Okumura Corporation

Annual Report 2026

奥村組
OKUMURA CORPORATION

Geo Grande Shirokanedai

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OKUMURA CORPORATION

Profile

Since Okumura was established in 1907, our mission has been to contribute to society through our business under our corporate mottos, "steadfast management" and "sincere operation."

We will continue to accumulate a wealth of technical expertise and, as a general contractor company with a harmonious mix of civil engineering and architectural construction, make steady strides forward in our aim to realize comfortable, safe and secure lives for people, and a sustainable society as well.

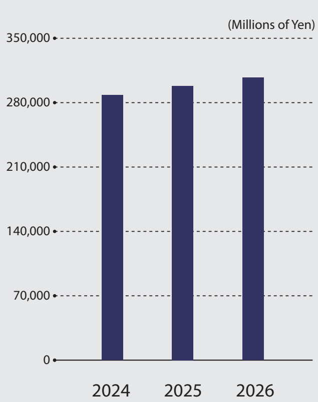
Contents

Financial Highlights

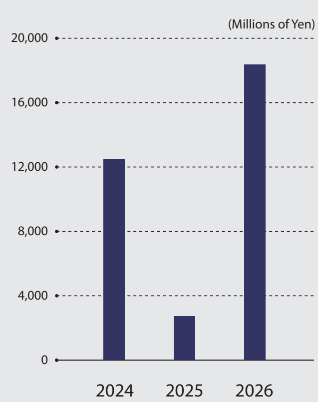
For the years ended March 31	2024	2025	**2026**	**2026**
Consolidated:	Millions of Yen			Thousands of U.S. Dollars
Net sales	¥288,146	¥298,222	**¥307,202**	**$1,920,854**
Operating income	13,708	9,731	**15,928**	**99,597**
Net income attributable to owners of the parent	12,493	2,722	**18,360**	**114,803**
Total assets	384,750	393,466	**440,889**	**2,756,767**
Total equity	191,573	172,455	**193,964**	**1,212,811**
Per Share:	Yen			U.S. Dollars
Basic net income	¥339.30	¥ 74.00	**¥511.80**	**$3.20**
Cash dividends applicable to the year	237.00	216.00	**297.00**	**1.85**

Notes:
(1) The U.S. dollar amounts included herein are presented solely for convenience of the reader. Such dollar amounts have been translated from yen at the approximate exchange rate in Tokyo on March 31, 2026, of ¥159.93=$1.
(2) Japanese yen figures less than one million yen and U.S. dollars figures less than one thousand dollars were rounded down to the nearest million yen and thousand U.S. dollar, respectively, except for per share information. As a result, the totals of Japanese yen amounts or U.S. dollar amounts shown in the accompanying consolidated financial statements do not necessarily agree with the sum of the individual amounts.

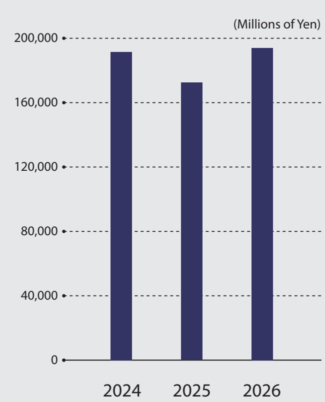
Net Sales



Net income attributable to owners of the parent



Total Equity



Disclaimer Regarding Forecasts and Projections

This Annual Report includes forecasts, projections and other predictive statements that represent Okumura's assumptions and expectations in light of currently available information. These forecasts, etc., are based on industry trends, circumstances involving clients and other factors, and involve risks, variables and uncertainties. The Okumura Group's actual performance results may differ from those projected in this Annual Report. Consequently, no guarantee is presented or implied as to the accuracy of specific forecasts, projections or predictive statements contained herein.

To Our Shareholders

We would like to thank our shareholders for their continuing support and encouragement and wish each one of them the greatest success in their endeavors.

A general overview of our business performance for the fiscal period of March 2026(April 1, 2025 to March 31, 2026) is provided below.

Results for the Year Ended March 31, 2026

During the fiscal year ending March 31, 2026 (the "fiscal year under review"), the Japanese economy continued to recover moderately amid improvements in the employment and income environment, despite the impact of U.S. trade policies in some areas.

The construction industry continued to experience a favorable environment for orders received, supported by steady public-sector investment and a sustained appetite for strong private-sector capital investment.

At the Group, net sales increased by 3.0% year on year to ¥307,202 million, due mainly to firm progress in the Construction Business on projects carried over from the previous fiscal year. In terms of profit and loss, gross profit increased by 22.0% year on year to ¥38,669 million due to an improvement in the gross profit margin of the Construction Business, among other factors. Operating income increased by 63.7% year on year to ¥15,928 million. Additionally, net income attributable to owners of parent rebounded to increase by 574.3% year on year to ¥18,360 million, mainly due to the recording of gain on valuation of forward exchange contracts related to ISHIKARI BIO ENERGY GODO KAISHA, a consolidated subsidiary of the Company, the absence of impairment losses recorded in the previous fiscal year, and other factors.

Dividend for the Year Ended March 31, 2026

The Company decided to pay a dividend of ¥297.00 per share (interim dividend of ¥110.00, year-end dividend of ¥187.00) for the period ended March 31, 2026 based on its policy regarding profit sharing.

In order to achieve a balance between proactive investment as we work to achieve our "Vision toward 2030" and steadily share profits with all shareholders in the next period and beyond, the Group has determined its shareholder return policy as follows.

Shareholder Return Policy

Basic policy

Distribute profits by business results and flexibly implement share buybacks on the premise of stable dividends.

Policy during the Medium-Term Business Plan (FY2025 – 2027)

◆ Consolidated dividend payout ratio[*1] 70% or more
Maintain a minimum DOE[*2] ratio of 2.0% regardless of business results.

*1: Consolidated dividend payout ratio = Total annual dividends (interim + year-end) / profit attributable to owners of parent
[Excluding the impact of one-off special factors (valuation gains and losses on forward exchange contracts)]
*2: DOE = Total annual dividends (interim + year-end) / equity

Medium-Term Business Plan

The Japanese economy is expected to show a gradual recovery trend, supported by improvements in the employment and income environment. However, the outlook remains uncertain due to the impact of the global situation, including in the Middle East.

Construction investment in both the public and private sectors is expected to remain firm in the construction industry. However, we anticipate that continued attention will be required with regard to rising construction costs, including higher labor costs driven by labor shortages and the impact of elevated oil prices on material and equipment costs.

The Group aims to continue to contribute to sustainable social development through medium- and long-term growth, and we are promoting initiatives in accordance with the basic policies of business strategy outlined in the Medium-Term Business Plan (FY2025–2027), which is the third step toward realizing our "Vision toward 2030," that shows where we want to be.

Under this plan, we will "strengthen the business base to achieve sustainable growth," aiming to increase medium- and long-term performance. In addition, we are striving to "increase corporate value" by enhancing our earning power and technological capabilities in the construction business, and "expand business domains" to build a stable earnings base that does not rely on the construction business.

At the same time, we aim to "utilize human resources" to be a company our employees are proud of. This includes securing the human resources essential for business development, creating environments where diverse human resources can play active roles and make the most of their abilities, and developing human resources to lead sustainable corporate growth.

The Company looks forward to the continued support and guidance of our shareholders.

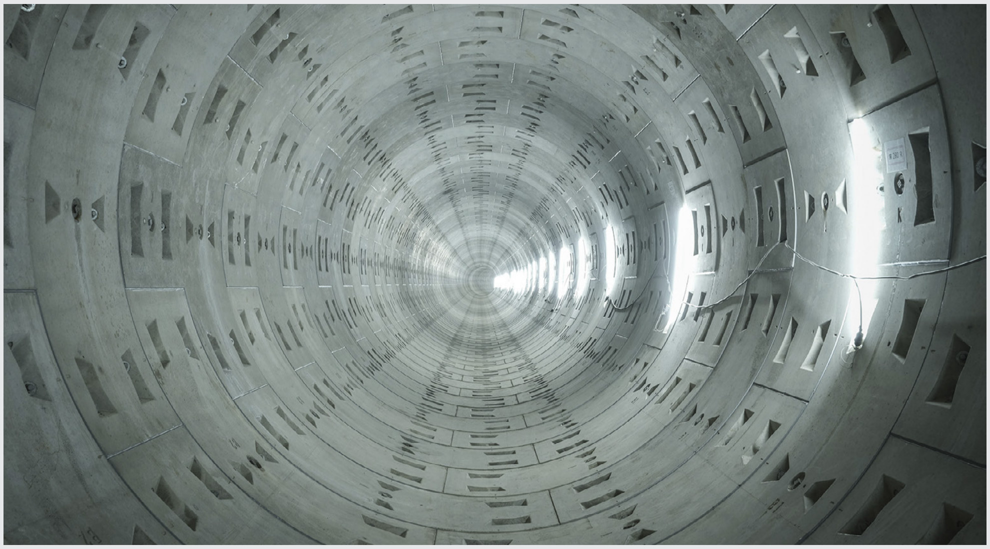
June 2026

T. Okumura

Takanori Okumura
President and Representative Director

CIVIL ENGINEERING

Major Projects Completed



Baoshan Shield Tunneling Work

Work period: August 2022 to May 2025
Shield tunneling work: Length 2,970 m, inner diameter :φ3.9 m, shield tunneling machines: 2 units, soil improvement: 1 set

Slope Stabilization Works on Kawatsu-Koya Prefectural Road

Work period: March 2022 to August 2025
Construction length: 80 m, excavation work (mechanical excavation of slopes at elevated locations): 23,330 m^3, embankment work (ICT): 27,190 m^3, frame construction: 5,781 m^2, rebar installation: 418 units, ground anchor work: 113 units, etc.

Miyamotocho Shield Tunnel Repair Work

Work period: March 2021 to March 2026
RC segment repair work, ductile repair work, cast-in-place RC segment repair work, ancillary work, etc.

Orders Received

Contract CF710, Circular Line East Section, Taipei MRT

Work period: January 2026 to January 2035
Inner diameter: φ5.6 m, length: 4,773.2 m (2 tracks x 4 spans), shield tunneling work: 1 set (shield tunneling machines: 4 units), soil improvement: 1 set, cross passage: 1 location

Demolition and Removal of Disaster-affected Buildings, Decontamination and Related Works in the Specified Reconstruction and Revitalization Base Areas of Tomioka Town

Work period: April 2025 to September 2026
Building demolition work: 80 cases, decontamination work: 82 ha

Construction of Station Building of Aramoto Station (Tentative Name), Osaka Monorail (Part 2)

Work period: October 2025 to October 2031
Station building RC rigid frame structure, cast-in-place pile work: 1 set (φ2,500 mm, 41.0 m to 42.5 m, 22piles), station building construction work: 1 set, connecting deck: 1 set, steel bridge pile foundations: 2 units, RC support pillar: 1 unit, concrete: 12,500 m^3, rebars: 3,600 t, steel pipe piles: 250 t

Naniwasuji Line Shikitsu Higashi 1 Intersection Tunnel – Shikitsu Higashi U-shaped Retaining Wall Civil Engineering Project

Work period: April 2025 to September 2029
Construction of railway tunnel, U-shaped retaining wall, etc. using open-cut method: Construction length=288 m, shaft section (excavation depth 20.0 m, height 13.7 m, width 19.2 m, length 17.5 m), tunnel section (excavation depth 16.7 m to 8.5 m, height 7.7 m to 7.4 m, width 14.6 m to 10.2 m, length 181.6 m), U-shaped retaining wall section (depth 9.6 m to 5.2 m, height 8.3 m to 3.9 m, width 11.7 m to 11.2 m, length 89.0 m)

BUILDINGS

Major Projects Completed

Yomogita Village Office
Work period: September 2023 to June 2025
Structure: Steel
Total floor space: 2,894.72 m²

Daito Chuo Hospital
Work period: September 2023 to April 2025
Structure: Steel
Total floor space: 6,548.32 m²

Hiroshima Keirin Track Stand Building
Work period: February 2023 to October 2025
Structure: Steel
Total floor space: 5,030.30 m²

Sanin Rosai Hospital
Work period: March 2019 to July 2025
Structure: RC and partial steel
Total floor space: 19,798.02 m²

Orders Received

Tokyo Medical University Cooperative Building (Tentative Name) New Construction
Work period: January 2026 to February 2029
Structure: Steel
Total floor space: 17,000.36 m²

(Tentative Name) Building B of a condominium complex for rent as part of the Keio Tamagawa Development Project New Construction
Work period: April 2025 to November 2027
Structure: RC
Total floor space: 26,468.06 m²

(Tentative Name) Building C as part of the Keio Tamagawa Development Project New Construction
Work period: August 2025 to November 2027
Structure: RC
Total floor space: 24,086.87 m²

(Tentative Name) New Construction Plan for Administrative Headquarters
Work period: December 2025 to May 2028
Structure: Steel
Total floor space: 6,562.34 m²

Sustainability-related Initiatives

Throughout its history, the Okumura Group has upheld its management philosophy of "Contribute to bettering the world through the expansion of business endeavor, excel as a corporate entity committed to the principles of steadfast management and sincere operation, and continue to play an essential role in society." Based on this management philosophy, we are pushing ahead with our business activities as we strive to achieve our future vision set out in "Vision toward 2030." The vision presented by the Okumura Group brings together our goals for achieving a "sustainable and symbiotic society," which is the aim of the SDGs. We anticipate value creation through our business activities contributing to the SDGs.

(1) Governance

The Group has established the ESG/SDGs Promotion Committee as an organization to deliberate on issues and other matters related to ESG/SDGs and for the promotion of strategic initiatives.

