August 6, 2026

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2027 [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, General Manager of IR and Public Relations Department, Management Headquarters
Tel: 03-3454-2720
Scheduled date to commence dividend payments: –
Preparation of supplementary explanatory documents: Yes
Holding of earnings presentation: No

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

1. Consolidated financial results for the first quarter of the fiscal year ending March 31, 2027 (April 1, 2026–June 30, 2026)

(1) Consolidated results 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 quarter ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2026	17,848	(6.5)	2,169	33.7	2,506	31.6	1,736	28.0
June 30, 2025	19,081	8.8	1,622	66.8	1,904	54.9	1,356	63.8

Note: Comprehensive income: First quarter of FY3/27: 1,326 million yen [(25.6)%]
First quarter of FY3/26: 1,782 million yen [–%]

	Basic earnings per share	Diluted earnings per share
First quarter ended	Yen	Yen
June 30, 2026	41.29	41.13
June 30, 2025	31.05	30.91

Note: The Company carried out a 2-for-1 stock split of the Company's common shares on April 1, 2026. Basic earnings per share and diluted earnings per share are calculated assuming that the stock split has been carried out at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
June 30, 2026	95,272	73,337	75.6	1,745.34
March 31, 2026	110,935	80,669	71.6	1,843.99

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income):
As of June 30, 2026: 72,021 million yen
As of March 31, 2026: 79,418 million yen

Note: The Company carried out a 2-for-1 stock split of the Company's common shares on April 1, 2026. Net assets per share is calculated assuming that the stock split has been carried out at the beginning of the previous fiscal year.

2. Dividends

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	50.00	–	100.00	150.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		55.00	–	55.00	110.00

Note: 1. Change in the forecast of dividends from the latest announcement: No

2. . Breakdown of the forecast annual dividend for the fiscal year ending March 31, 2027:
   Common share: 100.00 yen; commemorative dividend: 10.00 yen

3. The Company carried out a 2-for-1 stock split of the Company’s common shares on April 1, 2026. For the fiscal years ended March 31, 2025 and 2026, the actual dividend amounts before the stock split are presented. For the fiscal year ending March 31, 2027 (forecast), the amounts after the stock split are presented. Without considering the impact of the stock split, the forecast annual dividend for the fiscal year ending March 31, 2027 would be 220.00 yen.

3. Consolidated forecast for the fiscal year ending March 31, 2027 (April 1, 2026–March 31, 2027)

(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	105,000	11.6	11,000	3.1	11,800	2.9	8,700	0.2	202.00

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 quarterly 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 June 30, 2026:	44,000,000	As of March 31, 2026:	44,000,000

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

As of June 30, 2026:	2,734,970	As of March 31, 2026:	930,962

(c) Average number of shares outstanding during the period

Period ended June 30, 2026:	42,067,107	Period ended June 30, 2025:	43,691,082

Note: The Company carried out a 2-for-1 stock split of the Company's common shares on April 1, 2026. Total number of shares issued at the end of the period, number of treasury shares at the end of the period, and average number of shares outstanding during the period are calculated assuming that the stock split has been carried out at the beginning of the previous fiscal year.

Review of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

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, 2027.”

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1. Results of Operations etc.

(1) Overview of quarterly consolidated business performance

During the first quarter of the fiscal year ending March 31, 2027 (the “fiscal year under review”), although the outlook for the Japanese economy became increasingly uncertain against the backdrop of continued price increases, geopolitical risks, the impact of U.S. trade policy, and fluctuations in the financial and capital markets, the economy showed gradual recovery, supported by improvements in the employment and income environment and the effects of various government policies. Meanwhile, close attention continues to be required regarding the impact of the situation in the Middle East and the resulting trends in crude oil prices, as well as fluctuations in financial and foreign exchange markets, and economic and price trends overseas.

In the construction industry, demand remained generally firm, supported by robust private-sector capital investment in data centers, semiconductors, and urban redevelopment projects. On the other hand, in addition to issues such as persistently high prices of construction materials and equipment, delivery delays, rising labor costs, and difficulties in securing human resources, there have also been indications that certain large-scale redevelopment projects are reassessing their construction schedules and investment scale, and these trends need to be continuously monitored.

Under these circumstances, the Hibiya Engineering Group (the “Group”) has established a new corporate philosophy in conjunction with the 60th anniversary of its founding and formulated its 9th Medium-term Management Plan for the three fiscal years ending March 31, 2027 through 2029.

