November 11, 2025

Consolidated Financial Results for the First Half of the Fiscal Year Ending March 31, 2026 [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
Contact: Akira Domon, Executive Officer, Manager of IR and PR Office, Administration Division
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Scheduled date to file semi-annual securities report:	November 11, 2025
Scheduled date to commence dividend payments:	December 8, 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 first half of the fiscal year ending March 31, 2026 (April 1, 2025–September 30, 2025)

(1) Consolidated result of operations (Year-to-date) (Percentage figures represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
First half ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2025	40,542	7.7	3,615	11.7	3,998	11.8	2,833	10.1
September 30, 2024	37,660	14.1	3,238	231.8	3,576	150.1	2,574	169.3

Note: Comprehensive income: First half of FY3/26: 4,664 million yen [248.1%]
First half of FY3/25: 1,340 million yen [(49.5)%]

	Basic earnings per share	Diluted earnings per share
First half ended	Yen	Yen
September 30, 2025	130.15	129.63
September 30, 2024	114.63	114.15

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
September 30, 2025	94,044	73,796	77.2	3,350.88
March 31, 2025	99,915	71,684	70.6	3,202.02

Reference: Equity (Shareholders equity + Accumulated other comprehensive income):
As of September 30, 2025: 72,602 million yen
As of March 31, 2025: 70,500 million yen

2. Dividends

	Annual dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	–	44.00	–	50.00	94.00
Fiscal year ending March 31, 2026	–	50.00			
Fiscal year ending March 31, 2026 (forecast)			–	50.00	100.00

Note: Change in the forecast of dividends from the latest announcement: No

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

Note: Change in the forecast from the latest announcement: No

*** Notes**

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

(2) Use of accounting methods specifically for the preparation of the semi-annual consolidated financial statements: No

(3) Changes in accounting policies, accounting estimates, and restatement
- (a) Changes in accounting policies due to revisions of accounting standards and other regulations: No
- (b) Changes in accounting policies due to reasons other than (a): No
- (c) Changes in accounting estimates: No
- (d) Restatement: No

(4) Number of shares issued (common shares)
- (a) Total number of shares issued at the end of the period (including treasury shares)
  - As of September 30, 2025: 23,756,321 — As of March 31, 2025: 23,756,321
- (b) Number of treasury shares at the end of the period
  - As of September 30, 2025: 2,089,785 — As of March 31, 2025: 1,738,774
- (c) Average number of shares outstanding during the period
  - Period ended September 30, 2025: 21,774,073 — Period ended September 30, 2024: 22,461,123

Semi-annual financial results reports are exempt from review conducted 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 2 of the Supplementary Information, “1. Results of Operations etc., (3) Forecast for the fiscal year ending March 31, 2026.”

Table of Contents of Supplementary Information

1. Results of Operations etc.

(1) Overview of semi-annual consolidated business performance

During the first half of the fiscal year ending March 31, 2026 ("the fiscal year under review"), although going forward, it is important to closely monitor the potential impact on the domestic economy of U.S. trade policy and downward risks to the economy caused by continued price increases, the Japanese economy showed gradual recovery due to the improved employment and income environment and the effects of government policies.

In the construction industry, both government and private-sector construction investment remained firm while at the same time it is necessary to carefully watch rising material prices and labor costs.

Under these circumstances, the Hibiya Engineering Group (the "Group"), as set forth in its 8th Medium-term Management Plan, marketed data center construction among other offerings, drove the carbon neutrality business including ZEB renovations and energy-saving solutions, sought enhancement of construction efficiency through BIM and front-loading, improved human capital value by enhancing recruiting activities and promoting women's participation, and also promoted group-wide digital transformation (DX) by utilizing generative AI.

The Group assessed the level as well as the period and system for construction projects carried over from the previous fiscal year and continued to strategically implement the initiatives as stated above. As a result, orders received amounted to 46,310 million yen (up 51.5% year on year).

Net sales were 40,542 million yen (up 7.7% year on year) partly due to the smoother-than-planned progress of carried-over construction projects.

On the profit front, gross profit was 8,142 million yen (up 11.3% year on year), operating profit came to 3,615 million yen (up 11.7% year on year), and ordinary profit amounted to 3,998 million yen (up 11.8% year on year), all reflecting a profit margin improvement resulting from an increase in the profitability of construction projects completed, as well as an improvement in the profits at the time of receiving orders. Profit attributable to owners of parent increased to 2,833 million yen (up 10.1% year on year) due in part to the sale of cross-shareholdings.

(2) Overview of semi-annual financial position

Assets

The Group's total assets at the end of the first half of the fiscal year under review stood at 94,044 million yen, a decrease of 5,870 million yen from the end of the previous fiscal year.

The assets decreased primarily due to decreases of 9,661 million yen in notes receivable, accounts receivable from completed construction contracts and other due to collection of construction fees and 1,662 million yen in electronically recorded monetary claims – operating, partially offset by increases of 1,086 million yen in cash and deposits and 2,603 million yen in investment securities.