The committee is chaired by the President and Representative Director and composed of the heads of each Head Office section and the presidents of the East Japan and West Japan Branch Offices. The results of its deliberations are submitted or reported to the Board of Directors as necessary, and a framework is in place for appropriate supervision by the Board of Directors.

(2) Strategy

At the Okumura Group, we are working to address sustainability issues, including climate change, based on a recognition of these as key management issues, and we have analyzed ESG/SDGs-related risks and opportunities and the impact if they materialize.

We then identified ESG/SDGs-related issues based on the two axes of probability and impact. In identifying issues relating to climate change, we also assessed their importance using scenarios based on the TCFD recommendations.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Note: The Task Force on Climate-Related Financial Disclosures (TCFD) was established by the Financial Stability Board (FSB) to consider how to engage in the disclosure of climate-related information.

As a result of analyzing the importance of these issues, the ESG/SDGs Promotion Committee identified "promotion of environmentally friendly businesses" as an ESG/SDGs-related material issue (materiality) for the Group. It also identified "contribution to sustainable social infrastructure," "creation of workplaces that realize wellbeing," and "stronger corporate governance," which serve as the foundation of business activities. With a focus on material issues (materiality), we are working to promote initiatives aimed at solving related issues.

Furthermore, by reflecting our strategies for solving these issues in each division's measures under the Medium-Term Business Plan, we are pursuing endeavors that integrate both our business activities and our ESG/SDGs initiatives.

Policies related to climate change, etc.

Under the Okumura Group's basic philosophy of "creating and sustaining an environment that is friendly to both people and the planet," we strive to prevent environmental pollution, reduce environmental burden, and protect the environment.

We analyze the impact that risks and opportunities will have on the organization, including those related to climate, through an examination (scenario analysis) based on the "2°C or lower scenario" and the "4°C scenario." Please refer to ★ in the table entitled "ESG/SDGs-related material issues (materiality)" on the previous page for issues related to climate change.

- 2°C or lower scenario: A scenario that assumes that the rise in average global temperatures will be kept well within 2°C above pre-industrial levels and continuing efforts will be made to keep the rise in temperatures within 1.5°C.
- 4°C scenario: A scenario that assumes that the rise in average global temperatures will be approximately 4°C above pre-industrial levels.

Based on the results of these analyses as well as issues and other matters, we have set non-financial targets related to climate change in our Medium-Term Business Plan (FY2025-2027) with the following indicators: "CO_2 emissions at the construction stage and from offices," "mixed construction waste emissions per ¥100 million

Table 1: ESG/SDGs-related material issues (materiality)

ESG	SDGs		ESG/SDGs-related risks and opportunities	Impact if the risk or opportunity materializes*1	Risk and opportunity analysis results: Significance*2	Type of risk or opportunity	Timing	The Okumura Group's ESG/SDGs-related challenges*3	Scenario analysis results: Significance under the 2°C or lower scenario*4	Scenario analysis results: Significance under the 4°C scenario*4
E·S	9, 11, 13	Risks	Increasingly frequent and devastating large-scale disasters due to earthquakes and typhoons	Deterioration of the foundation for livelihood and industry due to the failure of infrastructure, as well as damages to assets held	5	Physical risk (acute) / transition risk (regulatory, market)	Short, medium and long term	**<u>1. Contribution to sustainable social infrastructure</u>**		
		Opportunities	Increase in social capital stock that does not meet the needs arising from decline in the domestic population	Rise in demand for renovation of social capital stock	5	Products and services, market	Short, medium and long term			
S	17	Opportunities	Promotion of collaboration with local communities and companies	Demonstration of synergies through partnerships with local communities and companies	3	Products and services, market	Short, medium and long term	1. Collaboration with local communities and companies		
S	8, 9	Opportunities	Advance of ICT and its application to construction techniques	Better construction techniques through ICT	4	Products and services, market	Short, medium and long term	1. Enhancement of technical capabilities and productivity through ICT		
S	9, 11	Opportunities	Rise in demand for high-quality infrastructure	Construction of long-lived infrastructure	3	Products and services, resilience	Medium and long term	1. Assurance and enhancement of construction quality		
S	11	Risks	Increase in vacant houses and shops, as well as derelict buildings	Deterioration in the public security and hygienic environment, disasters due to building collapse, and a decrease in real estate rental income	3	Physical risk (chronic) / transition risk (market)	Medium and long term	1. Effective use of real estate stock		
E	13, 14, 15	Risks	Destruction of the natural environment due to rising temperatures associated with climate change and development without regard for the environment	Destruction of ecosystems and the pollution of water sources; decline in orders received due to the deterioration of corporate reputation	5	Physical risk (acute, chronic) / transition risk (regulatory, reputation)	Short, medium and long term	**<u>2. Promotion of environmentally friendly businesses★</u>**	5	5
E	12, 13	Risks	Skyrocketing materials and outsourcing costs due to the introduction of carbon taxes (carbon pricing) associated with climate change	Decline in profitability due to the increase in construction costs	4	Transition risk (regulatory, market)	Short, medium and long term	2. Promotion of decarbonization★	4	3
E·S	12, 14, 15	Risks	Waste of the natural resources contained in construction materials	Decline in sustainability due to the depletion of natural resources	3	Transition risk (market)	Medium and long term	2. Effective use of resources through recycling		
E	11, 13	Opportunities	Increase in demand for more energy-saving buildings as climate change countermeasures	Progressive shift to energy-saving buildings	4	Products and services, market	Short, medium and long term	2. Energy-saving design of buildings★	4	3
E	7, 13	Opportunities	Rise in demand for clean energy as a climate change countermeasure	Spread of power generation methods with low CO_2 emissions	4	Products and services, energy sources, market	Short, medium and long term	2. Promotion of renewable energy businesses★	4	3
S	3, 8	Opportunities	Reduction in overtime work and changes in the compensation evaluation system and workplace environment through more efficient operations	Increase in the attraction of the construction industry and the promotion of employee health	5	Products and services	Short and medium term	**<u>3. Creation of workplaces that realize wellbeing</u>**		
S	8	Opportunities	Progressively more diverse workstyles and greater employment mobility	Realization of diverse workstyles	4	Products and services	Short and medium term	3. Promotion of decent work		
S	5, 8, 10	Risks	Lack of diversity in working environments	Outflow of female employees and other diverse talent, and the loss of employment opportunities	4	Physical risk (acute) / transition risk (market)	Short and medium term	3. Promotion of diversity-focused management		
E·S	8, 9, 13	Risks	Deterioration in working environments due to rising temperatures associated with climate change	Increased risk of heat stroke and an increase in construction costs due to a decline in labor productivity	3	Physical risk (chronic) / transition risk (market)	Short, medium and long term	3. Promotion of mechanization, labor saving and greater efficiency★	3	4
G	4, 16	Risks	Weakening awareness of corporate ethics and compliance	Loss of opportunities and increased financing costs due to a decline in corporate credibility	5	Transition risk (regulatory, market)	Short, medium and long term	**<u>4. Stronger corporate governance</u>**		
S·G	8	Risks	Unsafe working environments	Decline in worker motivation	3	Physical risk (acute) / transition risk (market)	Short and medium term	3, 4. Safe and secure working environments		

*1 **Negative impact** is described for risks and **positive impact** is described for opportunities.
*2 Significance is evaluated using the two axes of probability and impact. Each is given a score from 1 to 5, with 5 indicating the highest degree of significance (5: Extremely high; 4: High; 3: Medium; 2: Low; 1: Extremely low).
*3 The ESG/SDGs-related material issues (materiality) for the Okumura Group are indicated in bold and underlined type. The numbers at the beginning of each item indicate the relevance to each materiality. The ★ marks indicate climate change-related issues.
*4 Based on the "2°C or lower scenario" and the "4°C scenario," we analyzed the impact of climate-related risks and opportunities on the organization and evaluated their importance based on the two axes of probability and impact.

of gross floor area in new construction work," and "ZEB proposal rate for design and construction projects."

To achieve these targets, we promote the proactive use of electricity from renewable energy sources and the use of environmentally friendly concrete and other low-carbon materials to contribute to achieving a decarbonized society.

We have established an environmental plan along with the Medium-Term Business Plan to strengthen initiatives aimed at achieving a decarbonized society. By aligning some of the targets established in the environmental plan with the non-financial targets in the Medium-Term Business Plan, we have established a system for promoting environmentally friendly business activities as an integral part of the Medium-Term Business Plan.

Policy related to human capital, etc.

The Okumura Group has set "leverage our human resources" as a basic policy of its business strategy in the Medium-Term Business Plan (FY2025-2027). To promote the creation of environments enabling all employees to prosper, we have formulated the "Human Resources Policy" and "Work Environment Improvement Policy," and our initiatives are based on these policies.

The Company touts a human resources policy that serves to preserve the advanced on-site capabilities and reliability that we have cultivated throughout our history by developing human resources that steadfastly and sincerely value trust, are able to act on their own initiative to face challenges head-on, and are full of a drive for growth.

Specifically, we provide regular training, including hierarchical training tailored to job performance abilities, job-specific training aimed at acquiring the specialized knowledge required for each job type, and safety and health education that systematically teaches safety and health management knowledge and hones judgment and leadership skills. In addition, we systematically and proactively conduct human resources development by providing ongoing training for all employees, including digital transformation (DX) literacy improvement education and compliance training. At the same time, we also proactively support employees in voluntarily improving their skills by providing subsidies for qualification acquisition costs and providing online learning programs that allow employees to learn independently about themes of their choice.

Furthermore, in addition to setting the retirement age at 65 to ensure that the knowledge, experience, and skills of our valued veteran employees are passed on to younger and mid-career employees, we develop and support our human resources by promoting efforts to ensure that they will inherit our DNA of "steadfast and sincere."

Based on the "Work Environment Improvement Policy," we aim to create a workplace where all employees can prosper by enhancing employee engagement, ensuring a safe and engaging environment, and fostering a corporate climate that values individuality and creativity to ensure that diverse human resources, including women, can each realize their greatest potential.

Specifically, we make an efforts to promote women's participation and support work-life balance. In addition to actively recruiting and training female employees, we are establishing workplaces where women can work with a sense of security through enhanced systems to support the balance between childcare and work. Through this, we are steadily promoting women's participation in leadership positions.

Furthermore, we provide safe and comfortable environments for employees while on and off the job, such as the employee dorms, which offer high-quality wooden spaces through hybrid constructions of wood and reinforced concrete. We have also promoted the banning of smoking during work hours and the elimination of smoking areas in all permanent business locations. By placing importance on mental and physical health, we strive to achieve the wellbeing of all employees.

Additionally, by introducing an intrapreneurship system that encourages employees to turn ideas inspired by business and social issues into businesses, we provide an environment where employees can think independently and challenge themselves.

In addition to developing human resources and improving the work environment, we promote efforts to make maximum use of the abilities of human capital from diverse standpoints, by identifying organizational issues through the implementation of engagement surveys and working to retain human resources by raising starting salaries, implementing base pay increases, and revising the personnel evaluation system to ensure that job performance and abilities are appropriately reflected in compensation.

(3) Risk Management

At the Okumura Group, the ESG/SDGs Promotion Committee and the Workstyle Reform Promotion Committee analyze, identify, and assess issues associated with ESG/SDGs and comprehensively manage associated risks, including appropriate reviews of materiality in accordance with changes in the business environment. Additionally, by reflecting measures aimed at solving other related issues in the Medium-Term Business Plan with a focus on those aimed at solving the material issues (materiality), we have established a framework that integrates our business activities and ESG/SDGs initiatives, thereby improving the effectiveness of measures for solving such issues..

(4) Metrics and Targets

Metrics and Targets Related to Climate Change

At the Okumura Group, we have set the following metrics and targets for use in the assessment and management of the climate change-related risks and opportunities listed in "(2) Strategy" as non-financial targets in our Medium-Term Business Plan (FY2025-2027).

Metrics	Results (FY2025)	Targets (FY2027)
CO_2 emissions at the construction stage and from offices*1, 2	50 kt-CO_2	48 kt-CO_2 or less
Mixed construction waste emissions per ¥100 million of gross floor area in new construction work	1.5 kg/m^2	Aim for 3 kg/m^2 or less on an ongoing basis
ZEB proposal rate for design and construction projects*3	33.3%	50% or more

*1 A non-financial target set as a key target of the Medium-Term Business Plan (FY2025-2027)
*2 The results value is calculated by subtracting the use of renewable energy.
*3 Calculated based on projects for which architectural designing, structural designing, and MEP designing were undertaken with the independent decision-making authority of the Company and for which orders were secured.

Additionally, we have set the following targets for the reduction of greenhouse gas (GHG) emissions as long-term targets. We obtained SBT certification for these targets in January 2023.

*SBT (Science Based Targets): These are greenhouse gas emission reduction targets set by companies to meet the goals of the Paris Agreement (to keep the rise in average global temperatures well within 2°C above pre-industrial levels and continue efforts to keep the rise in temperatures within 1.5°C) with the target years 5-15 years from now.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Metrics[*1]	GHG Emission Reduction Targets for FY2030 (Total Emissions)[*2]
Scope 1 + Scope 2	25% (from FY2020)
Scope 3	13% (from FY2020)

*1 Scope 1: Direct greenhouse gas emissions from sources that are owned or controlled by the company
Scope 2: Indirect greenhouse gas emissions from the use of electricity, heat and vapor supplied by other companies
Scope 3: Other indirect greenhouse gas emissions that are a consequence of the activities of the company, but occur from sources not owned or controlled by the company
*2 (Reference)
Total emissions in FY2020: Scope 1+2 41,466.13 t-CO_2, Scope 3 1,180,258.95 t-CO_2
Total emissions in FY2025: Scope 1+2 43,126.65 t-CO_2, Scope 3 1,256,148.83 t-CO_2

Metrics and Targets Related to Human Capital

The Okumura Group has established the following metrics and targets related to human capital as set out in (2) Strategy as non-financial targets of the Medium-Term Business Plan (FY2025-2027).

