August 7, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: EXEO Group, Inc.
Listing: Tokyo Stock Exchange
Securities code: 1951
URL: https://www.exeo.co.jp/
Representative: Keigo Kajimura, President and CEO
Inquiries: Shigeki Hayashi, Director and Operating Officer, General Manager of Accounts & Finance Division, General Manager of Corporate Planning Division, Chief Financial Officer
Telephone: +81-3-5778-1105

Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	155,722	12.4	10,690	89.4	11,317	96.9	6,907	88.1
June 30, 2025	138,599	10.5	5,644	92.1	5,748	6.8	3,672	22.0

Note: Comprehensive income For the three months ended June 30, 2026: ¥10,469 million [319.7%]
For the three months ended June 30, 2025: ¥2,494 million [54.4%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	33.91	33.90
June 30, 2025	17.82	17.81

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	625,986	347,938	54.8	1,687.55
March 31, 2026	691,154	346,736	49.5	1,676.23

Reference: Equity
As of June 30, 2026: ¥342,937 million
As of March 31, 2026: ¥342,077 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	33.00	-	35.00	68.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		40.00		40.00	80.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results 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 attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	750,000	(4.8)	56,000	7.7	54,500	3.4	35,500	14.4	174.82

Note: Revisions to the earnings forecasts most recently announced: 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: Yes

Note: For details, please refer to Appendix P.8 "(3) Notes on Quarterly Consolidated Financial Statements (Application of Accounting Procedures Specific to the Preparation of Quarterly Consolidated Financial Statements)."

(3) 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

(4) Number of issued shares (common shares)

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

As of June 30, 2026	205,624,838 shares
As of March 31, 2026	205,624,838 shares

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

As of June 30, 2026	2,408,213 shares
As of March 31, 2026	1,548,975 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	203,707,037 shares
Three months ended June 30, 2025	206,142,187 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors.

(Acquisition of Supplementary Financial Results)

Supplementary financial results are disclosed on TDnet on the same day.

○Table of Contents: Supplementary Materials

1. Qualitative Information on Quarterly Financial Results

(1) Details of Operating Results

During the first quarter of the consolidated fiscal year under review (from April 1, 2026 to June 30, 2026), the Japanese economy continued on a moderate recovery trend, supported by improvements in employment and income conditions as well as the effects of various government policies. On the other hand, close attention remains necessary with regard to downside risks to the economy, including rising energy prices driven by unstable overseas conditions, increases in consumer prices, and the impact of the situation in the Middle East. In addition, the Bank of Japan raised its policy interest rate in June 2026.

With regard to the impact of the situation in the Middle East on the Group's business operations and financial results, although delays in the delivery of certain materials are currently a concern, the direct impact on business performance has been limited, as the Group does not conduct business activities in the Middle East region. However, given the rapidly changing circumstances and the uncertain outlook, the Group will continue to closely monitor potential indirect impacts, including economic deterioration, supply chain disruptions, and reductions in customers' capital investment, while managing its business operations accordingly.

With regard to the information and communications sector, which constitutes the Group's business domain, the expansion of 5G services and the rapid advancement of technologies such as digital twins are progressing alongside increased analysis and utilization of various types of data. The resulting improvements in convenience and efficiency are expected to accelerate further through the widespread adoption and advancement of AI. Accordingly, investments by telecommunications carriers to enhance communication quality in response to growing traffic demand are expected to continue.

With regard to the construction sector, although cost increases resulting from rising energy prices and labor costs continue to exert pressure, private capital investment has shown signs of recovery, driven by increased investment in semiconductor-related industries and software aimed at further enhancing productivity. Public investment is also expected to remain firm, supporting the renewal and maintenance of infrastructure such as roads that contribute to disaster prevention and mitigation and the enhancement of social capital. Furthermore, in the energy-related business, investments associated with storage batteries, transmission and distribution infrastructure, and related facilities are expected to accelerate further as renewable energy assumes a more central role in achieving a decarbonized society.