Based on the plan’s basic strategies, the Group marketed construction projects in the data center field, among other offerings; drove carbon neutrality-related businesses including ZEB renovations and energy-saving solutions; and sought enhancement of construction efficiency through BIM, front-loading, and off-site construction. Furthermore, we strengthened the management foundation supporting business growth by improving human capital value through initiatives to enhance recruiting activities, improve engagement, and promote women’s participation, while also promoting Group-wide digital transformation (DX) by utilizing generative AI.

As a result of these initiatives, orders received came to 56,088 million yen (up 235.8% year on year), driven by the successful securing of multiple data center projects, including work on a large scale.

Net sales amounted to 17,848 million yen (down 6.5% year on year), partly in line with the planned execution of data center and other projects in the order backlog during the second half of the fiscal year.

On the profit front, operating profit came to 2,169 million yen (up 33.7% year on year), ordinary profit amounted to 2,506 million yen (up 31.6% year on year), and profit attributable to owners of parent was 1,736 million yen (up 28.0% year on year), reflecting the benefits of continued strategic marketing activities and initiatives to improve productivity.

(2) Overview of quarterly financial position

Assets

The Group’s total assets at the end of the first quarter of the fiscal year under review stood at 95,272 million yen, a decrease of 15,662 million yen from the end of the previous fiscal year.

The decrease in total assets was mainly attributable to a decrease of 18,183 million yen in notes receivable, accounts receivable from completed construction contracts and other due to the collection of construction fees, partially offset by an increase of 3,329 million yen in electronically recorded monetary claims − operating.

Liabilities

The Group’s total liabilities at the end of the first quarter of the fiscal year under review stood at 21,935 million yen, a decrease of 8,330 million yen from the end of the previous fiscal year.

The decrease in liabilities was mainly attributable to a decrease of 5,539 million yen in notes payable, accounts payable for construction contracts and other, primarily due to payments to suppliers, and a decrease of 2,917 million yen in income taxes payable due to tax payments made after the filing of tax returns.

Net assets

The Group’s net assets at the end of the first quarter of the fiscal year under review stood at 73,337 million yen, a decrease of 7,331 million yen from the end of the previous fiscal year.

The decrease in net assets was mainly attributable to an increase of 6,475 million yen in treasury shares, largely due to the repurchase of treasury shares and a decrease of 2,160 million yen in retained earnings after the payment of dividends, partly offset by the posting of 1,736 million yen as profit attributable to owners of parent.

(3) Forecast for the fiscal year ending March 31, 2027

There is no change in the forecast for consolidated results of operations that was announced on May 13, 2026.

2. Quarterly Consolidated Financial Statements and Important Notes

(1) Quarterly consolidated balance sheet

(Million yen)

	Fiscal year ended March 31, 2026 (As of March 31, 2026)	First quarter ended June 30, 2026 (As of June 30, 2026)
Assets		
Current assets		
Cash and deposits	27,393	26,980
Notes receivable, accounts receivable from completed construction contracts and other	39,293	21,110
Electronically recorded monetary claims – operating	947	4,276
Securities	6,984	6,982
Costs on construction contracts in progress	1,975	2,272
Other	469	406
Allowance for doubtful accounts	(1)	(1)
Total current assets	77,062	62,026
Noncurrent assets		
Property, plant and equipment	873	850
Intangible assets	306	336
Investments and other assets		
Investment securities	27,252	26,692
Other	5,468	5,391
Allowance for doubtful accounts	(28)	(24)
Total investments and other assets	32,693	32,059
Total noncurrent assets	33,872	33,246
Total assets	110,935	95,272

(Million yen)

	Fiscal year ended March 31, 2026 (As of March 31, 2026)	First quarter ended June 30, 2026 (As of June 30, 2026)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	11,270	5,730
Income taxes payable	2,991	73
Advances received on construction contracts in progress	3,152	3,927
Provision for bonuses	4,297	791
Provision for warranties for completed construction	98	98
Provision for loss on construction contracts	104	103
Other	4,572	6,833
Total current liabilities	26,487	17,558
Noncurrent liabilities		
Retirement benefit liability	699	685
Other	3,079	3,691
Total noncurrent liabilities	3,778	4,377
Total liabilities	30,265	21,935
Net assets		
Shareholders’ equity		
Share capital	5,753	5,753
Capital surplus	6,140	6,140
Retained earnings	56,922	56,485
Treasury shares	(1,324)	(7,800)
Total shareholders’ equity	67,491	60,578
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,071	11,579
Remeasurements of defined benefit plans	(144)	(136)
Total accumulated other comprehensive income	11,927	11,442
Share acquisition rights	166	158
Non-controlling interests	1,084	1,157
Total net assets	80,669	73,337
Total liabilities and net assets	110,935	95,272