Metrics	Results (FY2025)	Targets (FY2027)
Turnover rate among new graduate employees in their first 3 years[*1]	13.0%	Less than 10.0%
Percentage of women in managerial positions[*1, 2]	5.1%	6.0% or more
Percentage of women among new graduate recruits[*2]	12.8%	20.0% or more
Percentage of male employees taking childcare leave[*3]	102.8%	100%
Achievement rate of construction sites closed 8 days per 4 weeks (Civil engineering)	72.3%	90.0% or more
Achievement rate of construction sites closed 8 days per 4 weeks (Buildings)	59.0%	70.0% or more

*1 “Turnover rate among new graduate employees in their first 3 years” and “Percentage of women in managerial positions” are set as key targets in the Medium-Term Business Plan (FY2025-2027).
*2 As of the day following the last day of the relevant fiscal year (April 1)
*3 Equal to the number of male workers who took childcare leave, etc., divided by the number of male workers whose spouse gave birth during the relevant fiscal year.
(Note) In addition to the above, continuous recognition as a “Certified Health & Productivity Management Outstanding Organization (White 500)” was set as a qualitative target, and we are promoting various initiatives that help “leverage our human resources,” such as improving employee engagement and securing human resources.

Functional improvements to the remote control system for shield tunneling machines and implementation of remote control between Japan and Taiwan

The Company worked with Okumura Machinery Corporation to make functional improvements to the remote control system for shield tunneling machines by building a more secure operating environment and introducing a cockpit with improved operability and immersion. These improvements will enhance operability and safety compared to the conventional system.

Remote control cockpit

Management monitors

As a result of remotely controlling a shield tunneling machine in operation in Taoyuan City, Taiwan from a cockpit installed in the Okumura Corporation Technical Research Institute (Tsukuba, Ibaraki), it was confirmed that local conditions are easier to understand than with the conventional system, and that shield tunneling machines can be operated just as well remotely as locally.

For more information | April 13, 2026 Press Release: https://www.okumuragumi.co.jp/newsrelease/2026/post-73.html (Japanese only)

Operation of the Okumura Commemorative Museum

In 2007, we built the "Okumura Commemorative Museum" in Nara, a region deeply connected with Okumura Corporation, to show our gratitude for the opportunity to celebrate our centennial anniversary. The museum is designed in harmony with the atmosphere of this ancient capital. It features relaxation spaces where visitors can rest at ease and display spaces showing Okumura's history and technologies without any admission charge. The museum adopts "Seismic Isolation Technology", one of Okumura's special expertise, and it provides a space where visitors can learn about how actual seismic isolation system is installed. It also features an "Earthquake and Seismic Isolation Experience Simulator" that enables visitors to experience earthquake shaking and the effect of seismic isolation, as well as comparative seismic isolation models, by which visitors can feel the sense of the difference depending on the presence or absence of the seismic isolation system, and a model of a shield tunneling machine.

The museum also provides a space for performances by amateur musicians, and concerts are held for the enjoyment of visitors.

Please take time to visit when you are next in Nara.

Display space

Okumura Receives the Red Dot Design Award and iF Design Award, Two of the Top Three Global Design Awards

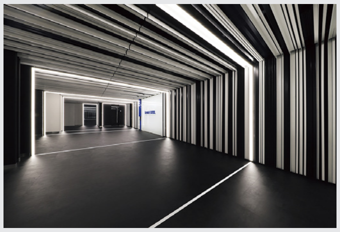
Two buildings designed and constructed by Okumura Corporation were recognized with global design awards.

Receiving these awards demonstrates that the Company's design and construction efforts have gained international recognition. Going forward, we will continue striving to provide high-quality, innovative designs that meet the expectations of our customers.

KYOEI STEEL Yamaguchi Division's New Office Building Awarded the Red Dot Design Award 2025

The Red Dot Design Award is a design award established in 1955 that is organized by the Design Zentrum Nordrhein Westfalen based in Essen, Germany. It is considered one of the top three global design awards, along with the iF Design Award in Germany and the International Design Excellence Award (IDEA) in the United States. Each year, from among tens of thousands of global applicants, the award is given to only the most outstanding design works that meet strict criteria including design innovation, functionality, ergonomics, ecology, and durability.

The winning building is a new office building for KYOEI STEEL LTD., a steel material manufacturer that boasts the top domestic share of steel bars for reinforced concrete. With its exterior design that visually symbolizes stacks of billets from the steel manufacturing process and its interior design that incorporates steel products manufactured by KYOEI STEEL LTD. as finishing materials, the entire building expresses the company's identity and serves as a showroom.



For more information

https://www.red-dot.org/project/kyoei-steel-yamaguchi-division-new-office-building-84667
https://www.okumuragumi.co.jp/works/design/2024-kyoei-steel.html

Okumura Corporation Nishikawaguchi Dormitory Awarded the iF Design Award 2026

The iF Design Award is a design award established in 1954 by the iF International Forum Design based in Munich, Germany. From among products submitted from countries around the world, outstanding designs are chosen based on the five criteria of idea, form, function, differentiation, and sustainability.

The winning building implements mid- to high-rise wooden construction, which has drawn great social interest as a means of achieving a decarbonized society. It incorporates a hybrid construction of wood and reinforced concrete and uses inter-story seismic isolation. Wood is used for the columns, beams, and walls of the dormitory rooms as well as the exterior louvers and eaves, resulting in a design where the warmth of the wood can be felt inside and out.

For more information

https://ifdesign.com/ja/winner-ranking/project/okumura-corporation-nishikawaguchi-domitory/761759
https://www.okumuragumi.co.jp/works/design/2025-nishikawaguchi.html

Consolidated Balance Sheet

Okumura Corporation and Consolidated Subsidiaries
March 31, 2026

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
ASSETS	**2026**	2025	**2026**
Current assets:			
Cash and cash equivalents (Note 15)	**¥ 15,676**	¥ 27,440	**$ 98,018**
Time deposits (Notes 15 and 17)	**1,593**	1,273	**9,963**
Receivables:			
Trade notes (Note 15)	**3,466**	2,674	**21,678**
Trade accounts (Note 15)	**213,970**	187,894	**1,337,903**
Other	**10,607**	8,248	**66,323**
Allowance for doubtful receivables (Note 15)	**(460)**	(199)	**(2,880)**
Inventories (Note 5)	**9,366**	9,572	**58,569**
Prepaid expenses and other	**5,352**	4,230	**33,464**
Total current assets	**259,572**	241,135	**1,623,040**
Property, plant and equipment (Notes 6, 7 and 8)**:**			
Land (Note 17)	**37,416**	36,296	**233,956**
Buildings and structures (Note 17)	**21,999**	20,989	**137,555**
Machinery and equipment	**6,430**	6,644	**40,209**
Furniture and fixtures	**792**	869	**4,954**
Lease assets (Note 14)	**30**	19	**190**
Construction in progress	**5,813**	345	**36,353**
Total property, plant and equipment	**72,483**	65,164	**453,218**
Investments and other assets:			
Investment securities (Notes 4, 15 and 17)	**75,118**	60,223	**469,696**
Investments in and advances to unconsolidated subsidiaries and associated companies (Notes 15 and 17)	**116**	210	**731**
Long-term loans receivable (Note 15)	**21**	23	**132**
Asset for retirement benefits (Note 9)	**9,250**	8,519	**57,838**
Deferred tax assets (Note 11)	**10**	4	**67**
Other assets	**24,735**	20,111	**154,664**
Allowance for doubtful receivables (Note 15)	**(419)**	(1,926)	**(2,621)**
Total investments and other assets	**108,833**	87,166	**680,508**
Total	**¥440,889**	¥393,466	**$2,756,767**

See notes to consolidated financial statements.

LIABILITIES AND EQUITY	Millions of Yen (Note 1) 2026	2025	Thousands of U.S. Dollars (Note 1) 2026
Current liabilities:			
Short-term bank loans including current portion of long-term debt (Notes 8, 14 and 15)	**¥25,516**	¥ 43,809	**$ 159,547**
Payables:			
Trade notes (Note 15)	**1,689**	2,655	**10,565**
Trade accounts (Note 15)	**57,191**	54,344	**357,604**
Other	**637**	3,566	**3,989**
Advances received on construction projects in progress	**24,140**	18,133	**150,942**
Income taxes payable	**4,992**	2,083	**31,214**
Allowance for warranty work on construction projects	**1,122**	662	**7,021**
Allowance for losses on construction contracts	**2,729**	2,327	**17,068**
Deposits received (Note 17)	**17,984**	11,492	**112,449**
Suspense receipt of consumption taxes	**30,625**	29,928	**191,495**
Other	**12,381**	5,964	**77,418**
Total current liabilities	**179,012**	174,967	**1,119,318**
Long-term liabilities:			
Long-term debt (Notes 8, 14, 15 and 16)	**25,028**	5,023	**156,494**
Non-recourse loans (Notes 8, 15, 16 and 17)	**18,014**	20,172	**112,641**
Deferred tax liabilities (Note 11)	**23,653**	19,876	**147,901**
Provision for share awards	**527**	348	**3,298**
Other	**687**	623	**4,300**
Total long-term liabilities	**67,912**	46,043	**424,637**
Total liabilities	**246,924**	221,010	**1,543,956**
Commitments and contingent liabilities			
Equity (Notes 10, 18 and 20)**:**			
Common stock			
authorized, 96,000,000 shares; issued, 38,665,226 shares*	**19,838**	19,838	**124,047**
Capital surplus	**26,532**	26,510	**165,901**
Retained earnings	**110,902**	100,276	**693,444**
Treasury stock—at cost			
2,794,557 shares in 2026 and 2,440,729 shares in 2025*	**(9,486)**	(7,972)	**(59,313)**
Accumulated other comprehensive income:			
Unrealized gain (loss) on available-for-sale securities	**40,720**	30,212	**254,613**
Deferred gain (loss) on hedges	**5,137**	5,396	**32,125**
Defined retirement benefit plans	**3,262**	3,023	**20,397**
Total	**49,120**	38,631	**307,136**
Noncontrolling interests	**(2,943)**	(4,829)	**(18,405)**
Total equity	**193,964**	172,455	**1,212,811**
Total	**¥440,889**	¥393,466	**$2,756,767**

*The number of shares of treasury stock as of March 31, 2026 includes 268,200 shares of the Company held by the trust account of Employee Share Award Plan.

Consolidated Statement of Income

Okumura Corporation and Consolidated Subsidiaries
Year Ended March 31, 2026

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2026	**2025**	**2026**
Net sales	**¥307,202**	¥298,222	**$1,920,854**
Cost of sales	**268,533**	266,534	**1,679,066**
Gross profit	**38,669**	31,688	**241,788**
Selling, general and administrative expenses (Note 13)	**22,740**	21,956	**142,190**
Operating income	**15,928**	9,731	**99,597**
Other income (expenses):			
Interest and dividend income	**1,593**	1,456	**9,966**
Interest expenses	**(1,009)**	(807)	**(6,311)**
Gain on sale of investment securities	**1,995**	3,599	**12,479**
Gain on settlement of forward exchange contracts (Notes 2.o and 16)	**1,236**	—	**7,729**
Gain on valuation of forward exchange contracts (Notes 2.o and 16)	**6,156**	—	**38,495**
Loss on valuation of forward exchange contracts (Notes 2.o and 16)	**—**	(701)	**—**
Impairment losses (Notes 3 and 6)	**—**	(13,234)	**—**
Other—net	**767**	(1,470)	**4,796**
Other income (expenses) —net	**10,740**	(11,158)	**67,155**
Income (loss) before income taxes	**26,668**	(1,426)	**166,752**
Income taxes (Note 11)**:**			
Current	**7,204**	4,957	**45,048**
Deferred	**(1,040)**	160	**(6,509)**
Total income taxes	**6,163**	5,118	**38,539**
Net income (loss)	**20,505**	(6,545)	**128,213**
Net income (loss) attributable to noncontrolling interests	**2,144**	(9,268)	**13,409**
Net income attributable to owners of the parent	**¥ 18,360**	¥ 2,722	**$ 114,803**

	Yen		U.S. Dollars (Note 1)
Per share of common stock (Notes 2.p,19 and 20)**:**			
Basic net income	**¥ 511.80**	¥ 74.00	**$ 3.20**
Cash dividends applicable to the year	**297.00**	216.00	**1.85**

See notes to consolidated financial statements.

Consolidated Statement of Comprehensive Income

Okumura Corporation and Consolidated Subsidiaries
Year Ended March 31, 2026

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2026	2025	**2026**
Net income (loss)	**¥20,505**	¥(6,545)	**$128,213**
Other comprehensive income (Note 18)**:**			
Unrealized gain (loss) on available-for-sale securities	**10,507**	(4,763)	**65,701**
Deferred gain (loss) on hedges	**(516)**	3,112	**(3,230)**
Defined retirement benefit plans	**239**	1,821	**1,495**
Total other comprehensive income	**10,230**	170	**63,965**
Comprehensive income (loss)	**¥30,735**	¥(6,374)	**$192,179**
Total comprehensive income attributable to:			
Owners of the parent	**¥28,848**	¥ 1,337	**$180,384**
Noncontrolling interests	**1,886**	(7,711)	**11,794**

See notes to consolidated financial statements.

