations, and strengthen management foundations, as well as promote ESG management.

In terms of financial goals for the 61st period (the fiscal year ending March 31, 2026), the goals for orders received, net sales and operating profit are 95.5 billion yen, 93.5 billion yen, and 7.8 billion yen, respectively, and profit attributable to owners of parent is expected to be 6.0 billion yen.

2. **Basic Policy about the Selection of Accounting Standards**

The policy of the Hibiya Engineering Group is to continue preparing consolidated financial statements based on Japanese accounting standards for the time being. Using these standards allows comparing consolidated financial data in different fiscal years as well as with the financial data of other companies in Japan.

For the application of IFRS Accounting Standards, actions will be taken in an appropriate manner based on all relevant factors in Japan and other countries.

3. Consolidated Financial Statements and Important Notes

(1) Consolidated balance sheet

(Million yen)

	Fiscal year ended March 31, 2024 (As of March 31, 2024)	Fiscal year ended March 31, 2025 (As of March 31, 2025)
Assets		
Current assets		
Cash and deposits	23,956	19,781
Notes receivable, accounts receivable from completed construction contracts and other	36,220	41,560
Electronically recorded monetary claims – operating	1,047	2,494
Securities	7,999	6,992
Costs on construction contracts in progress	1,525	1,663
Other	357	395
Allowance for doubtful accounts	(1)	(1)
Total current assets	71,105	72,886
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	1,515	1,626
Land	93	93
Leased assets	54	58
Other	1,031	1,049
Accumulated depreciation	(1,880)	(1,952)
Total property, plant and equipment	814	876
Intangible assets	259	260
Investments and other assets		
Investment securities	20,917	20,379
Investments in silent partnerships	1,643	1,891
Retirement benefit asset	456	567
Deferred tax assets	96	55
Insurance funds	1,933	2,002
Other	1,056	1,037
Allowance for doubtful accounts	(58)	(43)
Total investments and other assets	26,045	25,891
Total noncurrent assets	27,120	27,028
Total assets	98,226	99,915

(Million yen)

	Fiscal year ended March 31, 2024 (As of March 31, 2024)	Fiscal year ended March 31, 2025 (As of March 31, 2025)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	16,269	15,841
Lease liabilities	4	5
Income taxes payable	1,466	2,613
Advances received on construction contracts in progress	1,401	433
Provision for bonuses	2,878	3,624
Provision for warranties for completed construction	147	104
Provision for loss on construction contracts	280	73
Other	3,186	3,841
Total current liabilities	25,634	26,536
Noncurrent liabilities		
Lease liabilities	3	12
Deferred tax liability	1,699	1,252
Retirement benefit liability	960	416
Asset retirement obligations	12	12
Other	0	0
Total noncurrent liabilities	2,677	1,694
Total liabilities	28,311	28,230
Net assets		
Shareholders' equity		
Share capital	5,753	5,753
Capital surplus	6,140	6,140
Retained earnings	51,516	55,458
Treasury shares	(2,614)	(4,309)
Total shareholders' equity	60,795	63,041
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,350	7,354
Remeasurements of defined benefit plans	(374)	104
Total accumulated other comprehensive income	7,975	7,458
Share acquisition rights	146	177
Non-controlling interests	996	1,005
Total net assets	69,914	71,684
Total liabilities and net assets	98,226	99,915

(2) Consolidated statement of income and consolidated statement of comprehensive income
(Consolidated statement of income)

(Million yen)

	Fiscal year ended March 31, 2024 (April 1, 2023–March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)
Net sales	83,762	89,786
Cost of sales	68,858	72,519
Gross profit	14,903	17,266
Selling, general and administrative expenses	9,165	9,809
Operating profit	5,737	7,456
Non-operating income		
Interest income	37	67
Dividend income	400	412
Gain on investments in silent partnerships	209	74
Other	67	134
Total non-operating income	714	688
Non-operating expenses		
Other	6	7
Total non-operating expenses	6	7
Ordinary profit	6,446	8,138
Extraordinary income		
Gain on sale of investment securities	354	596
Reversal of allowance for doubtful accounts	36	–
Total extraordinary income	390	596
Profit before income taxes	6,836	8,734
Income taxes - current	1,567	3,007
Income taxes - deferred	395	(244)
Total income taxes	1,963	2,762
Profit	4,872	5,971
Profit attributable to non-controlling interests	71	64
Profit attributable to owners of parent	4,800	5,906

