Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

# Consolidated Financial Statements for the Three Months Ended June 30, 2026 [Japanese GAAP]

August 6, 2026

Company name: **TAIHEI DENGYO KAISHA, LTD.**
Stock exchange listing: Tokyo Stock Exchange
Code number: 1968
URL: https://www.taihei-dengyo.co.jp/
Representative: Hiroaki Ito, Representative Director, President and Chief Executive Officer
Contact: Shinya Kusaka, Director and Senior Managing Executive Officer/General Manager, General Affairs Administrative Division
Phone: +81-3-5213-7211
Scheduled date of commencing dividend payments: –
Preparation of supplementary explanatory materials: No
Holding of financial results briefing: No

(Amounts of less than one million yen are rounded down.)

## 1. Consolidated Results for the Three Months Ended June 30, 2026 (April 1, 2026 – June 30, 2026)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|---|---|---|---|---|---|---|---|---|
| Three months ended | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| June 30, 2026 | 36,611 | 23.8 | 3,401 | 116.9 | 3,697 | 123.4 | 2,330 | 108.8 |
| June 30, 2025 | 29,572 | (1.7) | 1,567 | (36.9) | 1,655 | (50.0) | 1,115 | (50.1) |

(Note) Comprehensive income: Three months ended June 30, 2026: 3,219 million yen [53.2%]
Three months ended June 30, 2025: 2,101 million yen [(28.9)%]

| | Basic earnings per share | Diluted earnings per share |
|---|---|---|
| Three months ended | Yen | Yen |
| June 30, 2026 | 36.92 | – |
| June 30, 2025 | 17.74 | 17.73 |

* The Company conducted a 3-for-1 share split of its common shares, effective October 1, 2025. Accordingly, for the purposes of calculation, the basic earnings per share and the diluted earnings per share have been calculated assuming that the share split had been implemented at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity-to-asset ratio |
|---|---|---|---|
| | Million yen | Million yen | % |
| As of June 30, 2026 | 173,810 | 126,711 | 72.0 |
| As of March 31, 2026 | 175,365 | 127,939 | 72.1 |

(Reference) Equity: As of June 30, 2026: 125,109 million yen
As of March 31, 2026: 126,418 million yen

**2. Cash Dividends**

| | Annual dividends | | | | |
|---|---|---|---|---|---|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Year ended March 31, 2026 | – | – | – | 70.00 | 70.00 |
| Year ending March 31, 2027 | – | | | | |
| Year ending March 31, 2027 (Forecast) | | – | – | 75.00 | 75.00 |

(Note) Changes from the most recent dividends forecast: None

**3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2027 (April 1, 2026 - March 31, 2027)**

(% indicates changes from the previous corresponding period.)

| | 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 | 160,000 | 12.9 | 17,400 | 17.3 | 18,400 | 13.3 | 12,000 | 0.8 | 190.16 |

(Note) Changes from the most recent results forecast: None

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 2 companies (TOEI ENGINEERING CO., LTD. and one other company)

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(4) Total number of shares issued and outstanding (common shares)
1) Number of shares issued and outstanding at the end of the period (including treasury shares):
June 30, 2026: 65,195,940 shares
March 31, 2026: 65,195,940 shares

2) Number of treasury shares at the end of the period:
June 30, 2026: 2,091,560 shares
March 31, 2026: 2,091,554 shares

3) Average number of shares during the period (cumulative from the beginning of the fiscal year):
June 30, 2026: 63,104,381 shares
June 30, 2025: 62,895,834 shares

* The Company conducted a 3-for-1 share split of its common shares, effective October 1, 2025. Accordingly, for the purposes of calculation, the number of shares issued and outstanding at the end of the period, the number of treasury shares at the end of the period, and the average number of shares during the period have been calculated assuming that the share split had been implemented at the beginning of the previous fiscal year.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Explanation of the proper use of performance forecast and other notes

The earnings forecast and other forward-looking statements herein are based on the information currently available and certain assumptions deemed reasonable by the Company, and thus actual results may differ significantly from these forecasts due to a wide range of factors.