Consolidated Statement of Changes in Equity

Okumura Corporation and Consolidated Subsidiaries
Year Ended March 31, 2026

	Thousands	Millions of Yen (Note 1)								
						Accumulated other comprehensive income (loss)				
	Number of shares of common stock outstanding	Common stock	Capital surplus	Retained earnings	Treasury stock	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on hedges	Defined retirement benefit plans	Noncontrolling interests	Total equity
BALANCE, APRIL 1, 2024	36,827	¥19,838	¥26,466	¥107,684	¥(5,316)	¥34,976	¥3,840	¥1,201	¥2,882	¥191,573
Net income attributable to owners of the parent	—	—	—	2,722	—	—	—	—	—	2,722
Cash dividends, ¥273 per share	—	—	—	(10,131)	—	—	—	—	—	(10,131)
Purchase of treasury stock	(622)	—	—	—	(2,711)	—	—	—	—	(2,711)
Disposal of treasury stock	19	—	43	—	55	—	—	—	—	99
Net change in the year	—	—	—	—	—	(4,763)	1,556	1,821	(7,711)	(9,097)
BALANCE, MARCH 31, 2025	**36,224**	**19,838**	**26,510**	**100,276**	**(7,972)**	**30,212**	**5,396**	**3,023**	**(4,829)**	**172,455**
Net income attributable to owners of the parent	**—**	**—**	**—**	**18,360**	**—**	**—**	**—**	**—**	**—**	**18,360**
Cash dividends, ¥213 per share	**—**	**—**	**—**	**(7,734)**	**—**	**—**	**—**	**—**	**—**	**(7,734)**
Purchase of treasury stock	**(381)**	**—**	**—**	**—**	**(1,607)**	**—**	**—**	**—**	**—**	**(1,607)**
Disposal of treasury stock	**27**	**—**	**22**	**—**	**93**	**—**	**—**	**—**	**—**	**115**
Net change in the year	**—**	**—**	**—**	**—**	**—**	**10,507**	**(258)**	**239**	**1,886**	**12,374**
BALANCE, MARCH 31, 2026	**35,870**	**¥19,838**	**¥26,532**	**¥110,902**	**¥(9,486)**	**¥40,720**	**¥5,137**	**¥3,262**	**¥(2,943)**	**¥193,964**

	Thousands of U.S. Dollars(Note 1)								
					Accumulated other comprehensive income (loss)				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on hedges	Defined retirement benefit plans	Noncontrolling interests	Total equity
BALANCE, MARCH 31, 2025	**$124,047**	**$165,762**	**$627,004**	**$(49,848)**	**$188,911**	**$33,741**	**$18,902**	**($30,199)**	**$1,078,321**
Net income attributable to owners of the parent	**—**	**—**	**114,803**	**—**	**—**	**—**	**—**	**—**	**114,803**
Cash dividends, $1.33 per share	**—**	**—**	**(48,362)**	**—**	**—**	**—**	**—**	**—**	**(48,362)**
Purchase of treasury stock	**—**	**—**	**—**	**(10,049)**	**—**	**—**	**—**	**—**	**(10,049)**
Disposal of treasury stock	**—**	**139**	**—**	**583**	**—**	**—**	**—**	**—**	**723**
Net change in the year	**—**	**—**	**—**	**—**	**65,701**	**(1,615)**	**1,495**	**11,794**	**77,375**
BALANCE, MARCH 31, 2026	**$124,047**	**$165,901**	**$693,444**	**($59,313)**	**$254,613**	**$32,125**	**$20,397**	**($18,405)**	**$1,212,811**

Consolidated Statement of Cash Flows

Okumura Corporation and Consolidated Subsidiaries
Year Ended March 31, 2026

	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 1)
	2026	2025	**2026**
Operating activities:			
Income (loss) before income taxes	**¥26,668**	¥ (1,426)	**$166,752**
Adjustments for:			
Income taxes—paid	**(4,338)**	(6,611)	**(27,128)**
Depreciation and amortization	**3,181**	4,123	**19,891**
Amortization of goodwill	**—**	29	**—**
Gain on sale of investment securities	**(1,995)**	(3,599)	**(12,479)**
Impairment losses	**—**	13,234	**—**
Loss (gain) on settlement of forward exchange contracts	**(1,236)**	50	**(7,729)**
Loss (gain) on valuation of forward exchange contracts	**(6,156)**	701	**(38,495)**
Changes in assets and liabilities:			
Decrease (increase) in trade notes and accounts receivable	**(26,869)**	(18,244)	**(168,005)**
Decrease (increase) in accumulated costs of construction projects in progress	**580**	(1,645)	**3,627**
Decrease (increase) in other inventories	**(180)**	171	**(1,130)**
Increase (decrease) in trade notes and accounts payable	**(441)**	2,479	**(2,760)**
Increase (decrease) in advances received on construction projects in progress	**6,007**	(1,028)	**37,560**
Decrease (Increase) in asset for retirement benefits	**(381)**	(311)	**(2,386)**
Other—net	**12,779**	248	**79,906**
Total adjustments	**(19,052)**	(10,401)	**(119,130)**
Net cash provided by (used in) operating activities	**7,616**	(11,828)	**47,622**
Investing activities:			
Net decrease (increase) in time deposits	**(200)**	—	**(1,253)**
Payments for purchases of securities	**(105)**	(174)	**(658)**
Proceeds from sales of securities	**2,686**	5,728	**16,798**
Purchases of property, plant and equipment and intangible assets	**(13,589)**	(6,635)	**(84,969)**
Proceeds from sales of property, plant and equipment and intangible assets	**5**	0	**34**
Investment in loans receivable	**—**	(12)	**—**
Collection of loans receivable	**11**	47	**71**
Proceeds from settlement of forward exchange contracts	**1,407**	—	**8,799**
Other—net	**(175)**	(448)	**(1,096)**
Net cash provided by (used in) investing activities	**(9,959)**	(1,492)	**(62,273)**
Financing activities:			
Increase (decrease) in short-term bank loans—net	**(17,199)**	26,000	**(107,542)**
Proceeds from long-term debt	**20,000**	1,000	**125,054**
Repayments of long-term debt	**(1,101)**	(1)	**(6,890)**
Repayments of non-recourse loans	**(2,157)**	(2,161)	**(13,489)**
Purchase of treasury stock	**(1,607)**	(2,712)	**(10,052)**
Disposal of treasury stock	**24**	6	**151**
Dividends paid	**(7,678)**	(10,053)	**(48,010)**
Other—net	**(11)**	(7)	**(71)**
Net cash provided by (used in) financing activities	**(9,731)**	12,070	**(60,849)**
Foreign currency translation adjustments on cash and cash equivalents	**310**	(225)	**1,940**
Net increase (decrease) in cash and cash equivalents	**(11,764)**	(1,477)	**(73,560)**
Cash and cash equivalents, beginning of year	**27,440**	28,917	**171,579**
Cash and cash equivalents, end of year	**¥15,676**	¥27,440	**$98,018**

See notes to consolidated financial statements.

1. Basis of Presentation of Consolidated Financial Statements

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Act and its related accounting regulations and in accordance with accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of IFRS Accounting Standards.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. In addition, certain reclassifications have been made in the 2025 consolidated financial statements to conform to the classifications used in 2026.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Okumura Corporation (the "Company") is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥159.93 to $1, the approximate rate of exchange at March 31, 2026. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

Japanese yen figures less than one million yen and U.S. dollars figures less than one thousand dollars were rounded down to the nearest million yen and thousand U.S. dollar, respectively, except for per share information. As a result, the totals of Japanese yen amounts or U.S. dollar amounts shown in the accompanying consolidated financial statements do not necessarily agree with the sum of the individual amounts.

2. Summary of Significant Accounting Policies

a. Consolidation — The consolidated financial statements as of March 31, 2026, include the accounts of the Company and its 4 (4 in 2025) significant subsidiaries (together, the "Group").

Under the control and influence concepts, those companies in which the Company, directly or indirectly, is able to exercise control over operations are fully consolidated, and those companies over which the Group has the ability to exercise significant influence are accounted for by the equity method.

Investments in 5 (6 in 2025) unconsolidated subsidiaries and 6 (6 in 2025) associated companies are stated at cost. If the equity method of accounting had been applied to the investments in these companies, the effect on the accompanying consolidated financial statements would not be material.

The excess of the cost of acquisition over the fair value of the net assets of an acquired subsidiary at the date of acquisition is amortized over a period of 17 years.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Group is also eliminated.

b. Cash Equivalents — Cash equivalents are short-term investments that are readily convertible into cash and exposed to insignificant risk of changes in value.

Cash equivalents include time deposits, certificates of deposit and commercial paper, all of which mature or become due within 3 months of the date of acquisition.

c. Inventories — Construction projects in progress and work in process are stated at cost, determined by the specific identification method.

Real estate held for sale and development projects in progress are stated at the lower of cost, determined by the specific identification method, or net selling value, which is defined as the selling price less additional estimated manufacturing costs and estimated direct selling expenses.

Raw materials and supplies are stated at the lower of cost, determined by the weighted average method, or net selling value.

d. Marketable and Investment Securities — Marketable and investment securities are classified and accounted for, depending on management's intent, as follows:

(1) held-to-maturity debt securities, for which there is a positive intent and ability to hold to maturity, are reported at amortized cost; and

(2) available-for-sale securities, which are not classified as held-to-maturity are reported at fair value, with unrealized gains and losses, net of applicable taxes, reported in a separate component of equity.

Nonmarketable available-for-sale securities, which do not have a market price, are stated at cost determined by the moving-average method. For other-than-temporary declines in fair value, investment securities are reduced to net realizable value by a charge to income.

Investments in limited partnerships, which are considered securities under Article 2, Clause 2 of the Japanese Financial Instruments and Exchange Act, are recorded under the equity method and based on the latest consolidated financial statements available on the reportable date ruled by the partnership contracts.

e. Property, Plant and Equipment — Property, plant and equipment are stated at cost. Depreciation, except for lease assets, is computed by the declining-balance method based on the estimated useful lives of the assets, while the straight-line method is applied to buildings acquired on or after April 1, 1998, and building improvements and structures acquired on or after April 1, 2016, and lease assets. The range of useful lives is principally from 3 to 60 years for buildings and structures, from 2 to 17 years for machinery and equipment, and from 2 to 15 years for furniture and fixtures. Lease assets under finance lease arrangements are depreciated using the straight-line method over the terms of the respective leases without any salvage value.

Accumulated depreciation totaled ¥29,062 million ($181,717 thousand) and ¥26,823 million as of March 31, 2026 and 2025, respectively.

f. Long-Lived Assets — The Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss is recognized if the carrying amount of an asset or asset group exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or the net selling price at disposition.

g. Allowance for Doubtful Receivables — The allowance for doubtful receivables is stated in amounts considered to be appropriate based on the Group's past credit loss experience and an evaluation of estimated losses in the receivables outstanding.

h. Allowance for Warranty Work on Construction Projects — The allowance for warranty costs for completed work is provided at the amount of warranty costs based on past loss experience.

i. Allowance for Losses on Construction Contracts — An allowance for losses on construction contracts is provided with respect to construction projects for which eventual losses are reasonably expected and estimated.

j. Provision for Share Awards — Provision for share awards is provided at the estimated amount of share award obligations to provide for granting shares of the Company to employees based on the share award regulations, etc.

k. Employees' Retirement Benefits — The Company and certain consolidated subsidiaries have a contributory funded pension plan covering substantially all of their employees.

The Company and certain consolidated subsidiaries account for the liability for retirement benefits based on the projected benefit obligations and plan assets at the balance sheet date. The projected benefit obligations are attributed to periods on a benefit formula basis. Actuarial gains and losses and past service costs that are yet to be recognized in profit or loss are recognized within equity (accumulated other comprehensive income), after adjusting for tax effects, and are recognized in profit or loss over 10 years but no longer than the expected average remaining service period of the employees.

l. Asset Retirement Obligations — An asset retirement obligation is recorded for a legal obligation imposed either by law or contract that results from the acquisition, construction, development and normal operation of a tangible fixed asset and is associated with the retirement of such tangible fixed asset. The asset retirement obligation is recognized as the sum of the discounted cash flows required for the future asset retirement and is recorded in the period in which the obligation is incurred if a reasonable estimate can be made. If a reasonable estimate of the asset retirement obligation cannot be made in the period the asset retirement obligation is incurred, the liability should be recognized when a reasonable estimate of the asset retirement obligation can be made. Upon initial recognition of a liability for an asset retirement obligation, an asset retirement cost is capitalized by increasing the carrying amount of the related fixed asset by the amount of the liability. The asset retirement cost is subsequently allocated to expense through depreciation over the remaining useful life of the asset. Over time, the liability is accreted to its present value each period. Any subsequent revisions to the timing or the amount of the original estimate of undiscounted cash flows are reflected as an adjustment to the carrying amount of the liability and the capitalized amount of the related asset retirement cost.

m. Construction Contracts — Regarding the construction business, the primary business of the Group, the Group recognizes revenue when control of promised goods or services is transferred to a customer.

The performance obligations for construction contracts in the construction business are mainly construction and delivery of buildings, etc. When control of goods or services is transferred to a customer over time, the Group recognizes revenue over time as the performance obligation is satisfied by transferring promised goods or services to a customer. The progress toward complete satisfaction of a performance obligation is measured based on the proportion of construction costs incurred by the end of the reporting period to the total expected construction costs.

In some circumstances such as the first stage of a contract, if the Group may not be able to reasonably measure the progress toward complete satisfaction of a performance obligation but expect to recover the costs, the Group applies the cost recovery method.