(Consolidated statement of comprehensive income)

(Million yen)

	Fiscal year ended March 31, 2024 (April 1, 2023–March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)
Profit	4,872	5,971
Other comprehensive income		
Valuation difference on available-for-sale securities	3,454	(1,049)
Remeasurements of defined benefit plans, net of tax	(22)	478
Total other comprehensive income	3,432	(571)
Comprehensive income	8,304	5,400
Comprehensive income attributable to:		
Owners of parent	8,270	5,389
Non-controlling interests	34	10

(3) Consolidated statement of changes in equity
Fiscal year ended March 31, 2024 (Apr. 1, 2023-Mar. 31, 2024)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,753	6,140	51,277	(4,079)	59,091
Changes during period					
Dividends of surplus			(1,978)		(1,978)
Profit attributable to owners of parent			4,800		4,800
Purchase of treasury shares				(1,683)	(1,683)
Disposal of treasury shares			(3)	568	565
Cancellation of treasury shares			(2,580)	2,580	–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	239	1,464	1,703
Balance at end of period	5,753	6,140	51,516	(2,614)	60,795

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available for sale securities	Remeasurements of defined benefit plants	Total accumulated other comprehensive income			
Balance at beginning of period	4,858	(351)	4,506	153	962	64,714
Changes during period						
Dividends of surplus						(1,978)
Profit attributable to owners of parent						4,800
Purchase of treasury shares						(1,683)
Disposal of treasury shares						565
Cancellation of treasury shares						–
Net changes in items other than shareholders' equity	3,491	(22)	3,469	(6)	33	3,496
Total changes during period	3,491	(22)	3,469	(6)	33	5,200
Balance at end of period	8,350	(374)	7,975	146	996	69,914

Fiscal year ended March 31, 2025 (Apr. 1, 2024-Mar. 31, 2025)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,753	6,140	51,516	(2,614)	60,795
Changes during period					
Dividends of surplus			(1,958)		(1,958)
Profit attributable to owners of parent			5,906		5,906
Purchase of treasury shares				(1,801)	(1,801)
Disposal of treasury shares			(7)	106	99
Net changes in items other than shareholders' equity					
Total changes during period	–	–	3,941	(1,695)	2,246
Balance at end of period	5,753	6,140	55,458	(4,309)	63,041

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available for sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	8,350	(374)	7,975	146	996	69,914
Changes during period						
Dividends of surplus						(1,958)
Profit attributable to owners of parent						5,906
Purchase of treasury shares						(1,801)
Disposal of treasury shares						99
Net changes in items other than shareholders' equity	(995)	478	(517)	31	9	(476)
Total changes during period	(995)	478	(517)	31	9	1,769
Balance at end of period	7,354	104	7,458	177	1,005	71,684

(4) Consolidated statement of cash flows

(Million yen)

	Fiscal year ended March 31, 2024 (Apr. 1, 2023–Mar. 31, 2024)	Fiscal year ended March 31, 2025 (Apr. 1, 2024–Mar. 31, 2025)
Cash flows from operating activities		
Profit before income taxes	6,836	8,734
Depreciation	209	250
Increase (decrease) in allowance for doubtful accounts	(267)	(15)
Decrease (increase) in net defined benefit asset	88	122
Increase (decrease) in net defined benefit liability	(83)	(87)
Increase (decrease) in provision for bonuses	(270)	745
Increase (decrease) in provision for warranties for completed construction	(1,071)	(43)
Increase (decrease) in provision for loss on construction contracts	40	(207)
Interest and dividend income	(437)	(479)
Loss (gain) on sale of investment securities	(354)	(596)
Decrease (increase) in trade receivables	1,849	(6,786)
Decrease (increase) in inventories	(406)	(138)
Increase (decrease) in trade payables	(1,654)	(428)
Increase (decrease) in advances received on uncompleted construction contracts	811	(968)
Decrease/increase in consumption taxes receivable/payable	(52)	385
Other, net	749	292
Subtotal	5,987	779
Interest and dividend received	442	474
Proceeds from insurance income	11	1
Income taxes paid	(2,273)	(1,872)
Net cash provided by (used in) operating activities	4,167	(616)
Cash flow from investing activities		
Purchase of securities	(3,998)	(7,991)
Proceeds from redemption of securities	3,998	5,993
Purchase of property, plant and equipment	(243)	(231)
Purchase of intangible assets	(63)	(82)
Purchase of investment securities	(19)	(1,021)
Proceeds from sale of investment securities	541	733
Proceeds from redemption of investment securities	–	1,000
Purchase of insurance funds	(96)	(69)
Proceeds from maturity of insurance funds	24	–
Payments for investments in silent partnerships	(301)	(248)
Proceeds from withdrawal of investments in silent partnership	381	74
Other, net	21	47
Net cash provided (used in) investing activities	244	(1,795)
Cash flow from financing activities		
Purchase of treasury shares	(1,683)	(1,801)
Proceeds from sale of treasury shares	284	0
Dividends paid	(1,978)	(1,958)
Dividends paid to non-controlling interests	(0)	(0)
Repayments of lease liabilities	(6)	(4)
Net cash provided by (used in) financing activities	(3,385)	(3,765)
Net increase (decrease) in cash and cash equivalents	1,027	(6,177)
Cash and cash equivalents at beginning of period	27,929	28,956
Cash and cash equivalents at end of period	28,956	22,778