Table of Contents

1. Overview of Operating Results, etc. 2
(1) Overview of Operating Results for the Three Months Ended June 30, 2026 2
(2) Overview of Financial Position for the Three Months Ended June 30, 2026 2
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information 3
2. Quarterly Consolidated Financial Statements and Primary Notes 4
(1) Quarterly Consolidated Balance Sheet 4
(2) Quarterly Consolidated Statement of Income and Comprehensive Income 6
(3) Notes to Quarterly Consolidated Financial Statements 8
(Segment information, etc.) 8
(Notes in case of significant changes in shareholders' equity) 9
(Notes on going concern assumption) 9
(Notes to statement of cash flows) 9
3. Supplemental Information 10
(1) Orders Received, Net Sales and Order Backlog by Segment 10

# 1. Overview of Operating Results, etc.

## (1) Overview of Operating Results for the Three Months Ended June 30, 2026

During the three months ended June 30, 2026, the Japanese economy continued to recover moderately, with a pickup in corporate profits and capital expenditure against the backdrop of an improved employment and income environment and the effect of various government policies. However, the situation surrounding the economy still remains uncertain, given factors such as the impact of rising prices on consumer spending, on top of the situation in the Middle East and changes in financial and capital markets.

Under these circumstances, for the three months ended June 30, 2026, the TDK Group recorded orders received of 36,399 million yen (an increase of 9.5% YoY) and net sales of 36,611 million yen (an increase of 23.8% YoY) including 1,473 million yen (an increase of 4.8% YoY) for overseas works.

Regarding profits, operating profit amounted to 3,401 million yen (an increase of 116.9% YoY), ordinary profit amounted to 3,697 million yen (an increase of 123.4% YoY), and profit attributable to owners of parent amounted to 2,330 million yen (an increase of 108.8% YoY).

Performance results by business segment are as follows.

(Construction Segment)

Orders received amounted to 8,092 million yen (a decrease of 45.7% YoY, composition ratio: 22.2%). Works for nuclear power plants decreased, resulting in a decrease for the overall segment.

Net sales amounted to 10,629 million yen (an increase of 16.5% YoY, composition ratio: 29.0%). Works for nuclear power plants and works for environmental preservation plants increased, resulting in an increase for the overall segment. Segment profit amounted to 681 million yen (an increase of 119.4% YoY).

(Maintenance and Renovation Segment)

Orders received amounted to 28,307 million yen (an increase of 54.4% YoY, composition ratio: 77.8%). Works for nuclear power plants and works for thermal power plants for private use increased, resulting in an increase for the overall segment.

Net sales amounted to 25,982 million yen (an increase of 27.1% YoY, composition ratio: 71.0%). Works for nuclear power plants increased, resulting in an increase for the overall segment. Segment profit amounted to 4,190 million yen (an increase of 60.3% YoY).

## (2) Overview of Financial Position for the Three Months Ended June 30, 2026

### (a) Assets

Current assets amounted to 117,981 million yen, down 5,203 million yen from the end of the previous fiscal year. This was due mainly to a decrease of 7,990 million yen in cash and deposits and 2,945 million yen in Notes receivable, accounts receivable from completed construction contracts, and contract assets, despite an increase of 4,470 million yen in costs on construction contracts in progress.

Non-current assets amounted to 55,829 million yen, up 3,648 million yen from the end of the previous fiscal year. This was due mainly to increases of 2,276 million yen in investment securities and 471 million yen in goodwill.

### (b) Liabilities

Current liabilities amounted to 26,142 million yen, down 1,179 million yen from the end of the previous fiscal year. This was due mainly to a decrease of 2,865 million yen in income taxes payable, despite an increase of 1,804 million yen in notes payable, accounts payable for construction contracts.

Non-current liabilities amounted to 20,956 million yen, up 851 million yen from the end of the previous fiscal year. This was due mainly to an increase of 765 million yen in deferred tax liabilities.

(c) Net assets

Net assets amounted to 126,711 million yen, down 1,227 million yen from the end of the previous fiscal year.

