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April 28, 2026

## Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)



Company name: KAWASAKI SETSUBI KOGYO CO., LTD.

Listing: Nagoya Stock Exchange

Securities code: 1777

URL: <https://www.kawasaki-sk.co.jp/>

Representative: Katsushi Hiroe

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Telephone: +81-52-221-7700

Scheduled date of annual general meeting of shareholders: June 26, 2026

Scheduled date to commence dividend payments: June 29, 2026

Scheduled date to file annual securities report: June 22, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

President and Representative Director

Deputy General Manager, Corporate Management Headquarters

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

### 1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

#### (1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

|                   | Net sales       |      | Operating profit |       | Ordinary profit |       | Profit          |       |
|-------------------|-----------------|------|------------------|-------|-----------------|-------|-----------------|-------|
|                   | Millions of yen | %    | Millions of yen  | %     | Millions of yen | %     | Millions of yen | %     |
| Fiscal year ended |                 |      |                  |       |                 |       |                 |       |
| March 31, 2026    | 37,652          | 29.1 | 4,904            | 80.8  | 4,986           | 82.4  | 3,684           | 88.1  |
| March 31, 2025    | 29,159          | 29.7 | 2,713            | 103.5 | 2,733           | 101.8 | 1,958           | 131.5 |

  

|                   | Basic earnings per share | Diluted earnings per share | Rate of return on equity | Ordinary profit to total assets ratio | Operating profit to net sales ratio |
|-------------------|--------------------------|----------------------------|--------------------------|---------------------------------------|-------------------------------------|
|                   | Yen                      | Yen                        | %                        | %                                     | %                                   |
| Fiscal year ended |                          |                            |                          |                                       |                                     |
| March 31, 2026    | 307.98                   | -                          | 24.8                     | 19.7                                  | 13.0                                |
| March 31, 2025    | 163.69                   | -                          | 15.7                     | 12.3                                  | 9.3                                 |

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

For the fiscal year ended March 31, 2026:           ¥           - million

For the fiscal year ended March 31, 2025:           ¥           - million

#### (2) Non-consolidated financial position

|                | Total assets    | Net assets      | Equity-to-asset ratio | Net assets per share |
|----------------|-----------------|-----------------|-----------------------|----------------------|
|                | Millions of yen | Millions of yen | %                     | Yen                  |
| As of          |                 |                 |                       |                      |
| March 31, 2026 | 26,424          | 16,403          | 62.1                  | 1,371.07             |
| March 31, 2025 | 24,274          | 13,335          | 54.9                  | 1,114.64             |

Reference: Equity

As of March 31, 2026:                                   ¥       16,403 million

As of March 31, 2025:                                   ¥       13,335 million

#### (3) Non-consolidated cash flows

|                   | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
|                   | Millions of yen                      | Millions of yen                      | Millions of yen                      | Millions of yen                            |
| Fiscal year ended |                                      |                                      |                                      |  |
| March 31, 2026    | 600                                  | (550)                                | (966)                                | 2,954                                      |
| March 31, 2025    | (0)                                  | (30)                                 | (513)                                | 3,871                                      |

## 2. Cash dividends

|  | Annual dividends per share |                    |                   |                 |       | Total cash dividends (Total) | Payout ratio | Ratio of dividends to net assets |
|--|----------------------------|--------------------|-------------------|-----------------|-------|------------------------------|--------------|----------------------------------|
|  | First quarter-end          | Second quarter-end | Third quarter-end | Fiscal year-end | Total |                              |              |                                  |
|  | Yen                        | Yen                | Yen               | Yen             | Yen   | Millions of yen              | %            | %                                |
| Fiscal year ended March 31, 2025             | -                          | 11.00              | -                 | 39.00           | 50.00 | 598                          | 30.5         | 4.8                              |
| Fiscal year ended March 31, 2026             | -                          | 25.00              | -                 | 70.00           | 95.00 | 1,136                        | 30.8         | 7.6                              |
| Fiscal year ending March 31, 2027 (Forecast) | -                          | 45.00              | -                 | 50.00           | 95.00 |                              | 33.0         |                                  |

Note: Breakdown of the year-end dividend for the fiscal year ended March 31, 2026 :