- (5) Notes to consolidated financial statements
(Going concern assumptions)
No

(Changes in accounting policies)

Application of Accounting Standard for Current Income Taxes, etc.

The Company has applied Accounting Standard for Current Income Taxes (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; hereinafter referred to as the "Revised Accounting Standard 2022") effective from beginning of the fiscal year under review.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "Revised Implementation Guidance 2022"). This change in accounting policies has no impact on the consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the fiscal year under review. This change in accounting policies is applied retrospectively, and consolidated financial statements and consolidated financial statements for the previous year are after retrospective application. The change has no impact on the consolidated financial statements for the previous fiscal year.

(Segment information etc.)

1. General information about reportable segments

Reportable segments are the components of the Hibiya Engineering Group (the “Group”) for each of which discrete financial information is available and the board of directors perform a regular review for the purposes of determining the allocation of resources and evaluating the results of operations.

As a comprehensive engineering organization, the Group’s business operations involve equipment used for air conditioning, plumbing and sanitation, electrical systems, data management, communications and other applications. The Company has been developing business activities, such as planning, design and installation of a broad range of equipment, and its subsidiaries have been operating the equipment sales agent and engaged in manufacture and sales of equipment. Each company is managed independently, establishes its own comprehensive strategies for its products and services, and conducts its own business activities.

Consequently, the Group’s activities are divided into three reportable segments based on the products and services of each company in the Group: Construction, Equipment Sales and Equipment Manufacturing.

2. Basis of measurement for net sales, profit or loss, assets, liabilities and other items by reportable segment

The accounting policies of the reportable segments are generally consistent with the summary of significant accounting policies.

Segment profits are based on operating profit.

Inter-segment sales and transfers are based on the actual market prices.

3. Information about net sales, profit or loss, assets, liabilities and other items by reportable segment

Fiscal year ended March 31, 2024 (April 1, 2023–March 31, 2024)

	Construction	Equipment Sales	Equipment Manufacturing	Total	Adjustments (Note 1)	Amount on the consolidated statements (Note 2)
Net sales						
Goods or service transferred at a point in time (Note 3)	9,498	7,640	4,011	21,150	–	21,150
Product or service transferred over time	62,612	–	–	62,612	–	62,612
Revenue from contracts with customers	72,110	7,640	4,011	83,762	–	83,762
Outside customers	72,110	7,640	4,011	83,762	–	83,762
Intersegment sales or transfers	0	3,699	857	4,556	(4,556)	–
Total	72,110	11,339	4,869	88,319	(4,556)	83,762
Segment profit	4,418	657	647	5,723	14	5,737
Segment assets	38,457	10,319	4,183	52,959	45,266	98,226
Other items						
Depreciation	149	5	54	209	–	209
Increase in property, plant and equipment and intangible assets	223	11	72	306	–	306

Notes 1. Adjustment of segment profit of 14 million yen is mainly due to the elimination of intersegment transactions. Adjustment of segment assets of 45,266 million yen includes negative 3,283 million yen of inter-segment transactions elimination and 48,550 million yen for corporate assets that cannot be allocated to any reportable segments, which primarily comprise cash and deposit, securities and investment securities.