This was due mainly to a decrease of 2,105 million yen in retained earnings, despite an increase of 745 million yen in valuation difference on available-for-sale securities.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

There is no change to the consolidated financial results forecast for the full year from the forecast in the "Consolidated Financial Statements for the Fiscal Year Ended March 31, 2026" published on May 14, 2026.

Forward-looking statements, such as performance forecasts, made in this document are based on information currently available to the Company and certain assumptions deemed reasonable, and actual results, etc. may differ significantly due to various factors.

## 2. Quarterly Consolidated Financial Statements and Primary Notes

### (1) Quarterly Consolidated Balance Sheet

(Unit: ¥1 million)

| | As of March 31, 2026 | As of June 30, 2026 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 35,423 | 27,432 |
| Notes receivable, accounts receivable from completed construction contracts, and contract assets | 72,611 | 69,665 |
| Electronically recorded monetary claims - operating | 1,471 | 1,434 |
| Costs on construction contracts in progress | 10,023 | 14,493 |
| Other | 3,758 | 5,052 |
| Allowance for doubtful accounts | (102) | (97) |
| Total current assets | 123,185 | 117,981 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 20,102 | 20,360 |
| Accumulated depreciation and impairment | (12,721) | (13,022) |
| Buildings and structures, net | 7,380 | 7,337 |
| Machinery and vehicles | 13,103 | 13,629 |
| Accumulated depreciation | (10,791) | (11,292) |
| Machinery and vehicles, net | 2,312 | 2,336 |
| Tools, furniture and fixtures | 2,865 | 2,949 |
| Accumulated depreciation and impairment | (2,622) | (2,671) |
| Tools, furniture and fixtures, net | 242 | 278 |
| Land | 9,392 | 9,630 |
| Leased assets | 691 | 935 |
| Accumulated depreciation | (392) | (444) |
| Leased assets, net | 299 | 491 |
| Construction in progress | 267 | 622 |
| Total property, plant and equipment | 19,895 | 20,696 |
| Intangible assets | | |
| Goodwill | – | 471 |
| Other | 263 | 293 |
| Total intangible assets | 263 | 764 |
| Investments and other assets | | |
| Investment securities | 23,060 | 25,337 |
| Long-term loans receivable | 408 | 511 |
| Retirement benefit asset | – | 0 |
| Real estate for rent | 6,703 | 6,702 |
| Accumulated depreciation | (763) | (777) |
| Real estate for rent, net | 5,939 | 5,925 |
| Deferred tax assets | 37 | 88 |
| Long term-bank cash | 50 | 50 |
| Other | 2,776 | 2,712 |
| Allowance for doubtful accounts | (250) | (258) |
| Total investments and other assets | 32,021 | 34,368 |
| Total non-current assets | 52,180 | 55,829 |
| Total assets | 175,365 | 173,810 |

(Unit: ¥1 million)

| | As of March 31, 2026 | As of June 30, 2026 |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Notes payable, accounts payable for construction contracts | 10,907 | 12,711 |
| Electronically recorded obligations - operating | – | 103 |
| Current portion of long-term borrowings | 1,067 | 1,067 |
| Lease liabilities | 153 | 197 |
| Income taxes payable | 3,782 | 917 |
| Contract liabilities | 6,814 | 7,473 |
| Provision for bonuses | 1,050 | 440 |
| Provision for bonuses for directors (and other officers) | 123 | 22 |
| Provision for warranties for completed construction | 76 | 109 |
| Provision for loss on construction contracts | 1,055 | 1,173 |
| Other | 2,290 | 1,925 |
| Total current liabilities | 27,321 | 26,142 |
| Non-current liabilities | | |
| Bonds payable | 5,000 | 5,000 |
| Long-term borrowings | 8,858 | 8,591 |
| Lease liabilities | 166 | 311 |
| Deferred tax liabilities | 2,098 | 2,863 |
| Retirement benefit liability | 3,517 | 3,590 |
| Provision for share awards for directors (and other officers) | 232 | 232 |
| Other | 231 | 365 |
| Total non-current liabilities | 20,104 | 20,956 |
| Total liabilities | 47,426 | 47,098 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 7,070 | 7,070 |
| Capital surplus | 9,602 | 9,602 |
| Retained earnings | 100,633 | 98,528 |
| Treasury shares | (1,196) | (1,197) |
| Total shareholders' equity | 116,109 | 114,004 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 10,389 | 11,135 |
| Foreign currency translation adjustment | (226) | (193) |
| Remeasurements of defined benefit plans | 144 | 163 |
| Total accumulated other comprehensive income | 10,308 | 11,105 |
| Non-controlling interests | 1,520 | 1,602 |
| Total net assets | 127,939 | 126,711 |
| Total liabilities and net assets | 175,365 | 173,810 |