Under these business conditions, the Group has continued to pursue operational efficiency while maintaining proactive investments in growth areas, thereby implementing a focused and well-balanced business management approach. In May 2026, the Group announced its Medium-Term Management Plan (FY2026‐FY2030), which is based on the policy of "Advancing to a New Stage Through Unified Group Growth in Technology and Human Capital, Harnessing Change as a Driving Force." Under this plan, the Group seeks to enhance added value and productivity from a customer-centric perspective while balancing profit contributions among its three business segments: Communications Infrastructure, Social Infrastructure, and System Solutions. Through these initiatives, the Group aims to achieve sustainable growth and enhance corporate value.

In the Communications Infrastructure business, the Group has been building a stronger and more efficient business structure through the refinement of technical capabilities and business process reforms to support the widespread adoption of advanced digital social infrastructure, while striving to maximize profits through Group-wide cost optimization.

In the Social Infrastructure business, demand has remained strong for large-scale data center construction projects and electrical work associated with newly constructed buildings and factories. The Group has actively responded to robust construction demand while continuing efforts to improve profitability through measures including strengthened selective order-taking.

In the System Solutions business, the Group has been enhancing its capabilities in areas such as Generative AI and shifting resources toward higher value-added domains. Through customer-oriented solution offerings, the Group has continued to pursue business expansion and improved profitability.

In the global business domain, the Group has continued to invest in growth businesses such as neutral hosting while accelerating initiatives aimed at contributing to profits through seamless business operations across domestic and international markets. These efforts include leveraging expertise accumulated within each business segment in Japan and applying knowledge cultivated overseas to the domestic market.

In addition, as part of its "Challenge of Advanced Technologies" initiative, identified as one of the growth drivers under the Medium-Term Management Plan (FY2026‐FY2030), the Group decided to participate as a limited partner in a fund managed by DNX Ventures US, a U.S.-based venture capital firm, with the objectives of acquiring advanced technologies and creating new business opportunities.

As a result of these efforts, orders received for the first quarter of the consolidated fiscal year amounted to 218,263 million yen (up 5.1% year on year), while net sales totaled 155,722 million yen (up 12.4% year on year). In terms of profitability, operating profit reached 10,690 million yen (up 89.4% year on year), ordinary profit was 11,317 million yen (up 96.9% year on year), and profit attributable to owners of the parent amounted to 6,907 million yen (up 88.1% year on year).

Business results by segment for the first quarter of the consolidated fiscal year under review are outlined below.

(Millions of yen)

Reporting Segments	Communications Infrastructure		Social Infrastructure		System Solutions	
	Amount	Change	Amount	Change	Amount	Change
Orders received	76,588	13.3%	61,163	18.8%	80,510	(9.1%)
Net sales	60,122	4.1%	49,188	19.7%	46,411	16.8%
Segment Profit	5,837	10.7%	2,677	1400.2%	2,174	1044.5%

Note: With respect to Orders received and net sales the figures represent transactions with external customers.

(Overview of the Communications Infrastructure Business)

In the Communications Infrastructure business, in the access domain, construction related to optical fiber lines performed steadily, driven by the expansion of service areas and sales promotion of high-speed optical access services. In the mobile domain, capital expenditures by certain telecommunications carriers continued at a high level, including construction aimed at resolving connectivity issues primarily in urban areas, and the Group responded by flexibly establishing and deploying appropriate operational structures.

In addition, the Group continued to pursue efficient business operations through measures such as the reorganization of subsidiaries, consolidation of operating sites, and the integrated management of access and mobile businesses, while striving to further improve profitability.

(Overview of the Social Infrastructure Business)

In the Social Infrastructure business, within the Electrical Engineering field, inquiries related to large-scale data center projects remained strong, and electrical construction work continued to perform steadily, including projects for other large-scale development buildings. To support future business expansion, the Group continued its efforts to develop human capital responsible for electrical construction work.