2. Segment profit is adjusted with operating profit in the consolidated statement of income.

3. Construction contracts for which revenue is recognized upon complete fulfilment of the obligation to the customers are included in product or service transferred at a point in time in accordance with the alternative measures stipulated in paragraph 95 of *Implementation Guidance on Accounting Standard for Revenue Recognition* (ASBJ Guidance No. 30).

Fiscal year ended March 31, 2025 (April 1, 2024–March 31, 2025)

(Million yen)

	Construction	Equipment Sales	Equipment Manufacturing	Total	Adjustments (Note 1)	Amount on the consolidated statements (Note 2)
Net sales						
Goods or service transferred at a point in time (Note 3)	9,744	7,082	2,386	19,213	–	19,213
Product or service transferred over time	70,572	–	–	70,572	–	70,572
Revenue from contracts with customers	80,316	7,082	2,386	89,786	–	89,786
Outside customers	80,316	7,082	2,386	89,786	–	89,786
Intersegment sales or transfers	–	4,616	635	5,252	(5,252)	–
Total	80,316	11,698	3,022	95,038	(5,252)	89,786
Segment profit	6,707	615	116	7,440	16	7,456
Segment assets	46,911	10,060	3,068	60,040	39,875	99,915
Other items						
Depreciation	174	4	71	250	–	250
Increase in property, plant and equipment and intangible assets	284	15	13	313	–	313

Notes 1. Adjustment of segment profit of 16 million yen is mainly due to the elimination of intersegment transactions. Adjustment of segment assets of 39,875 million yen includes negative 4,361 million yen of intersegment transactions elimination and 44,236 million yen for corporate assets that cannot be allocated to any reportable segments, which primarily comprise cash and deposit, securities and investment securities.

2. Segment profit is adjusted with operating profit in the consolidated statement of income.

3. Construction contracts for which revenue is recognized upon complete fulfilment of the obligation to the customers are included in product or service transferred at a point in time in accordance with the alternative measures stipulated in paragraph 95 of *Implementation Guidance on Accounting Standard for Revenue Recognition* (ASBJ Guidance No. 30).

(Per share information)

(Yen)

	Fiscal year ended March 31, 2024 (Apr. 1, 2023–Mar. 31, 2024)	Fiscal year ended March 31, 2025 (Apr. 1, 2024–Mar. 31, 2025)
Net assets per share	3,056.74	3,202.02
Basic earnings per share	211.06	265.06
Diluted earnings per share	210.20	263.90

Notes 1. The bases for calculating net assets per share are as follows.

(Million yen/Thousands shares)

	Fiscal year ended March 31, 2024 (Apr. 1, 2023–Mar. 31, 2024)	Fiscal year ended March 31, 2025 (Apr. 1, 2024–Mar. 31, 2025)
Total net assets	69,914	71,684
Amount deducted from total net assets	1,142	1,183
[of which shares acquisition rights]	[146]	[177]
[of which non-controlling interests]	[996]	[1,005]
Net assets at the end of the period attributable to common shares	68,771	70,500
Number of common shares at the end of period used for calculation of net assets per share	22,498	22,017

Shares held by the Executive Compensation Board Incentive Plan (BIP) Trust are included in treasury shares which are excluded from the calculation of the net assets per share (135 thousand shares in FY3/24 and 95 thousand shares in FY3/25).

2. The bases for calculating basic earnings per share and diluted earnings per share are as follows.

(Million yen/Thousands shares)

	Fiscal year ended March 31, 2024 (Apr. 1, 2023–Mar. 31, 2024)	Fiscal year ended March 31, 2025 (Apr. 1, 2024–Mar. 31, 2025)
Basic earnings per share		
Profit attributable to owners of parent	4,800	5,906
Amount that is not attributable to common shareholders	–	–
Profit attributable to owners of parent related to common shares	4,800	5,906
Average number of common shares during the period	22,746	22,285
Diluted earnings per share		
Adjustment of profit attributable to owners of parent	–	–
Number of common shares increased	93	97
[of which share acquisition rights]	[93]	[97]
Descriptions of potential shares that were not included in the calculation of diluted earnings per share due to the absence of dilutive effect		–

Shares held by the Executive Compensation Board Incentive Plan (BIP) Trust are included in treasury shares which are excluded from the calculation of the average number of common shares during the period used in the calculation of earnings per share and earnings per share fully diluted (102 thousand shares in FY3/24 and 103 thousand shares in FY3/25)

(Significant subsequent events)

No

4. Other Information
Change of Directors

The change of Directors will be disclosed separately.