(2) Quarterly Consolidated Statement of Income and Comprehensive Income
Three Months Ended June 30, 2025 and 2026

(Unit: ¥1 million)

| | For the three months ended June 30, 2025 | For the three months ended June 30, 2026 |
|---|---|---|
| Net sales | 29,572 | 36,611 |
| Cost of sales | 25,141 | 30,216 |
| Gross profit | 4,430 | 6,395 |
| Selling, general and administrative expenses | 2,862 | 2,994 |
| Operating profit | 1,567 | 3,401 |
| Non-operating income | | |
| Interest income | 2 | 3 |
| Dividend income | 248 | 278 |
| Share of profit of entities accounted for using equity method | 47 | 90 |
| Rental income from non-current assets | 89 | 78 |
| Foreign exchange gains | – | 34 |
| Other | 46 | 29 |
| Total non-operating income | 434 | 514 |
| Non-operating expenses | | |
| Interest expenses | 23 | 51 |
| Foreign exchange losses | 228 | – |
| Rental expenses on non-current assets | 35 | 56 |
| Burial Cultural Asset Investigation Expense NOE | – | 48 |
| Other | 60 | 62 |
| Total non-operating expenses | 347 | 218 |
| Ordinary profit | 1,655 | 3,697 |
| Extraordinary income | | |
| Gain on recovery of money transfer scam at overseas branch | 3 | – |
| Gain on sale of non-current assets | – | 6 |
| Gain on sale of golf club membership | 0 | 4 |
| Other | 0 | – |
| Total extraordinary income | 4 | 10 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 0 | 0 |
| Loss on valuation of golf club membership | – | 1 |
| Loss on sale of golf club membership | – | 0 |
| Total extraordinary losses | 0 | 2 |
| Profit before income taxes | 1,660 | 3,706 |

(Unit: ¥1 million)

| | For the three months ended June 30, 2025 | For the three months ended June 30, 2026 |
|---|---|---|
| Income taxes - current | 135 | 916 |
| Income taxes - deferred | 459 | 375 |
| Total income taxes | 594 | 1,291 |
| Profit | 1,066 | 2,414 |
| Profit attributable to | | |
| Profit attributable to owners of parent | 1,115 | 2,330 |
| Profit (loss) attributable to non-controlling interests | (49) | 84 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,118 | 741 |
| Foreign currency translation adjustment | (103) | 42 |
| Remeasurements of defined benefit plans, net of tax | 19 | 19 |
| Share of other comprehensive income of entities accounted for using equity method | 0 | 2 |
| Total other comprehensive income | 1,035 | 805 |
| Comprehensive income | 2,101 | 3,219 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 2,176 | 3,127 |
| Comprehensive income attributable to non-controlling interests | (75) | 92 |

(3) Notes to Quarterly Consolidated Financial Statements

(Segment information, etc.)

[Segment information]

I Three months from April 1, 2025 to June 30, 2025

1. Information on net sales and profit by reportable segment and information on the breakdown of income

(Unit: ¥1 million)

| | Reportable segment | | Total |
|---|---|---|---|
| | Construction Segment | Maintenance and Renovation Segment | |
| Net sales | | | |
| Goods transferred at a point in time | 2,216 | 11,579 | 13,796 |
| Goods transferred over time | 6,910 | 8,866 | 15,776 |
| Revenue from contracts with customers | 9,126 | 20,445 | 29,572 |
| Net sales to outside customers | 9,126 | 20,445 | 29,572 |
| Segment profit | 310 | 2,613 | 2,924 |

2. Differences between the total amount of profits for reportable segments and the amount recorded in the quarterly consolidated statement of income and comprehensive income, and main details of such differences (matters relating to reconciliation)

(Unit: ¥1 million)

| Profits | Amounts |
|---|---|
| Total amount for reportable segments | 2,924 |
| Corporate expenses (Note) | (1,356) |
| Operating profit in quarterly consolidated statement of income and comprehensive income | 1,567 |

(Note) Corporate expenses are general and administrative expenses and common expenses which do not belong to any reportable segments.