In the Data Center business, customer needs have become increasingly diverse amid the accelerating technological transformation and advancement in the field of AI. In response, the Group has focused on expanding its service coverage and introducing state-of-the-art technologies in order to meet these needs swiftly and flexibly. As one such initiative, the Group has commenced the provision of modular and containerized edge data solutions in collaboration with Internet Initiative Japan Inc. and Getworks Corporation.

In the Social Infrastructure Engineering field, the Group continued to strengthen selective order-taking with the aim of improving profitability while pursuing further expansion of its business scale.

(Overview of the System Solutions Business)

In the System Solutions business, the Group has strengthened its support and proposal capabilities to provide end-to-end solutions spanning from upstream consulting based on customer challenges through system operation and maintenance. At the same time, the Group has worked to accelerate system implementation and ensure stable quality, with the aim of achieving further business expansion.

As part of these initiatives, EXEO Digital Solutions Corporation, the core company of this business segment, launched “EX-LIGN” in April 2026, an offering service that provides one-stop support for the co-creation, implementation, and ongoing advancement of digital transformation (DX) initiatives for mid-sized enterprises.

Meanwhile, in the global business domain, demand for refurbished equipment has increased due to the recent rise in GPU server prices, and the refurbishment business continued to perform strongly.

(2) Details of Financial Position for the Period under Review

Total assets at the end of the first quarter of the consolidated fiscal year under review decreased by 65,168 million yen from the end of the previous consolidated fiscal year to 625,986 million yen. This was mainly due to a decrease in notes receivable and accounts receivable from completed construction contracts.

Total liabilities decreased by 66,370 million yen from the end of the previous consolidated fiscal year to 278,047 million yen. This was primarily attributable to decreases in notes payable, accounts payable for construction contracts, and short-term borrowings.

Net assets increased by 1,202 million yen from the end of the previous consolidated fiscal year to 347,938 million yen. This was primarily attributable to a decrease resulting from the acquisition of treasury shares, as well as increases in the valuation difference on available-for-sale securities.

(3) Consolidated Earnings Forecasts and Forward-Looking Statements

The consolidated financial results forecast for the fiscal year ending March 31, 2027, as announced on May 13, 2026, remains unchanged.

2. Quarterly Consolidated Financial Statements and Notes
(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	41,718	52,163
Notes receivable, accounts receivable from completed construction contracts and other	305,419	191,937
Securities	-	14,986
Costs on construction contracts in progress	58,031	75,452
Other	12,222	13,286
Allowance for doubtful accounts	(387)	(379)
Total current assets	417,003	347,447
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	51,179	52,900
Land	65,284	65,303
Other, net	38,011	36,063
Total property, plant and equipment	154,475	154,267
Intangible assets		
Goodwill	17,239	16,194
Other	12,305	12,244
Total intangible assets	29,545	28,438
Investments and other assets		
Other	90,706	96,407
Allowance for doubtful accounts	(577)	(574)
Total investments and other assets	90,129	95,832
Total non-current assets	274,150	278,538
Total assets	691,154	625,986

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	82,463	54,379
Short-term borrowings	21,251	5,601
Current portion of bonds payable	20,000	20,000
Income taxes payable	13,430	4,276
Advances received on construction contracts in progress	21,447	19,688
Provisions	5,082	2,227
Other	49,182	38,976
Total current liabilities	212,857	145,149
Non-current liabilities		
Long-term borrowings	95,989	95,962
Provisions	625	600
Retirement benefit liability	9,781	9,701
Other	25,162	26,632
Total non-current liabilities	131,559	132,897
Total liabilities	344,417	278,047
Net assets		
Shareholders' equity		
Share capital	6,888	6,888
Capital surplus	9,039	9,017
Retained earnings	296,421	296,186
Treasury shares	(3,392)	(5,825)
Total shareholders' equity	308,956	306,266
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,384	15,562
Foreign currency translation adjustment	2,985	2,735
Remeasurements of defined benefit plans	16,750	18,372
Total accumulated other comprehensive income	33,121	36,671
Share acquisition rights	47	39
Non-controlling interests	4,611	4,961
Total net assets	346,736	347,938
Total liabilities and net assets	691,154	625,986