Special dividend 45.00 yen

## 3. Non-consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

|                                      | Net sales       |      | Operating profit |      | Ordinary profit |     | Profit          |       | Basic earnings per share |
|--------------------------------------|-----------------|------|------------------|------|-----------------|-----|-----------------|-------|--------------------------|
|                                      | Millions of yen | %    | Millions of yen  | %    | Millions of yen | %   | Millions of yen | %     |                          |
| Six months ending September 30, 2026 | 20,500          | 13.6 | 2,700            | 10.2 | 2,714           | 9.8 | 1,840           | 8.1   | Yen<br>153.79            |
| Full year                            | 39,000          | 3.6  | 5,000            | 1.9  | 5,060           | 1.5 | 3,447           | (6.5) | 288.11                   |

### \* Notes

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

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(2) Number of issued shares (common shares)

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

|                      |                   |
|----------------------|-------------------|
| As of March 31, 2026 | 12,000,000 shares |
| As of March 31, 2025 | 12,000,000 shares |

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

|                      |               |
|----------------------|---------------|
| As of March 31, 2026 | 35,861 shares |
| As of March 31, 2025 | 35,827 shares |

(iii) Average number of shares outstanding during the period

|                                  |                   |
|----------------------------------|-------------------|
| Fiscal Year ended March 31, 2026 | 11,964,145 shares |
| Fiscal Year ended March 31, 2025 | 11,964,173 shares |

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

# Non-consolidated Financial Statements and Primary Notes

## Non-consolidated Balance Sheet

(Millions of yen)

|   | As of March 31, 2025 | As of March 31, 2026 |
|---|----------------------|----------------------|
| <b>Assets</b>   |                      |                      |
| <b>Current assets</b>                                     |                      |                      |
| Cash and deposits   | 3,871                | 2,954                |
| Notes receivable - trade                                  | 33                   | -                    |
| Electronically recorded monetary claims - operating       | 842                  | 2,306                |
| Accounts receivable from completed construction contracts | 14,035               | 14,770               |
| Costs on construction contracts in progress               | 267                  | 292                  |
| Prepaid expenses  | 57                   | 117                  |
| Advances paid   | 238                  | 47                   |
| Other   | 457                  | 749                  |
| Allowance for doubtful accounts                           | (160)                | (185)                |
| Total current assets                                      | 19,644               | 21,052               |
| <b>Non-current assets</b>                                 |                      |                      |
| <b>Property, plant and equipment</b>                      |                      |                      |
| Buildings   | 3,860                | 4,163                |
| Accumulated depreciation                                  | (2,512)              | (2,491)              |
| Buildings, net  | 1,348                | 1,671                |
| Structures  | 90                   | 97                   |
| Accumulated depreciation                                  | (74)                 | (77)                 |
| Structures, net   | 16                   | 20                   |
| Machinery and equipment                                   | 44                   | 62                   |
| Accumulated depreciation                                  | (36)                 | (37)                 |
| Machinery and equipment, net                              | 8                    | 24                   |
| Vehicles  | 6                    | 7                    |
| Accumulated depreciation                                  | (6)                  | (6)                  |
| Vehicles, net   | 0                    | 0                    |
| Tools, furniture and fixtures                             | 70                   | 92                   |
| Accumulated depreciation                                  | (53)                 | (58)                 |
| Tools, furniture and fixtures, net                        | 17                   | 34                   |
| Land  | 1,602                | 1,938                |
| Leased assets   | 153                  | 169                  |
| Accumulated depreciation                                  | (127)                | (144)                |
| Leased assets, net  | 25                   | 24                   |
| Construction in progress                                  | 11                   | 37                   |
| Total property, plant and equipment                       | 3,030                | 3,751                |
| <b>Intangible assets</b>                                  |                      |                      |
| Leased assets   | 398                  | 240                  |
| Other   | 2                    | 2                    |
| Total intangible assets                                   | 401                  | 243                  |

(Millions of yen)

|                                    | As of March 31, 2025 | As of March 31, 2026 |
|------------------------------------|----------------------|----------------------|
| Investments and other assets       |                      |                      |
| Investment securities              | 311                  | 504                  |
| Investments in capital             | 5                    | 5                    |
| Deferred tax assets                | 684                  | 713                  |
| Membership                         | 80                   | 80                   |
| Distressed receivables             | -                    | 67                   |
| Other                              | 142                  | 98                   |
| Allowance for doubtful accounts    | (25)                 | (92)                 |
| Total investments and other assets | 1,198                | 1,377                |
| Total non-current assets           | 4,630                | 5,372                |
| Total assets                       | 24,274               | 26,424               |