Liabilities

At the end of the first half of the fiscal year under review, the Group's total liabilities amounted to 20,248 million yen, down 7,982 million yen from the end of the previous fiscal year.

The decline in liabilities is primarily due to decreases of 6,260 million yen in notes payable, accounts payable for construction contracts and other, in particular due to payments to suppliers, and 2,088 million yen in income taxes payable mainly due to tax payments made after the filing of tax returns.

Net assets

The Group's net assets totaled 73,796 million yen at the end of the first half of the fiscal year under review, an increase of 2,111 million yen from the end of the previous fiscal year.

Net assets increased primarily due to a 1,693 million yen increase in retained earnings arising from the posting of 2,833 million yen as profit attributable to owners of parent, partially offset by a decrease after the payment of dividends and the repurchase of treasury shares.

(3) Forecast for the fiscal year ending March 31, 2026

There is no change in the forecast for consolidated results of operations that was announced on May 13, 2025.

2. Semi-annual Consolidated Financial Statements and Important Notes

(1) Semi-annual consolidated balance sheet

(Million yen)

	Fiscal year ended March 31, 2025 (As of March 31, 2025)	First half ended September 30, 2025 (As of September 30, 2025)
Assets		
Current assets		
Cash and deposits	19,781	20,867
Notes receivable, accounts receivable from completed construction contracts and other	41,560	31,898
Electronically recorded monetary claims – operating	2,494	832
Securities	6,992	6,988
Costs on construction contracts in progress	1,663	1,870
Other	395	1,983
Allowance for doubtful accounts	(1)	(1)
Total current assets	72,886	64,439
Noncurrent assets		
Property, plant and equipment	876	872
Intangible assets	260	304
Investments and other assets		
Investment securities	20,379	22,983
Other	5,554	5,481
Allowance for doubtful accounts	(43)	(35)
Total investments and other assets	25,891	28,429
Total noncurrent assets	27,028	29,605
Total assets	99,915	94,044

(Million yen)

	Fiscal year ended March 31, 2025 (As of March 31, 2025)	First half ended September 30, 2025 (As of September 30, 2025)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	15,841	9,580
Income taxes payable	2,613	525
Advances received on construction contracts in progress	433	841
Provision for bonuses	3,624	1,519
Provision for warranties for completed construction	104	100
Provision for loss on construction contracts	73	63
Other	3,846	4,205
Total current liabilities	26,536	16,837
Noncurrent liabilities		
Retirement benefit liability	416	351
Other	1,277	3,059
Total noncurrent liabilities	1,694	3,411
Total liabilities	28,230	20,248
Net assets		
Shareholders’ equity		
Share capital	5,753	5,753
Capital surplus	6,140	6,140
Retained earnings	55,458	57,151
Treasury shares	(4,309)	(5,710)
Total shareholders’ equity	63,041	63,335
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,354	9,147
Remeasurements of defined benefit plans	104	119
Total accumulated other comprehensive income	7,458	9,266
Share acquisition rights	177	166
Non-controlling interests	1,005	1,027
Total net assets	71,684	73,796
Total liabilities and net assets	99,915	94,044

(2) Semi-annual consolidated statement of income and consolidated statement of comprehensive income
(Semi-annual consolidated statement of income)

(Million yen)

	First half ended September 30, 2024 (April 1, 2024–September 30, 2024)	First half ended September 30, 2025 (April 1, 2025–September 30, 2025)
Net sales	37,660	40,542
Cost of sales	30,344	32,399
Gross profit	7,315	8,142
Selling, general and administrative expenses	4,077	4,526
Operating profit	3,238	3,615
Non-operating income		
Interest income	24	58
Dividend income	228	239
Gain on investments in silent partnerships	34	41
Other	53	52
Total non-operating income	340	392
Non-operating expenses		
Other	2	10
Total non-operating expenses	2	10
Ordinary profit	3,576	3,998
Extraordinary income		
Gain on sale of investment securities	201	213
Total extraordinary income	201	213
Profit before income taxes	3,778	4,211
Income taxes - current	424	438
Income taxes - deferred	756	924
Total income taxes	1,181	1,362
Profit	2,597	2,848
Profit attributable to non-controlling interests	22	14
Profit attributable to owners of parent	2,574	2,833

(Semi-annual consolidated statement of comprehensive income)

(Million yen)

	First half ended September 30, 2024 (April 1, 2024–September 30, 2024)	First half ended September 30, 2025 (April 1, 2025–September 30, 2025)
Profit	2,597	2,848
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,317)	1,800
Remeasurements of defined benefit plans, net of tax	60	14
Total other comprehensive income	(1,257)	1,815
Comprehensive income	1,340	4,664
Comprehensive income attributable to:		
Owners of parent	1,324	4,641
Non-controlling interests	15	22

(3) Notes to semi-annual consolidated financial statements

(Significant change in shareholders’ equity)

No

(Going concern assumptions)

No