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	138,599	155,722
Cost of sales	118,495	128,736
Gross profit	20,104	26,985
Selling, general and administrative expenses	14,459	16,295
Operating profit	5,644	10,690
Non-operating income		
Interest income	75	110
Dividend income	351	423
Foreign exchange gains	-	387
Other	344	430
Total non-operating income	771	1,352
Non-operating expenses		
Interest expenses	274	392
Other	393	332
Total non-operating expenses	667	725
Ordinary profit	5,748	11,317
Extraordinary income		
Gain on sale of investment securities	761	-
Total extraordinary income	761	-
Profit before income taxes	6,510	11,317
Income taxes	3,001	4,382
Profit	3,508	6,934
Profit (loss) attributable to non-controlling interests	(164)	27
Profit attributable to owners of parent	3,672	6,907

(Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	3,508	6,934
Other comprehensive income		
Valuation difference on available-for-sale securities	1,264	2,177
Foreign currency translation adjustment	(2,100)	(265)
Remeasurements of defined benefit plans, net of tax	(177)	1,622
Total other comprehensive income	(1,013)	3,534
Comprehensive income	2,494	10,469
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,511	10,457
Comprehensive income attributable to non-controlling interests	(17)	11

(3) Notes to the Quarterly Consolidated Financial Statements

(Accounting Methods Specific to the Preparation of Quarterly Consolidated Financial Statements)

The Company calculates tax expenses by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the consolidated fiscal year, including the cumulative first quarter period under review, and multiplying profit before income taxes by the estimated effective tax rate.

(Notes on Segment Information, etc.)

I. The three months of the previous fiscal year (April 1, 2025 to June 30, 2025)

1.Information on net sales and the amount of profit or loss for each reported segment, as well as revenue breakdown information

(Millions of yen)

	Reporting Segments				Reconciling items	Quarterly Consolidated Statements of Income
	Communications Infrastructure	Social Infrastructure	System Solutions	Total		
Sales						
Revenues from external customers	57,781	41,092	39,725	138,599	-	138,599
Transactions with other segments	-	-	-	-	-	-
Total	57,781	41,092	39,725	138,599	-	138,599
Segment Profit	5,275	178	190	5,644	-	5,644

II. The three months of the current fiscal year (April 1, 2026 to June 30, 2026)

1.Information on net sales and the amount of profit or loss for each reported segment, as well as revenue breakdown information

(Millions of yen)

	Reporting Segments				Reconciling items	Quarterly Consolidated Statements of Income
	Communications Infrastructure	Social Infrastructure	System Solutions	Total		
Sales						
Revenues from external customers	60,122	49,188	46,411	155,722	-	155,722
Transactions with other segments	-	-	-	-	-	-
Total	60,122	49,188	46,411	155,722	-	155,722
Segment Profit	5,837	2,677	2,174	10,690	-	10,690

2. Changes to Reporting Segments, etc.

(Change of Reporting Segment)

In promoting the Medium-Term Management Plan, the Group has partially revised its business segments in order to strengthen management by segment and to clarify business classifications both internally and externally.

The Global Unit, which was previously included in the System Solutions segment, has been allocated to each business segment according to the nature of projects, enabling integrated domestic and overseas operations within each segment.

In addition, certain communications infrastructure-related businesses previously included in the Urban Infrastructure segment have been transferred to the Telecom Carriers segment to improve operational efficiency.

Accordingly, the segment names have been changed to Communications Infrastructure and Social Infrastructure.

(Notes on Significant Changes in Shareholders' Equity)

Not applicable.

(Notes on Going Concern Assumption)

Not applicable.

(Notes to Quarterly Consolidated Statements of Cash Flows)

The Company has not prepared a quarterly statement of cash flows for the cumulative first quarter period under review. Depreciation and amortization (including amortization related to intangible assets,excluding goodwill) and amortization of goodwill in the cumulative first quarter period are as follows.

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation and amortization	3,204	3,099
Amortization of goodwill	780	886

(Significant Subsequent Events)

Not applicable.