(Millions of yen)

|  | As of March 31, 2025 | As of March 31, 2026 |
|--|----------------------|----------------------|
| <b>Liabilities</b>                                       |                      |                      |
| Current liabilities                                      |                      |                      |
| Notes payable - trade                                    | 94                   | -                    |
| Electronically recorded obligations - operating          | 1,014                | -                    |
| Accounts payable for construction contracts              | 5,185                | 4,059                |
| Lease liabilities  | 196                  | 143                  |
| Accounts payable - other                                 | 48                   | 190                  |
| Accrued expenses   | 539                  | 723                  |
| Income taxes payable                                     | 705                  | 1,017                |
| Advances received on construction contracts in progress  | 246                  | 1,273                |
| Deposits received  | 76                   | 370                  |
| Provision for bonuses                                    | 849                  | 974                  |
| Provision for bonuses for directors (and other officers) | 26                   | 36                   |
| Provision for warranties for completed construction      | 18                   | 37                   |
| Provision for loss on construction contracts             | -                    | 1                    |
| Other  | 610                  | -                    |
| Total current liabilities                                | 9,611                | 8,828                |
| Non-current liabilities                                  |                      |                      |
| Lease liabilities  | 254                  | 138                  |
| Provision for retirement benefits                        | 1,055                | 1,037                |
| Asset retirement obligations                             | 1                    | 1                    |
| Other  | 15                   | 15                   |
| Total non-current liabilities                            | 1,327                | 1,193                |
| Total liabilities  | 10,939               | 10,021               |
| <b>Net assets</b>  |                      |                      |
| Shareholders' equity                                     |                      |                      |
| Share capital  | 1,581                | 1,581                |
| Capital surplus  |                      |                      |
| Legal capital surplus                                    | 395                  | 395                  |
| Total capital surplus                                    | 395                  | 395                  |
| Retained earnings  |                      |                      |
| Other retained earnings                                  |                      |                      |
| Retained earnings brought forward                        | 11,244               | 14,163               |
| Total retained earnings                                  | 11,244               | 14,163               |
| Treasury shares  | (7)                  | (7)                  |
| Total shareholders' equity                               | 13,213               | 16,131               |
| Valuation and translation adjustments                    |                      |                      |
| Valuation difference on available-for-sale securities    | 122                  | 271                  |
| Total valuation and translation adjustments              | 122                  | 271                  |
| Total net assets   | 13,335               | 16,403               |
| Total liabilities and net assets                         | 24,274               | 26,424               |

Non-consolidated Statement of Income

(Millions of yen)