Regarding construction contracts whose periods are very short from the initial transaction date of the contract to the expected date of completely satisfying performance obligations, the Group does not recognize revenue over time, but recognizes revenue when the performance obligations are satisfied completely (the time of completing and delivering constructions).

n. Income Taxes — The provision for income taxes is computed based on the pretax income included in the consolidated statement of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted income tax rates to the temporary differences.

o. Derivatives and Hedging Activities — The Group uses derivative financial instruments to manage its exposures to fluctuations in foreign exchange and interest rates. Foreign currency forward contracts are utilized by the Group to reduce foreign currency exchange rate risks on foreign currency denominated trade payables for imported materials. In addition, interest rate swaps are utilized by the Group to reduce interest rate risks on long-term loans. The Group does not enter into derivatives for trading or speculative purposes.

The Group has discontinued the application of hedge accounting for the forward exchange contracts used by ISHIKARI BIO ENERGY GODO KAISHA (consolidated subsidiary). Changes in the fair value of these forward exchange contracts that have occurred since hedge accounting was discontinued are recorded as other income (expenses).

Interest rate swaps that qualify for hedge accounting and meet specific matching criteria are not remeasured at market value, but the differential paid or received under the swap agreements is recognized and included in interest expense or income.

p. Per Share Information — Basic net income per share is computed by dividing net income attributable to common shareholders by the weighted-average number of common shares outstanding for the period.

Diluted net income per share is not presented as there are no dilutive potential shares.

Cash dividends per share presented in the accompanying consolidated statement of income are dividends applicable to the respective fiscal years, including dividends to be paid after the end of the year.

q. Accounting Policy Disclosures, Accounting Changes and Error Corrections — Under Accounting Standards Board of Japan ("ASBJ") Statement No. 24, "Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections," and ASBJ Guidance No. 24, "Guidance on Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections," accounting treatments are required as follows:

(1) Changes in Accounting Policies:
When a new accounting policy is applied following revision of an accounting standard, the new policy is applied retrospectively unless the revised accounting standard includes specific transitional provisions, in which case the entity shall comply with the specific transitional provisions.

(2) Changes in Presentation:
When the presentation of financial statements is changed, prior-period financial statements are reclassified in accordance with the new presentation.

(3) Changes in Accounting Estimates:
A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods.

(4) Corrections of Prior-Period Errors:
When an error in prior-period financial statements is discovered, those statements are restated.

r. Accounting Policies and Procedures Which Are Adopted When the Provisions of the Relevant Accounting Standards Are Not Clear

Accounting for works by joint ventures formed, in order to take orders and carry out the works jointly with several constructors, are incorporated in the consolidated financial statements according to the proportion of investment equities.

s. New Accounting Pronouncements

Accounting Standard for Leases

On September 13, 2024, the ASBJ issued ASBJ Statement No. 34, "Accounting Standard for Leases" and ASBJ Guidance No. 33, "Implementation Guidance on Accounting Standard for Leases." The ASBJ has also issued other guidance including Accounting Standards, Implementation Guidance, Practical Solutions and Transferred Guidance, which were revised by the issuance of the Accounting Standard for Leases, etc.

These Accounting Standards, etc. were issued to define the treatments to record assets and liabilities on all the leases of lessees in the same way as the international accounting standards.

The Company expects to apply the accounting standard and guidance from the beginning of the year ending March 31, 2028, and is in the process of measuring the effects of applying the accounting standard and guidance in future periods.

t. Additional Information

Employee Share Award Plan

(1) Outline of the Transaction
The Company and Okumura Machinery Corporation (consolidated subsidiary, hereinafter collectively referred to as the "Company, etc.") have introduced the "Employee Share Award Plan" (hereinafter, the "Plan" and the trust established based on the trust agreement concluded with Resona Bank, Limited associated with the Plan shall be referred to as the "Trust") as an incentive plan for the Company's employees.

The Plan involves the Trust established by the Company through monetary contributions, which acquire shares of the Company. Based on the "Share Award Regulations" prescribed in advance by the Board of Directors of the Company, etc., the Trust provides shares of the Company and cash equivalent to the market value of shares of the Company (hereinafter collectively referred to as "Shares of the Company, etc.") to employees who satisfy certain beneficiary requirements.

Under the Plan, the Company awards points to eligible employees on the basis of their performance evaluations and other criteria in accordance with the Share Award Regulations. If employees satisfy the specified beneficiary requirements, the Company, etc. grants Shares of the Company, etc. equivalent to the awarded points. Since the Company contributes all the money necessary to establish the Trust, there is no financial burden on employees.

The introduction of the Plan allows employees to gain economic benefits from a rise in the price of shares of the Company, encouraging them to work to improve the Company's performance with an awareness of the share price. Additionally, the voting rights associated with shares of the Company held in the Trust are exercised based on the intentions of employees who satisfy the beneficiary requirements, so the Plan is expected to foster a sense of participation in management among employees.

(2) Shares of the Company remaining in the Trust
Shares of the Company remaining in the Trust are recorded as treasury stock in net assets at the carrying amount in the Trust (excluding incidental expenses). The carrying amount and the number of shares of treasury stock were ¥936 million ($5,852 thousand) and 268,200 shares as of March 31, 2026, and ¥955 million and 273,700 shares as of March 31, 2025, respectively.

Financial Covenants

ISHIKARI BIO ENERGY GODO KAISHA was found that it had breached the financial covenants of non-recourse loans. To support its financing, the Company has concluded an additional loan agreement with ISHIKARI BIO ENERGY GODO KAISHA. The creditor has not exercised its right relating to acceleration clause.

3. Significant Accounting Estimates

Revenue Recognition over Time and Allowance for Losses on Construction Contracts

(1) Amounts recorded in the consolidated financial statements for the years ended March 31, 2026 and 2025

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Construction revenues recognized over time	**¥291,375**	¥279,867	**$1,821,895**
Allowance for losses on construction contracts	**2,729**	2,327	**17,068**

(2) Information about the contents of significant accounting estimates on the identified items

1) Calculation method

Construction revenues recognized over time are recognized by multiplying the total construction revenue by progress, which is estimated based on a proportion of construction costs incurred by the end of each reporting period to the estimated total construction costs.

In addition, when it is probable that the total construction costs will exceed total construction revenue, an allowance for losses on construction contracts will be recorded at the expected excess amount (loss on construction contracts) less the profit or loss already recognized.

2) Major assumptions

For example, in the event an agreement on consideration for changes in design or scope of a construction are not timely finalized in the contracts and other documents, the total construction revenue is obtained by estimating consideration based on the details of the change in works and other matters as instructed.

Total construction costs are estimated mainly considering the market conditions of materials and subcontract costs and individual risk factors associated with the progress of works.

These estimates and underlying assumptions are continuously reviewed.

3) Impact on the consolidated financial statements for the following fiscal year

Any changes in major assumptions as of March 31, 2026, might affect construction revenue and allowance for losses on construction contracts for the following fiscal year.

4. Marketable and Investment Securities

Marketable and investment securities as of March 31, 2026 and 2025, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Non-current:			
Marketable equity securities	**¥73,276**	¥58,286	**$458,176**
Non-marketable equity securities and other	**1,842**	1,937	**11,519**
Total	**¥75,118**	¥60,223	**$469,696**

The costs and aggregate fair values of marketable and investment securities at March 31, 2026 and 2025, were as follows:

	Millions of Yen			
March 31, 2026	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	¥15,165	¥58,164	¥54	¥73,276

	Millions of Yen			
March 31, 2025	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	¥15,641	¥42,655	¥10	¥58,286

	Thousands of U.S. Dollars			
March 31, 2026	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	$94,828	$363,687	$338	$458,176

The information for available-for-sale securities which were sold during the years ended March 31, 2026 and 2025 is as follows:

	Millions of Yen		
March 31, 2026	Proceeds	Realized Gains	Realized Losses
Available-for-sale:			
Equity securities	¥2,486	¥1,995	¥—

	Millions of Yen		
March 31, 2025	Proceeds	Realized Gains	Realized Losses
Available-for-sale:			
Equity securities	¥5,694	¥3,599	¥—

	Thousands of U.S. Dollars		
March 31, 2026	Proceeds	Realized Gains	Realized Losses
Available-for-sale:			
Equity securities	$15,548	$12,479	$—

The impairment losses on unlisted available-for-sale equity securities and equity securities of an unconsolidated subsidiary for the year ended March 31, 2026, were ¥6 million ($37 thousand) and ¥23 million ($148 thousand), respectively.
The impairment loss on equity securities of an unconsolidated subsidiary for the year ended March 31, 2025, was ¥66 million.

5. Inventories

Inventories at March 31, 2026 and 2025, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Construction projects in progress	**¥4,760**	¥5,340	**$29,768**
Real estate held for sale	**1,018**	493	**6,367**
Development projects in progress	**1,838**	2,247	**11,497**
Work in process	**1,078**	815	**6,741**
Raw materials and supplies	**670**	675	**4,194**
Total	**¥9,366**	¥9,572	**$58,569**

6. Long-Lived Assets

Impairment Losses

No impairment loss was recognized for the year ended March 31, 2026.
The Group recorded impairment losses on the following asset groups for the year ended March 31, 2025.

Location	Use	Type	Millions of Yen
Ishikari City, Hokkaido	Biomass power generation equipment	Machinery and equipment, etc.	¥12,915
Ishikari City, Hokkaido		Goodwill	319

The Group is engaged in the biomass power generation business through ISHIKARI BIO ENERGY GODO KAISHA. The Group has identified ISHIKARI BIO ENERGY GODO KAISHA as an asset group, based on the management accounting classifications by which revenues and expenses are monitored on an ongoing basis.

As for the assets of ISHIKARI BIO ENERGY GODO KAISHA and goodwill recognized at the time of its acquisition, due to a decline in profitability resulting from the explosion at its power plant, the carrying amount of these assets was reduced to its recoverable amount. As a result, the Group recorded an impairment loss as other expenses.

The recoverable amount was measured as value in use, with future cash flow discounted at 5.0%.

7. Investment Property

The Group owns certain rental properties such as residential buildings, warehouses, and land in Osaka and other areas. Some rental warehouses leased to third parties of which the Company utilizes a part are classified as rental properties in part.

The net of rental income and operating expenses for those rental properties was ¥3,035 million ($18,979 thousand) and ¥2,852 million for the years ended March 31, 2026 and 2025, respectively.

In addition, the carrying amounts, changes in such balances and market prices of such properties were as follows:

	Millions of Yen			
	Carrying Amount			Fair Value
	April 1, 2025	Increase/ Decrease	March 31, 2026	March 31, 2026
Rental properties	¥39,390	¥2,522	¥41,912	¥89,027
Rental properties in part	1,140	(33)	1,107	2,367
Total	¥40,531	¥2,488	¥43,019	¥91,395

	Millions of Yen			
	Carrying Amount			Fair Value
	April 1, 2024	Increase/ Decrease	March 31, 2025	March 31, 2025
Rental properties	¥35,101	¥4,288	¥39,390	¥81,656
Rental properties in part	1,080	60	1,140	2,321
Total	¥36,181	¥4,349	¥40,531	¥83,977

	Thousands of U.S. Dollars			
	Carrying Amount			Fair Value
	April 1, 2025	Increase/ Decrease	March 31, 2026	March 31, 2026
Rental properties	$246,297	$15,770	$262,067	$556,667
Rental properties in part	7,133	(209)	6,923	14,804
Total	$253,430	$15,560	$268,991	$571,471

Notes:
(1) Carrying amount recognized in the consolidated balance sheets is net of accumulated depreciation and accumulated impairment losses, if any.
(2) Fair value of properties as of March 31, 2026 and 2025 is measured in accordance with real-estate appraisal performed by real-estate appraisers for primary properties. The amount measured by the Group is in accordance with its Real-Estate Appraisal Standard for other properties (including those measured using indicators).

8. Short-Term Bank Loans and Long-Term Debt

Short-term bank loans at March 31, 2026 and 2025, consisted of bank overdrafts. The annual interest rates applicable to the short-term bank loans ranged from 1.4% to 2.2% at March 31, 2026 and 1.1% to 1.7% at March 31, 2025.

Long-term debt at March 31, 2026 and 2025, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Loans from banks and other financial institutions, due serially to 2037 with interest rates ranging from 0.6% to 6.0%			
Unsecured	**¥25,006**	¥ 6,108	**$156,357**
Non-recourse loans	**18,014**	20,172	**112,641**
Obligations under finance leases	**35**	23	**223**
Total	**43,056**	26,304	**269,222**
Less current portion	**(13)**	(1,109)	**(86)**
Long-term debt, less current portion	**¥43,042**	¥25,195	**$269,136**

Annual maturities of long-term debt, excluding finance leases, at March 31, 2026, were as follows:

Year Ending March 31	Millions of Yen	Thousands of U.S. Dollars
2027	¥ 1	$ 12
2028	5,216	32,618
2029	23,523	147,083
2030	2,510	15,700
2031	1,297	8,111
2032 and thereafter	10,471	65,472
Total	¥43,021	$268,999

Assets pledged as collateral for non-recourse debt were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Amount of business assets of a consolidated subsidiary engaged in renewable energy business pledged as collateral for non-recourse loans	**¥34,995**	¥26,863	**$218,817**

9. Employees' Retirement Benefits

The Company and certain consolidated subsidiaries have a cash balance plan (pension plan linked to the market interest rates) based on the Defined Benefit Corporate Pension Law.