II Three months from April 1, 2026 to June 30, 2026

1. Information on net sales and profit by reportable segment and information on the breakdown of income

(Unit: ¥1 million)

| | Reportable segment | | Total |
|---|---|---|---|
| | Construction Segment | Maintenance and Renovation Segment | |
| Net sales | | | |
| Goods transferred at a point in time | 1,652 | 12,306 | 13,958 |
| Goods transferred over time | 8,976 | 13,676 | 22,653 |
| Revenue from contracts with customers | 10,629 | 25,982 | 36,611 |
| Net sales to outside customers | 10,629 | 25,982 | 36,611 |
| Segment profit | 681 | 4,190 | 4,871 |

2. Differences between the total amount of profits for reportable segments and the amount recorded in the quarterly consolidated statement of income and comprehensive income, and main details of such differences (matters relating to reconciliation)

(Unit: ¥1 million)

| Profits | Amounts |
|---|---|
| Total amount for reportable segments | 4,871 |
| Corporate expenses (Note) | (1,470) |
| Operating profit in quarterly consolidated statement of income and comprehensive income | 3,401 |

(Note) Corporate expenses are general and administrative expenses and common expenses which do not belong to any reportable segments.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes to statement of cash flows)

Quarterly consolidated statement of cash flows has not been prepared for the three months ended June 30, 2026. Depreciation and amortization (including amortization related to intangible assets) for the three months ended June 30 are as follows.

| | Three months from April 1, 2025 to June 30, 2025 | Three months from April 1, 2026 to June 30, 2026 |
|---|---|---|
| Depreciation | 376 million yen | 349 million yen |

## 3. Supplemental Information

### (1) Orders Received, Net Sales and Order Backlog by Segment

| Segment | | Three months from April 1, 2025 to June 30, 2025 | | Three months from April 1, 2026 to June 30, 2026 | | Increase (decrease) |
|---|---|---|---|---|---|---|
| | | Amount (¥ million) | Composition ratio (%) | Amount (¥ million) | Composition ratio (%) | Amount (¥ million) |
| Orders received | Construction Segment | 14,894 | 44.8 | 8,092 | 22.2 | (6,802) |
| | Maintenance and Renovation Segment | 18,337 | 55.2 | 28,307 | 77.8 | 9,969 |
| | Total | 33,232 | 100.0 | 36,399 | 100.0 | 3,166 |
| Net sales | Construction Segment | 9,126 | 30.9 | 10,629 | 29.0 | 1,502 |
| | Maintenance and Renovation Segment | 20,445 | 69.1 | 25,982 | 71.0 | 5,536 |
| | Total | 29,572 | 100.0 | 36,611 | 100.0 | 7,039 |
| Order backlog | Construction Segment | 71,515 | 55.3 | 108,544 | 60.0 | 37,029 |
| | Maintenance and Renovation Segment | 57,922 | 44.7 | 72,356 | 40.0 | 14,433 |
| | Total | 129,438 | 100.0 | 180,901 | 100.0 | 51,462 |

(Notes) 1. Construction Segment includes businesses such as installation and reconstruction works, etc., for thermal power plants, nuclear power plants, iron and steel-related plants, environmental preservation plants and chemical plants, etc., electric and instrumentation work, and insulation and painting works incidental to these facilities, as well as demolition and decommissioning, etc., of various plants and facilities.

2. Maintenance and Renovation Segment includes businesses such as periodic inspection, daily maintenance, renovation, etc., for the various plants and facilities mentioned above as well as operation of the power plants.