|  | For the fiscal year<br>ended March 31, 2025 | For the fiscal year<br>ended March 31, 2026 |
|--|---|---|
| Net sales of completed construction contracts            | 29,159                                      | 37,652                                      |
| Cost of sales of completed construction contracts        | 23,776                                      | 29,111                                      |
| Gross profit on completed construction contracts         | 5,383                                       | 8,541                                       |
| Selling, general and administrative expenses             |   |   |
| Remuneration for directors (and other officers)          | 120   | 145   |
| Employees' salaries and allowances                       | 839   | 978   |
| Provision for bonuses                                    | 376   | 406   |
| Provision for bonuses for directors (and other officers) | 26  | 36  |
| Retirement benefit expenses                              | 41  | 50  |
| Legal welfare expenses                                   | 228   | 254   |
| Welfare expenses   | 52  | 49  |
| Repair and maintenance expenses                          | 62  | 127   |
| Stationery expenses                                      | 91  | 172   |
| Communication and transportation expenses                | 97  | 104   |
| Power utilities expenses                                 | 23  | 24  |
| Research study expenses                                  | 4   | -   |
| Advertising expenses                                     | 31  | 194   |
| Provision of allowance for doubtful accounts             | 44  | 92  |
| Entertainment expenses                                   | 31  | 38  |
| Donations  | 6   | 7   |
| Rent expenses on land and buildings                      | 71  | 80  |
| Depreciation   | 251   | 219   |
| Taxes and dues   | 106   | 142   |
| Insurance expenses                                       | 2   | 4   |
| Miscellaneous expenses                                   | 162   | 507   |
| Total selling, general and administrative expenses       | 2,670                                       | 3,636                                       |
| Operating profit   | 2,713                                       | 4,904                                       |
| Non-operating income                                     |   |   |
| Interest income  | 1   | 5   |
| Dividend income  | 6   | 9   |
| Rental income from real estate                           | 40  | 36  |
| Dividend income of life insurance                        | 2   | 60  |
| Other  | 8   | 12  |
| Total non-operating income                               | 60  | 124   |
| Non-operating expenses                                   |   |   |
| Interest expenses  | 2   | 5   |
| Rental expenses on real estate                           | 22  | 16  |
| Stocks maintenance fee                                   | 7   | 7   |
| Bill fluidizing commission                               | 1   | 4   |
| Loss on disposal of non-current assets                   | 3   | 4   |
| Other  | 2   | 3   |
| Total non-operating expenses                             | 40  | 42  |
| Ordinary profit  | 2,733                                       | 4,986                                       |
| Extraordinary losses                                     |   |   |
| Loss on sale of non-current assets                       | 1   | -   |
| Impairment losses  | 41  | -   |
| Total extraordinary losses                               | 42  | -   |
| Profit before income taxes                               | 2,690                                       | 4,986                                       |
| Income taxes - current                                   | 896   | 1,382                                       |
| Income taxes - deferred                                  | (164)                                       | (80)  |
| Total income taxes                                       | 732   | 1,301                                       |
| Profit   | 1,958                                       | 3,684                                       |

Non-consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

|  | Shareholders' equity |                       |                       |  |                         |
|--|----------------------|-----------------------|-----------------------|--|-------------------------|
|  | Share capital        | Capital surplus       |                       | Retained earnings  |                         |
|  |                      | Legal capital surplus | Total capital surplus | Other retained earnings<br>Retained earnings brought forward | Total retained earnings |
| Balance at beginning of period                       | 1,581                | 395                   | 395                   | 9,585  | 9,585                   |
| Changes during period                                |                      |                       |                       |  |                         |
| Dividends of surplus                                 |                      |                       |                       | (299)  | (299)                   |
| Profit   |                      |                       |                       | 1,958  | 1,958                   |
| 自己株式の取得  |                      |                       |                       |  |                         |
| Net changes in items other than shareholders' equity |                      |                       |                       |  |                         |
| Total changes during period                          | -                    | -                     | -                     | 1,659  | 1,659                   |
| Balance at end of period                             | 1,581                | 395                   | 395                   | 11,244   | 11,244                  |

|  | Shareholders' equity |                            | Valuation and translation adjustments                 |   | Total net assets |
|--|----------------------|----------------------------|---|---|------------------|
|  | Treasury shares      | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments |                  |
| Balance at beginning of period                       | (7)                  | 11,553                     | 76  | 76  | 11,630           |
| Changes during period                                |                      |                            |   |   |                  |
| Dividends of surplus                                 |                      | (299)                      |   |   | (299)            |
| Profit   |                      | 1,958                      |   |   | 1,958            |
| 自己株式の取得  |                      |                            |   |   |                  |
| Net changes in items other than shareholders' equity |                      |                            | 46  | 46  | 46               |
| Total changes during period                          | -                    | 1,659                      | 46  | 46  | 1,705            |
| Balance at end of period                             | (7)                  | 13,213                     | 122   | 122   | 13,335           |

For the fiscal year ended March 31, 2026

(Millions of yen)

|  | Shareholders' equity |                       |                                   |                         |                         |
|--|----------------------|-----------------------|-----------------------------------|-------------------------|-------------------------|
|  | Share capital        | Capital surplus       |                                   | Retained earnings       |                         |
|  |                      | Legal capital surplus | Total capital surplus             | Other retained earnings | Total retained earnings |
|  |                      |                       | Retained earnings brought forward |                         |                         |
| Balance at beginning of period                       | 1,581                | 395                   | 395                               | 11,244                  | 11,244                  |
| Changes during period                                |                      |                       |                                   |                         |                         |
| Dividends of surplus                                 |                      |                       |                                   | (765)                   | (765)                   |
| Profit   |                      |                       |                                   | 3,684                   | 3,684                   |
| Purchase of treasury shares                          |                      |                       |                                   |                         |                         |
| Net changes in items other than shareholders' equity |                      |                       |                                   |                         |                         |
| Total changes during period                          | -                    | -                     | -                                 | 2,918                   | 2,918                   |
| Balance at end of period                             | 1,581                | 395                   | 395                               | 14,163                  | 14,163                  |