(1) The changes in defined benefit obligations for the years ended March 31, 2026 and 2025, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Balance at beginning of year	**¥18,755**	¥21,578	**$117,270**
Current service costs	**1,079**	1,325	**6,749**
Interest costs	**345**	107	**2,157**
Actuarial gains	**(22)**	(3,539)	**(142)**
Benefits paid	**(915)**	(717)	**(5,726)**
Balance at end of year	**¥19,241**	¥18,755	**$120,309**

(2) The changes in plan assets for the years ended March 31, 2026 and 2025, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Balance at beginning of year	**¥27,274**	¥27,103	**$170,539**
Expected return on plan assets	**245**	243	**1,534**
Actuarial gains (losses)	**869**	(464)	**5,434**
Contributions from the employer	**1,017**	1,109	**6,364**
Benefits paid	**(915)**	(717)	**(5,726)**
Balance at end of year	**¥28,491**	¥27,274	**$178,147**

(3) Reconciliation between the liability recorded in the consolidated balance sheet and the balances of defined benefit obligation and plan assets was as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Defined benefit obligation	**¥ 19,241**	¥ 18,755	**$ 120,309**
Plan assets	**(28,491)**	(27,274)	**(178,147)**
Total	**(9,250)**	(8,519)	**(57,838)**
Unfunded defined benefit obligation	**—**	—	**—**
Net asset arising from defined benefit obligation	**¥ (9,250)**	¥ (8,519)	**$ (57,838)**

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Asset for retirement benefits	**¥(9,250)**	¥(8,519)	**$(57,838)**
Net asset arising from defined benefit obligation	**¥(9,250)**	¥(8,519)	**$(57,838)**

(4) The components of net periodic benefit costs for the years ended March 31, 2026 and 2025, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Service costs	**¥1,079**	¥1,325	**$ 6,749**
Interest costs	**345**	107	**2,157**
Expected return on plan assets	**(245)**	(243)	**(1,534)**
Recognized actuarial gains	**(543)**	(392)	**(3,397)**
Amortization of past service costs	**0**	0	**2**
Net periodic benefit costs	**¥ 636**	¥ 797	**$ 3,977**

(5) Amounts recognized in other comprehensive income (before income taxes and income tax effect) in respect of defined retirement benefit plans for the years ended March 31, 2026 and 2025, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Actuarial gains	**¥348**	¥ 2,682	**$2,180**
Past service costs	**0**	0	**2**
Total	**¥349**	¥ 2,682	**$2,182**

(6) Amounts recognized in accumulated other comprehensive income (before income taxes and income tax effect) in respect of defined retirement benefit plans as of March 31, 2026 and 2025, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Unrecognized actuarial gains	**¥(4,903)**	¥(4,554)	**$(30,660)**
Unrecognized past service costs	**141**	141	**883**
Total	**¥(4,762)**	¥(4,413)	**$(29,777)**

(7) Plan assets

a. Components of plan assets

Plan assets as of March 31, 2026 and 2025, consisted of the following:

	2026	2025
Debt investments	**38%**	38%
Equity investments	**13**	14
Life insurance general account assets	**30**	31
Others	**19**	17
Total	**100%**	100%

b. Method of determining the expected rate of return on plan assets

The expected rate of return on plan assets is determined considering allocation of plan assets, which are expected currently and in the future, and the long-term rates of return which are expected currently and in the future from the various components of the plan assets.

(8) Assumptions used for the years ended March 31, 2026 and 2025, are set forth as follows:

	2026	2025
Discount rate	**1.84%**	1.84%
Expected rate of return on plan assets	**0.90**	0.90

10. Equity

Japanese companies are subject to the Companies Act of Japan (the “Companies Act”). The significant provisions in the Companies Act that affect financial and accounting matters are summarized below:

a. Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders’ meeting. Additionally, for companies that meet certain criteria including (1) having a Board of Directors, (2) having independent auditors, (3) having an Audit and Supervisory Committee, and (4) the term of service of the directors being prescribed as one year rather than the normal two-year term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends-in-kind) at any time during the fiscal year if the Company has prescribed so in its articles of incorporation. However, the Company does not meet all the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (noncash assets) to shareholders subject to a certain limitation and additional requirements.

Semiannual interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate. The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the shareholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

b. Increases/Decreases and Transfer of Common Stock, Reserve and Surplus

The Companies Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus), depending on the equity account charged upon the payment of such dividends, until the aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Companies Act, the total amount of additional paid-in capital and legal reserve may be reversed without limitation. The Companies Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among the accounts within equity under certain conditions upon resolution of the shareholders.

c. Treasury Stock and Treasury Stock Acquisition Rights

The Companies Act also provides for companies to purchase treasury stock and dispose of such treasury stock by resolution of the Board of Directors. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders which is determined by a specific formula. Under the Companies Act, stock acquisition rights are presented as a separate component of equity. The Companies Act also provides that companies can purchase both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of equity or deducted directly from stock acquisition rights.

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11. Income Taxes

The Group is subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 30.6% for the years ended March 31, 2026 and 2025.

The tax effects of significant temporary differences and tax loss carryforwards which resulted in deferred tax assets and liabilities at March 31, 2026 and 2025, are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Deferred tax assets:			
Impairment losses	**¥ 3,702**	¥ 4,057	**$ 23,147**
Tax loss carryforwards*	**2,334**	3,561	**14,596**
Impairment losses on securities	**1,626**	1,681	**10,168**
Write-down of inventories and others	**1,374**	1,124	**8,596**
Allowance for bonuses	**1,362**	942	**8,519**
Accrued expenses	**1,171**	518	**7,327**
Allowance for losses on construction contracts	**859**	724	**5,376**
Other	**1,742**	1,629	**10,893**
Less valuation allowance on tax loss carryforward*	**(2,334)**	(3,561)	**(14,596)**
Less valuation allowance on sum of future deductible temporary difference	**(8,594)**	(8,573)	**(53,740)**
Total	**3,244**	2,105	**20,287**
Deferred tax liabilities:			
Net unrealized gain on available-for-sale securities	**(17,394)**	(12,473)	**(108,763)**
Deferred gain on hedges	**(4,725)**	(4,944)	**(29,546)**
Asset for retirement benefits	**(2,913)**	(2,683)	**(18,219)**
Retained earnings appropriated for special allowance, etc.	**(1,854)**	(1,876)	**(11,594)**
Total	**(26,887)**	(21,978)	**(168,122)**
Net deferred tax liabilities	**¥(23,643)**	¥(19,872)	**$(147,834)**

*Tax loss carryforwards and amount of deferred tax assets by maturity

Millions of Yen

March 31, 2026	Within one year	Over one year within two years	Over two years within three years	Over three years within four years	Over four years within five years	Over five years	Total
Tax loss carryforwards*	¥—	¥—	¥—	¥—	¥—	¥ 2,334	¥ 2,334
Valuation allowance	—	—	—	—	—	(2,334)	(2,334)
Deferred tax assets	—	—	—	—	—	—	—

Millions of Yen

March 31, 2025	Within one year	Over one year within two years	Over two years within three years	Over three years within four years	Over four years within five years	Over five years	Total
Tax loss carryforwards*	¥ 94	¥ 48	¥—	¥ 38	¥ 293	¥ 3,086	¥ 3,561
Valuation allowance	(94)	(48)	—	(38)	(293)	(3,086)	(3,561)
Deferred tax assets	—	—	—	—	—	—	—

Thousands of U.S. Dollars

March 31, 2026	Within one year	Over one year within two years	Over two years within three years	Over three years within four years	Over four years within five years	Over five years	Total
Tax loss carryforwards*	$ —	$ —	$ —	$ —	$ —	$ 14,596	$ 14,596
Valuation allowance	—	—	—	—	—	(14,596)	(14,596)
Deferred tax assets	—	—	—	—	—	—	—

* The tax loss carryforwards presented above are the amounts multiplied by the effective statutory tax rate.

A reconciliation between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statement of income for the year ended March 31, 2026 was as follows:

	2026
Normal effective statutory tax rate	**30.6%**
Expenses not deductible for income tax purposes	**0.4**
Incomes not taxable for income tax purposes	**(0.4)**
Inhabitant tax per capita	**0.5**
Special income tax credits	**(2.4)**
Change in valuation allowance	**(4.9)**
Other—net	**(0.7)**
Actual effective tax rate	**23.1%**

A reconciliation between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statement of income for the year ended March 31, 2025 was omitted since a loss before income taxes was recorded.

12. Revenue Recognition

(1) Disaggregation of revenue from contracts with customers
Please see Note 21 "Segment Information."

(2) Underlying information in understanding revenue from contracts with customers
Please see Note 2.m. "Construction Contracts."

(3) Satisfaction of performance obligations based on contracts with customers and relationship with cash flows arising from such contracts, and the amount and timing of revenue from contracts with customers existing at the end of the fiscal year expected to be recognized in the following fiscal years

a. Balances of contract assets and contract liabilities, etc.

	Millions of Yen				Thousands of U.S. Dollars	
	2026		2025		2026	
	Beginning balance	**Ending balance**	Beginning balance	Ending balance	**Beginning balance**	**Ending balance**
Receivables from contracts with customers	**¥67,745**	**¥89,232**	¥56,356	¥67,745	**$423,596**	**$557,949**
Contract assets	**122,817**	**128,199**	115,962	122,817	**767,946**	**801,598**
Contract liabilities	**17,806**	**23,840**	18,799	17,806	**111,340**	**149,066**

(Notes) 1. Contract assets primarily relate to the right of the Group, primarily based on the construction contracts with customers, to consideration for goods or services for which control has been transferred to a customer. Once the Group has an unconditional right to consideration, it reclassifies contract assets to receivables from contracts with customers. The consideration is charged and received in accordance with the payment term determined with a customer by contract.

2. Contract liabilities primarily relate to advances received from customers based on the payment terms of construction contracts with customers. Contract liabilities that are reversed as revenue is recognized. The beginning balance of contract liabilities is included in revenue from contracts with customers for the years ended March 31, 2026 and 2025 in its almost entirety.

3. The amount of revenue recognized in the years ended March 31, 2026 and 2025 from performance obligations that were satisfied (or partially satisfied) in previous periods (mainly fluctuations of transaction amounts based on changes in design or scope) is immaterial.

b. Transaction prices allocated to remaining performance obligations

The transaction prices allocated to remaining performance obligations that are unsatisfied as of March 31, 2026 and 2025 amounted to ¥683,324 million (*1,2) ($4,272,647 thousand) and ¥614,889 million (*1, 2), respectively, and revenue is expected to be recognized within approximately 5 years.

*1 The transaction prices describe the price allocated to the remaining performance obligations for the construction business, the primary business of the Group.

*2 The transaction prices include the changes in design or scope for which an agreement on the consideration is not determined in the contracts and other documents. The transaction prices for the changes in design or scope are estimated based on the details of the change in work and other matters, as instructed.

13. Research and Development Costs

Research and development costs charged to income were ¥1,871 million ($11,703 thousand) and ¥1,774 million for the years ended March 31, 2026 and 2025, respectively.

14. Leases

Operating leases

Future minimum lease receivables or payments under noncancelable operating leases at March 31, 2026 and 2025, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
As a lessor:			
Due within one year	**¥ 2,661**	¥ 1,949	**$ 16,638**
Due after one year	**37,482**	17,469	**234,365**
Total	**¥40,143**	¥19,418	**$251,004**
As a lessee:			
Due within one year	**¥ 276**	¥ 274	**$ 1,728**
Due after one year	**738**	1,004	**4,617**
Total	**¥ 1,014**	¥ 1,279	**$ 6,345**

15. Financial Instruments and Related Disclosures

(1) Disclosures on financial instruments

1) Group policy for financial instruments

At the Group level, cash surpluses, if any, are invested in low-risk financial assets. Short-term bank loans are used to fund its ongoing operations. Derivatives are not used for speculative purposes, but to manage its exposure to fluctuations in foreign currency exchange and interest rates.

2) Nature and extent of risks arising from financial instruments

Receivables, such as trade notes and trade accounts, are exposed to customer credit risk. Marketable and investment securities, mainly held-to-maturity securities and equity instruments of customers and suppliers of the Group, are exposed to the risk of market price fluctuations.

Payment terms of payables, such as trade notes and trade accounts, are mostly less than one year.

Bank loans are utilized to finance principally working capital and non-recourse loans are used for financing the renewable energy business of a consolidated subsidiary.

3) Risk management for financial instruments

Credit risk management

Credit risk is the risk of economic loss arising from a counterparty's failure to repay or service debt according to the contractual terms. The Group manages its credit risk from receivables based on internal guidelines, which include continuously determining customers' circumstances from the phase of accepting orders to that of collection of the receivables, along with monitoring of payment terms and balances of each transaction.

Market risk management (foreign exchange risk and interest rate risk)

Marketable and investment securities are managed by monitoring market values and the financial position of issuers on a regular basis. Also, the Group continuously reviews its possession of those securities, except for held-to-maturity securities.

Payables denominated in foreign currencies in association with import of materials for renewable energy business are exposed to fluctuations in foreign exchange rates. The Group utilizes derivative instruments (comprehensive long-term foreign currency forward contracts) as hedging instruments to manage these market risks.

Bank loans with floating interest rates are exposed to fluctuations in interest rates. With respect to non-recourse loans, the Group utilizes derivatives (interest rate swaps) by individual contract as hedging instruments to avoid the fluctuation risk of interest expenses and fix interest expenses. The hedge accounting method is described in Note 2.o.

Please see Note 16 for more details about derivatives.

Liquidity risk management

Liquidity risk comprises the risk that the Group cannot meet its contractual obligations in full on maturity dates. The Group manages its liquidity risk by making the appropriate cash schedule on a monthly basis.