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

(Million yen)

	First quarter ended June 30, 2025 (April 1, 2025–June 30, 2025)	First quarter ended June 30, 2026 (April 1, 2026–June 30, 2026)
Net sales	19,081	17,848
Cost of sales	15,413	13,305
Gross profit	3,668	4,543
Selling, general and administrative expenses	2,045	2,373
Operating profit	1,622	2,169
Non-operating income		
Interest income	15	23
Dividend income	218	257
Gain on investments in silent partnerships	41	46
Other	15	18
Total non-operating income	291	346
Non-operating expenses		
Other	10	8
Total non-operating expenses	10	8
Ordinary profit	1,904	2,506
Extraordinary income		
Gain on sale of investment securities	91	–
Total extraordinary income	91	–
Profit before income taxes	1,996	2,506
Income taxes - current	18	18
Income taxes - deferred	611	750
Total income taxes	629	769
Profit	1,366	1,737
Profit attributable to non-controlling interests	10	0
Profit attributable to owners of parent	1,356	1,736

(Quarterly consolidated statement of comprehensive income)

(Million yen)

	First quarter ended June 30, 2025 (April 1, 2025–June 30, 2025)	First quarter ended June 30, 2026 (April 1, 2026–June 30, 2026)
Profit	1,366	1,737
Other comprehensive income		
Valuation difference on available-for-sale securities	408	(419)
Remeasurements of defined benefit plans, net of tax	6	8
Total other comprehensive income	415	(411)
Comprehensive income	1,782	1,326
Comprehensive income attributable to:		
Owners of parent	1,764	1,252
Non-controlling interests	17	73

(3) Notes to quarterly consolidated financial statements

(Segment information etc.)

First quarter ended June 30, 2025 (April 1, 2025–June 30, 2025)

Information about net sales and profit or loss by reportable segment

(Million yen)

	Construction	Equipment Sales	Equipment Manufacturing	Total	Adjustments (Note 1)	Amount on the quarterly consolidated statement of income (Note 2)
Net sales						
Goods or service transferred at a point in time (Note 3)	1,496	1,172	479	3,148	–	3,148
Product or service transferred over time	15,932	–	–	15,932	–	15,932
Revenue from contracts with customers	17,429	1,172	479	19,081	–	19,081
Outside customers	17,429	1,172	479	19,081	–	19,081
Intersegment sales or transfers	–	1,107	102	1,209	(1,209)	–
Total	17,429	2,279	582	20,291	(1,209)	19,081
Segment profit (loss)	1,596	80	(57)	1,619	3	1,622

Notes 1. Adjustment of segment profit (loss) of 3 million yen is mainly due to the elimination of intersegment transactions.
2. Segment profit (loss) is reconciled to operating profit in the quarterly 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).

First quarter ended June 30, 2026 (April 1, 2026–June 30, 2026)

Information about net sales and profit or loss by reportable segment

(Million yen)

	Construction	Equipment Sales	Equipment Manufacturing	Total	Adjustments (Note 1)	Amount on the quarterly consolidated statement of income (Note 2)
Net sales						
Goods or service transferred at a point in time (Note 3)	1,531	765	531	2,828	–	2,828
Product or service transferred over time	15,020	–	–	15,020	–	15,020
Revenue from contracts with customers	16,551	765	531	17,848	–	17,848
Outside customers	16,551	765	531	17,848	–	17,848
Intersegment sales or transfers	–	767	55	822	(822)	–
Total	16,551	1,532	587	18,671	(822)	17,848
Segment profit (loss)	2,267	(18)	(84)	2,165	4	2,169

Notes 1. Adjustment of segment profit (loss) of 4 million yen is mainly due to the elimination of intersegment transactions.
2. Segment profit (loss) is reconciled to operating profit in the quarterly 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).

(Significant change in shareholders’ equity)

Pursuant to a resolution adopted by the Board of Directors at its meeting held on May 13, 2026, the Company acquired 1,950,000 shares of its own stock. As a result, the carrying amount of treasury shares increased by 6,475 million yen during the first quarter and stood at 7,800 million yen as of June 30, 2026.

(Going concern assumptions)

No

(Quarterly consolidated statement of cash flows)

The Company did not prepare quarterly consolidated statements of cash flows for the first quarter of the fiscal year under review. Depreciation (including amortization of intangible assets) for the first quarter of the fiscal year under review is as follows.

	First quarter ended June 30, 2025 (April 1, 2025–June 30, 2025)	First quarter ended June 30, 2026 (April 1, 2026–June 30, 2026)
Depreciation	51 million yen	65 million yen