|  | Shareholders' equity |                            | Valuation and translation adjustments                 |   | Total net assets |
|--|----------------------|----------------------------|---|---|------------------|
|  | Treasury shares      | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments |                  |
| Balance at beginning of period                       | (7)                  | 13,213                     | 122   | 122   | 13,335           |
| Changes during period                                |                      |                            |   |   |                  |
| Dividends of surplus                                 |                      | (765)                      |   |   | (765)            |
| Profit   |                      | 3,684                      |   |   | 3,684            |
| Purchase of treasury shares                          | (0)                  | (0)                        |   |   | (0)              |
| Net changes in items other than shareholders' equity |                      |                            | 148   | 148   | 148              |
| Total changes during period                          | (0)                  | 2,918                      | 148   | 148   | 3,067            |
| Balance at end of period                             | (7)                  | 16,131                     | 271   | 271   | 16,403           |

## Non-consolidated Statement of Cash Flows

(Millions of yen)

|   | For the fiscal year<br>ended March 31, 2025 | For the fiscal year<br>ended March 31, 2026 |
|---|---|---|
| <b>Cash flows from operating activities</b>                                     |   |   |
| Profit before income taxes  | 2,690                                       | 4,986                                       |
| Depreciation  | 273   | 272   |
| Impairment losses   | 41  | -   |
| Increase (decrease) in allowance for doubtful accounts                          | 44  | 92  |
| Increase (decrease) in provision for bonuses for directors (and other officers) | 9   | 10  |
| Increase (decrease) in provision for bonuses                                    | 290   | 125   |
| Increase (decrease) in provision for warranties for completed construction      | 6   | 18  |
| Increase (decrease) in provision for loss on construction contracts             | -   | 1   |
| Increase (decrease) in provision for retirement benefits                        | (2)   | (17)  |
| Interest and dividend income  | (8)   | (15)  |
| Interest expenses   | 2   | 5   |
| Loss (gain) on disposal of non-current assets                                   | 3   | 4   |
| Decrease (increase) in trade receivables  | (4,026)                                     | (2,165)                                     |
| Decrease (increase) in costs on construction contracts in progress              | (35)  | (24)  |
| Increase (decrease) in trade payables   | 1,929                                       | (2,234)                                     |
| Increase (decrease) in advances received on construction contracts in progress  | (710)                                       | 1,026                                       |
| Decrease (increase) in distressed receivables                                   | -   | (67)  |
| Other, net  | 54  | (337)                                       |
| Subtotal  | 562   | 1,680                                       |
| Interest and dividends received   | 8   | 15  |
| Interest paid   | (2)   | (5)   |
| Income taxes paid   | (568)                                       | (1,089)                                     |
| Net cash provided by (used in) operating activities                             | (0)   | 600   |
| <b>Cash flows from investing activities</b>                                     |   |   |
| Purchase of property, plant and equipment                                       | (30)  | (682)                                       |
| Proceeds from sale of property, plant and equipment                             | 6   | 13  |
| Purchase of intangible assets   | (2)   | (0)   |
| Purchase of investment securities   | (0)   | -   |
| Proceeds from sale of investment securities                                     | 0   | 6   |
| Proceeds from maturity of insurance funds                                       | -   | 118   |
| Other, net  | (5)   | (6)   |
| Net cash provided by (used in) investing activities                             | (30)  | (550)                                       |
| <b>Cash flows from financing activities</b>                                     |   |   |
| Dividends paid  | (299)                                       | (763)                                       |
| Repayments of lease liabilities   | (214)                                       | (202)                                       |
| Other, net  | -   | (0)   |
| Net cash provided by (used in) financing activities                             | (513)                                       | (966)                                       |
| Net increase (decrease) in cash and cash equivalents                            | (544)                                       | (917)                                       |
| Cash and cash equivalents at beginning of period                                | 4,415                                       | 3,871                                       |
| Cash and cash equivalents at end of period                                      | 3,871                                       | 2,954                                       |