(2) Fair value of financial instruments

March 31, 2026	Carrying Amount	Fair Value	Unrealized Gain/Loss
	Millions of Yen		
Receivables—trade notes and accounts	¥217,437		
Allowance for doubtful receivables (*4)	(432)		
Net	217,005	¥215,829	¥ (1,176)
Investment securities (*3)			
Available-for-sale securities	73,276	73,276	—
Total	¥290,281	¥289,105	¥ (1,176)
Long-term bank loans	¥ 25,000	¥ 24,555	¥ (444)
Non-recourse loans	18,014	17,259	(755)
Total	¥ 43,014	¥ 41,814	¥ (1,200)
Derivatives (*5)	¥ 19,627	¥ 19,627	¥ —

(*1) The fair value of "Cash and cash equivalents," "Time deposits," "Payables – Trade notes, accounts, etc." "Short-term loans" and "Income taxes payable" is omitted because they are cash and the carrying amount approximates the fair value because of their short maturities.

(*2) Investments in equity instruments that do not have a quoted market price in an active market are not included in above "Investment securities." Such amount of financial instruments (unlisted equity securities) recorded in the consolidated balance sheet was ¥1,222 million.

(*3) Investments in limited partnerships and other similar entities recorded in a net amount of equity equivalents in the consolidated balance sheet are not included. Such investments recorded in the consolidated balance sheet amounted to ¥708 million.

(*4) Allowance for doubtful receivables recorded on "Receivables – trade notes and accounts" is individually recognized and deducted from such receivables.

(*5) Net receivables and payables generated from derivatives are presented in net amounts and net payables are shown in parentheses.

March 31, 2025	Carrying Amount	Fair Value	Unrealized Gain/Loss
	Millions of Yen		
Receivables—trade notes and accounts	¥190,568		
Allowance for doubtful receivables (*4)	(190)		
Net	190,378	¥189,487	¥(890)
Investment securities (*3)			
Available-for-sale securities	58,286	58,286	—
Total	¥248,665	¥247,774	¥(890)
Long-term bank loans	¥ 5,000	¥ 4,858	¥(141)
Non-recourse loans	20,172	19,589	(582)
Total	¥ 25,172	¥ 24,447	¥(724)
Derivatives (*5)	¥ 14,177	¥ 14,177	¥ —

(*1) The fair value of "Cash and cash equivalents," "Time deposits," "Payables – Trade notes, accounts, etc." and "Short-term loans" is omitted because they are cash and the carrying amount approximates the fair value because of their short maturities.
(*2) Investments in equity instruments that do not have a quoted market price in an active market are not included in above "Investment securities." Such amount of financial instruments (unlisted equity securities) recorded in the consolidated balance sheet was ¥1,313 million.
(*3) Investments in limited partnerships and other similar entities recorded in a net amount of equity equivalents in the consolidated balance sheet are not included. Such investments recorded in the consolidated balance sheet amounted to ¥797 million.
(*4) Allowance for doubtful receivables recorded on "Receivables – trade notes and accounts" is individually recognized and deducted from such receivables.
(*5) Net receivables and payables generated from derivatives are presented in net amounts and net payables are shown in parentheses.

	Thousands of U.S. Dollars		
March 31, 2026	Carrying Amount	Fair Value	Unrealized Gain/Loss
Receivables—trade notes and accounts	$1,359,581		
Allowance for doubtful receivables (*4)	(2,703)		
Net	1,356,878	$1,349,522	$(7,355)
Investment securities (*3)			
Available-for-sale securities	458,176	458,176	—
Total	$1,815,054	$1,807,698	$(7,355)
Long-term bank loans	$ 156,318	$ 153,536	$(2,781)
Non-recourse loans	112,641	107,919	(4,721)
Total	$ 268,959	$ 261,456	$(7,503)
Derivatives (*5)	$ 122,725	$ 122,725	$ —

(*1) The fair value of "Cash and cash equivalents," "Time deposits," "Payables – Trade notes, accounts, etc." "Short-term loans" and "Income taxes payable" is omitted because they are cash and the carrying amount approximates the fair value because of their short maturities.
(*2) Investments in equity instruments that do not have a quoted market price in an active market are not included in above "Investment securities." Such amount of financial instruments (unlisted equity securities) recorded in the consolidated balance sheet was $7,645 thousand.
(*3) Investments in limited partnerships and other similar entities recorded in a net amount of equity equivalents in the consolidated balance sheet are not included. Such investments recorded in the consolidated balance sheet amounted to $4,430 thousand.
(*4) Allowance for doubtful receivables recorded on "Receivables – trade notes and accounts" is individually recognized and deducted from such receivables.
(*5) Net receivables and payables generated from derivatives are presented in net amounts and net payables are shown in parentheses.

(Note) 1 Maturity Analysis for Financial Assets and Securities with Contractual Maturities

March 31, 2026	Due in 1 Year or Less	Due after 1 Year through 5 Years	Due after 5 Years through 10 Years	Due after 10 Years
	Millions of Yen			
Cash and cash equivalents, Time deposits	¥ 17,269	¥ —	¥—	¥—
Receivables—trade notes and accounts	173,367	44,070	—	—
Long-term loans receivable	—	17	32	—
Total	¥190,637	¥44,087	¥32	¥—

March 31, 2025	Due in 1 Year or Less	Due after 1 Year through 5 Years	Due after 5 Years through 10 Years	Due after 10 Years
	Millions of Yen			
Cash and cash equivalents, Time deposits	¥ 28,714	¥ —	¥ —	¥—
Receivables—trade notes and accounts	144,571	45,997	—	—
Long-term loans receivable	—	24	35	—
Total	¥173,285	¥46,021	¥35	¥—

March 31, 2026	Due in 1 Year or Less	Due after 1 Year through 5 Years	Due after 5 Years through 10 Years	Due after 10 Years
	Thousands of U.S. Dollars			
Cash and cash equivalents, Time deposits	$ 107,982	$ —	$ —	$—
Receivables—trade notes and accounts	1,084,021	275,559	—	—
Long-term loans receivable	—	106	200	—
Total	$1,192,004	$275,666	$200	$—

(Note) 2 Please see Note 8 for annual maturities of long-term debt.

(3) Fair value information by level within the fair value hierarchy

The fair value of financial instruments is classified into the following three levels according to the observability and materiality of inputs used to measure fair value.

Level 1 fair value: Fair value measured by using quoted prices in active markets for assets or liabilities that are the subject of the measurement.

Level 2 fair value: Fair value measured by using observable inputs other than Level 1 inputs.

Level 3 fair value: Fair value measured by using unobservable inputs.

If multiple inputs are used that are significant to the fair value measurement, the fair value measurement is categorized in its entirety in the level of the lowest priority in the entire measurement.

1) Financial instruments measured at fair values in the consolidated balance sheet

	Millions of Yen			
	Fair value			
March 31, 2026	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities:				
Equity securities	¥73,276	¥ —	¥—	¥73,276
Derivatives				
Currency related	—	18,218	—	18,218
Interest rate related	—	1,409	—	1,409
Total assets	¥73,276	¥19,627	¥—	¥92,903

	Millions of Yen			
	Fair value			
March 31, 2025	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities:				
Equity securities	¥58,286	¥ —	¥—	¥58,286
Derivatives				
Currency related	—	13,362	—	13,362
Interest rate related	—	815	—	815
Total assets	¥58,286	¥14,177	¥—	¥72,464

	Thousands of U.S. Dollars			
	Fair value			
March 31, 2026	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities:				
Equity securities	$458,176	$ —	$—	$458,176
Derivatives				
Currency related	—	113,912	—	113,912
Interest rate related	—	8,812	—	8,812
Total assets	$458,176	$122,725	$—	$580,902

2) Financial instruments not measured at fair values in the consolidated balance sheet

				Millions of Yen
				Fair value
March 31, 2026	Level 1	Level 2	Level 3	Total
Receivables—trade notes and accounts	¥—	¥215,829	¥—	¥215,829
Total assets	¥—	¥215,829	¥—	¥215,829
Long-term loans	¥—	¥ 24,555	¥—	¥ 24,555
Non-recourse loans	—	17,259	—	17,259
Total liabilities	¥—	¥ 41,814	¥—	¥ 41,814

				Millions of Yen
				Fair value
March 31, 2025	Level 1	Level 2	Level 3	Total
Receivables—trade notes and accounts	¥—	¥189,487	¥—	¥189,487
Total assets	¥—	¥189,487	¥—	¥189,487
Long-term loans	¥—	¥ 4,858	¥—	¥ 4,858
Non-recourse loans	—	19,589	—	19,589
Total liabilities	¥—	¥ 24,447	¥—	¥ 24,447

				Thousands of U.S. Dollars
				Fair value
March 31, 2026	Level 1	Level 2	Level 3	Total
Receivables—trade notes and accounts	$—	$1,349,522	$—	$1,349,522
Total assets	$—	$1,349,522	$—	$1,349,522
Long-term loans	$—	$ 153,536	$—	$ 153,536
Non-recourse loans	—	107,919	—	107,919
Total liabilities	$—	$ 261,456	$—	$ 261,456

(Note) A description of the valuation techniques and inputs used in the fair value measurements

Investment securities

Listed shares are valued using quoted prices. As listed shares are traded in active markets, their fair values are categorized as Level 1.

Derivatives

The fair values of interest rate swaps and forward exchange contracts are measured by using the discounted present value techniques based on observable inputs, such as interest rates and exchange rates, and are categorized as Level 2.

Trade notes and accounts receivable

The fair values of these items are measured by using the discounted present value techniques based on the recoverable amount reflecting credit risk and an interest rate obtained from appropriate indicators such as government bond yields according to maturity periods, for each receivable amount categorized by a specified period, and are categorized as Level 2 because the impact of unobservable inputs on the fair value is immaterial.

Long-term loans and non-recourse loans

The fair values of these items are measured separately for each loan agreement. The fair values of floating rate borrowings are measured as carrying amount because their rates reflect the market interest rates in a timely manner and their carrying amounts approximate fair value. The fair values of fixed-rate borrowings are measured by using the discounted present value techniques based on future cash flows and an interest rate obtained by adding the credit spread to appropriate indicators such as government bond yields. The fair values are categorized as Level 2.

16. Derivatives

The Group enters into derivatives, in the normal course of business, to reduce the exposure to fluctuations in foreign exchange and interest rates. The primary classes of derivatives used by the Group are foreign currency forward contracts and interest rate swaps.

The Group does not hold or issue derivatives for trading purposes.

Because the counterparties to these derivatives are limited to major financial institutions, the Group does not anticipate any losses arising from credit risk.

Derivative transactions entered into by the Group have been made in accordance with internal policies which regulate the authorization and credit limit amount.

Derivative transactions to which hedge accounting is not applied:

	Millions of Yen			
March 31, 2026	Contract amount	Contract amount due after one year	Fair value	Unrealized gain
Foreign currency forward contracts Buying: U.S. Dollars	¥39,141	¥32,563	¥18,218	¥18,218

	Millions of Yen			
March 31, 2025	Contract amount	Contract amount due after one year	Fair value	Unrealized gain
Foreign currency forward contracts Buying: U.S. Dollars	¥41,563	¥36,075	¥13,362	¥13,362

	Thousands of U.S. Dollars			
March 31, 2026	Contract amount	Contract amount due after one year	Fair value	Unrealized gain
Foreign currency forward contracts Buying: U.S. Dollars	$244,738	$203,611	$113,912	$113,912

(Note) The Group has discontinued hedge accounting for above derivative transactions since they no longer satisfy the requirements for hedge accounting.

Derivative transactions to which hedge accounting is applied:

March 31, 2026	Hedged item	Contract amount	Contract amount due after one year	Fair value
				Millions of Yen
Interest rate swaps Floating-rate receipt, fixed-rate payment	Non-recourse loans	¥13,852	¥12,159	¥1,409

March 31, 2025	Hedged item	Contract amount	Contract amount due after one year	Fair value
				Millions of Yen
Interest rate swaps Floating-rate receipt, fixed-rate payment	Non-recourse loans	¥15,546	¥13,852	¥815

March 31, 2026	Hedged item	Contract amount	Contract amount due after one year	Fair value
				Thousands of U.S. Dollars
Interest rate swaps Floating-rate receipt, fixed-rate payment	Non-recourse loans	$86,613	$76,028	$8,812

17. Assets Pledged as Collateral

Land in the amount of ¥20 million ($130 thousand) is pledged for a deposit received from a lessee related to a fixed-term land leasehold at March 31, 2026. Land in the amount of ¥1,458 million ($9,118 thousand) and buildings in the amount of ¥813 million ($5,085 thousand) are pledged as construction assistance funds pursuant to building lease contracts at March 31, 2026.

Investment securities in the amount of ¥15 million ($98 thousand) and investments in and advances to unconsolidated subsidiaries and associated companies in the amount of ¥48 million ($303 thousand) are pledged as collateral for contract performance obligation of the private finance initiative (PFI) business, and the loans of an affiliate, respectively, at March 31, 2026.

Time deposits in the amount of ¥893 million ($5,586 thousand) are pledged as security for performance obligation of construction contracts at March 31, 2026.

Assets pledged as collateral for non-recourse loans are business assets of a consolidated subsidiary engaged in renewable energy business for the amount of ¥34,995 million ($218,817 thousand) at March 31, 2026.

18. Other Comprehensive Income

The components of other comprehensive income for the years ended March 31, 2026 and 2025, were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2026	2025	**2026**
Unrealized gain (loss) on available-for-sale securities			
Gain (loss) arising during the year	**¥17,424**	¥ (2,619)	**$108,949**
Reclassification adjustments to profit or loss	**(1,995)**	(3,589)	**(12,479)**
Amount before income taxes and income tax effect	**15,428**	(6,208)	**96,469**
Income taxes and income tax effect	**(4,920)**	1,444	**(30,767)**
Total	**¥10,507**	¥ (4,763)	**$ 65,701**
Deferred gain (loss) on hedges			
Gain arising during the year	**¥ 594**	¥ 5,247	**$ 3,714**
Reclassification adjustments to profit or loss	**(1,329)**	(577)	**(8,314)**
Amount before income taxes and income tax effect	**(735)**	4,670	**(4,600)**
Income taxes and income tax effect	**219**	(1,558)	**1,369**
Total	**¥ (516)**	¥ 3,112	**$ (3,230)**
Defined retirement benefit plans			
Adjustments arising during the year	**¥ 892**	¥ 3,074	**$ 5,577**
Reclassification adjustments to profit or loss	**(542)**	(392)	**(3,395)**
Amount before income taxes and income tax effect	**349**	2,682	**2,182**
Income taxes and income tax effect	**(109)**	(860)	**(687)**
Total	**¥ 239**	¥ 1,821	**$ 1,495**
Total other comprehensive income	**¥10,230**	¥ 170	**$ 63,965**

19. Per Share Information

	Yen		U.S. dollars
	2026	2025	**2026**
Net assets per share	**¥5,489.40**	¥4,894.08	**$34.32**
Basic net income per share	**¥ 511.80**	¥ 74.00	**$ 3.20**

(Note) 1. The basis for the calculation of basic net income per share is as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Net income attributable to owners of the parent	**¥18,360**	¥2,722	**$114,803**
Net income not attributable to common shareholders	—	—	—
Net income attributable to owners of the parent available to common stock	**¥18,360**	¥2,722	**$114,803**
Average number of shares of common stock during the year (thousands)	**35,874**	36,791	

As noted in Note 2.t., the Company has introduced the Employee Share Award Plan. In calculating the number of weighted-average number of shares above, the average number of treasury shares (2,790 thousands and 1,873 thousands in 2026 and 2025, respectively), of which the number of shares that are held by the Trust (268 thousands and 274 thousands in 2026 and 2025, respectively), is reflected.

(Note) 2. The basis for the calculation of net assets per share is as follows:

	Millions of yen		Thousands of U.S. dollars
	2026	2025	**2026**
Total net assets	**¥193,964**	¥172,455	**$1,212,811**
Amount deducted from total net assets	**(2,943)**	(4,829)	**(18,405)**
[Of which: noncontrolling interests]	***[(2,943)]***	*[(4,829)]*	***[(18,405)]***
Net assets of common stock	**¥196,908**	¥177,285	**$1,231,216**
Number of shares of common stock at March 31 (thousands)	**35,870**	36,224	

As noted in Note 2.t., the Company has introduced the Employee Share Award Plan. In calculating the number of shares above, the number of treasury shares at March 31 (2,794 thousands and 2,440 thousands in 2026 and 2025, respectively), of which the number of shares that are held by the Trust (268 thousands and 273 thousands in 2026 and 2025, respectively), is reflected.

20. Subsequent Events

Appropriation of Retained Earnings

The following appropriation of retained earnings at March 31, 2026, was approved at the Company's shareholders' meeting held on June 26, 2026:

	Millions of Yen	Thousands of U.S. Dollars
Year-end cash dividends, ¥187 ($1.17) per share	¥6,757*	$42,255*

*The total year-end cash dividends include cash dividends of ¥50 million ($313 thousand) paid on shares of the Company held by the trust account associated with the Trust.

21. Segment Information

1. Description of reportable segments

The Group's reportable segments are those for which separate financial information is available and regular evaluation by the Company's management is being performed in order to decide how resources are allocated among the Group. Therefore, the Group's reportable segments consist of "Civil engineering," "Architectural construction," and "Investment development."

2. Methods of measurement for the amounts of sales, profit, assets, liabilities and other items for each reportable segment

The accounting policies of each reportable segment are consistent with those disclosed in Note 2, "Summary of Significant Accounting Policies." Segment profit (loss) is based on operating income and intersegment sales are based on the market prices.

Assets for the reportable segments are not presented as there are no assets allocated to the reportable segments.

3. Information about sales, profit, assets, liabilities, other items and disaggregation of revenue is as follows:

Millions of Yen

	2026							
	Reportable segment							
	Civil engineering	Architectural construction	Investment development	Total	Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
Sales								
Domestic public agencies	¥66,777	¥ 34,818	¥ 119	¥101,716	¥ 374	¥102,090	¥ —	¥102,090
Domestic non-government	37,152	145,323	2,705	185,181	4,223	189,404	—	189,404
Overseas	11,318	—	—	11,318	6	11,325	—	11,325
Revenue from contracts with customers	115,248	180,142	2,825	298,216	4,604	302,820	—	302,820
Revenue from other sources	—	—	4,381	4,381	—	4,381	—	4,381
Sales to external customers	115,248	180,142	7,206	302,597	4,604	307,202	—	307,202
Intersegment sales or transfers	—	—	50	50	1,943	1,993	(1,993)	—
Total	115,248	180,142	7,257	302,648	6,547	309,196	(1,993)	307,202
Segment profit (loss)	10,103	6,076	(730)	15,449	503	15,953	(24)	15,928
Other:								
Depreciation	¥ 819	¥ 776	¥ 1,520	¥ 3,116	¥ 71	¥ 3,188	¥ (7)	¥ 3,181

	Millions of Yen							
	2025							
	Reportable segment							
	Civil engineering	Architectural construction	Investment development (Note 4)	Total	Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
Sales								
Domestic public agencies	¥62,849	¥ 33,119	¥ 79	¥ 96,048	¥ 32	¥ 96,080	¥ —	¥ 96,080
Domestic non-government	29,659	152,431	3,724	185,815	5,656	191,472	—	191,472
Overseas	6,515	—	—	6,515	82	6,597	—	6,597
Revenue from contracts with customers	99,024	185,551	3,803	288,379	5,771	294,151	—	294,151
Revenue from other sources	—	—	4,071	4,071	—	4,071	—	4,071
Sales to external customers	99,024	185,551	7,875	292,451	5,771	298,222	—	298,222
Intersegment sales or transfers	—	—	37	37	1,265	1,303	(1,303)	—
Total	99,024	185,551	7,913	292,488	7,037	299,526	(1,303)	298,222
Segment profit (loss)	4,722	6,623	(2,109)	9,236	455	9,691	40	9,731
Other:								
Depreciation	¥ 483	¥ 723	¥2,856	¥ 4,064	¥ 65	¥ 4,130	¥ (7)	¥ 4,123
Amortization of goodwill	—	—	29	29	—	29	—	29

Thousands of U.S. Dollars

	2026							
	Reportable segment							
	Civil engineering	Architectural construction	Investment development	Total	Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
Sales								
Domestic public agencies	$417,541	$ 217,712	$ 750	$ 636,004	$ 2,343	$ 638,347	$ —	$ 638,347
Domestic non-government	232,304	908,668	16,915	1,157,889	26,407	1,184,296	—	1,184,296
Overseas	70,774	—	—	70,774	39	70,813	—	70,813
Revenue from contracts with customers	720,620	1,126,381	17,665	1,864,667	28,789	1,893,457	—	1,893,457
Revenue from other sources	—	—	27,397	27,397	—	27,397	—	27,397
Sales to external customers	720,620	1,126,381	45,063	1,892,065	28,789	1,920,854	—	1,920,854
Intersegment sales or transfers	—	—	316	316	12,151	12,467	(12,467)	—
Total	720,620	1,126,381	45,379	1,892,381	40,940	1,933,322	(12,467)	1,920,854
Segment profit (loss)	63,176	37,994	(4,568)	96,602	3,147	99,750	(152)	99,597
Other:								
Depreciation	$ 5,121	$ 4,858	$ 9,505	$ 19,485	$ 449	$ 19,935	$ (43)	$ 19,891

Notes:
1. "Other" is a business segment which is not included in any reportable segment and includes business related to manufacturing and sale of construction machinery, materials, and so on.
2. Reconciliations to segment profit (loss) in the amount of ¥(24) million ($(152) thousand) and ¥40 million for the years ended March 31, 2026 and 2025, respectively, include eliminations of intersegment transactions.
3. The consolidated amounts of segment profit (loss) above correspond to the amounts of operating income in the consolidated statement of income.
4. Impairment loss on goodwill in the amount of ¥319 million for the year ended March 31, 2025 is included in "Investment development." In addition, impairment loss on the property, plant and equipment in the amount of ¥12,915 million for the year ended March 31, 2025 is included in "Investment development."

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Okumura Corporation:

<Audit of Consolidated Financial Statements>

Opinion

We have audited the consolidated financial statements of Okumura Corporation and its consolidated subsidiaries (the "Group"), which comprise the consolidated balance sheet as of March 31, 2026, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, all expressed in Japanese yen.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in Note 1 to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, including the ethical requirements that are relevant to audits of the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

Revenue recognized over time	
Key Audit Matter Description	How the Key Audit Matter Was Addressed in the Audit
As described in Note 2.m. "Summary of Significant Accounting Policies – Construction Contracts" to the consolidated financial statements, the Group recognizes revenue over time as the Group satisfies the performance obligations by transferring control of a promised good or service to a customer. Revenues recognized over time were ¥291,375 million out of total construction revenue of ¥295,390 million for the current year. As described in Note 3. "Summary of Significant Accounting Policies – Significant Accounting Estimates," construction revenues recognized over time based on satisfying performance obligations according to the construction contracts are recognized by multiplying the total construction revenue by the stage of completion of the contract, which is calculated as a percentage of actual costs incurred at the balance sheet date. The measurement of the total construction revenue, the total construction costs and the stage of completion of the contract involve significant estimates and judgments made by management.	Based on our understanding of the business environment surrounding the Group and its industry, we evaluated the design and operating effectiveness of internal controls, including Information Technology controls, over the process of revenue recognition over time based on satisfaction of the performance obligations. Our procedures related to estimated total construction revenue and total construction costs were as follows: (1) Estimated total construction revenue We performed inquiries and inspected related documents to test the design and operating effectiveness of internal controls related to the determination of the estimated contract amount. This included approval of the reports on certain projects prepared by estimating the contract amount for the agreed upon changes in each construction project, and monitoring activities. (2) Estimated total construction costs We performed inquiries and inspected related documents to test the design and operating effectiveness of internal controls related to approval of the reports on working budget, construction projects and costs incurred to date, and monitoring activities.

Revenue recognized over time	
Key Audit Matter Description	How the Key Audit Matter Was Addressed in the Audit
The reliability of estimating the total construction revenue and the total construction costs in applying revenue recognition over time has a significant impact on the consolidated financial statements where a higher estimation uncertainty may exist in relation to the following matters: (1) Estimating total construction revenue During construction, when changes in the design or scope of construction are agreed with customers but the construction contract has not been revised to update the contract amount in a timely manner, the total construction revenue may be revised using the estimated contract amount based on amendments mutually agreed with customers (the "estimated contract amount"). Management's estimate of the total construction may affect the accuracy of the construction revenue. (2) Estimating total construction costs It may be necessary to modify total construction costs due to unexpected events, changes in market conditions such as materials and subcontracting costs, and accelerating construction in response to potential delays during construction. If total construction costs are not updated in a timely manner, or if management's estimate is not reasonable, it may affect the accuracy of the construction revenue and the allowance for losses on construction contracts. We determined that applying revenue recognition over time is a key audit matter because of the possible significant impact of accounting estimates of total construction revenue and total construction costs on the consolidated financial statements.	In addition, we assessed the reasonableness of the construction revenue recognized over time by performing an analysis of the quarterly progress of revenues and gross profits against the business plan in each branch office. Such analysis identified branch offices with significant fluctuations in revenues and profit margins near the end of the period. We also inspected related documents, performed inquiries of construction managers, performed site observations for construction projects that possessed characteristics such as those with significantly higher or lower profit margins ratio, large fluctuating profit margins ratio, deficit projects, projects with large estimated contract amounts, or large scale projects. Specifically, for the estimate of total construction revenue and total construction costs, we performed the following: (1) Estimated total construction revenue We tested the estimated contract amount by inspection of documents underlying the estimate, inspection of meeting minutes with customers, and inquiries of construction managers. In addition, for construction projects that contained estimated contract amounts in the prior year, we inspected revised construction contracts signed in the current year and compared the updated amounts in the contracts with total construction revenue estimated in the previous year. (2) Estimated total construction costs For samples of construction projects selected, we compared total construction costs with the original estimate, identified the reason for the change, inspected the order confirmation for purchase orders issued, quotation or underlying documents prior to the order, performed inquiries of the construction managers, and inspected the vendor invoices, as necessary.

Other Information

Management is responsible for the other information. The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor’s judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit and Supervisory Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Fee-Related Information>
Fees for audit and other services for the year ended March 31, 2026, which were charged by us and our network firms to Okumura Corporation and its subsidiaries were ¥62 million and ¥1 million, respectively.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan
Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Deloitte Touche Tohmatsu LLC

August 3, 2026

Member of
Deloitte Touche Tohmatsu Limited

Breakdown of Orders (Nonconsolidated)

Okumura Corporation
Year Ended March 31, 2026

Construction Orders Awarded

	2026		2025		2026
	Millions of Yen	Composition ratio	Millions of Yen	Composition ratio	Thousands of U.S. Dollars
Civil engineering:					
Domestic:					
Public sector	**¥ 34,647**		¥ 98,953		**$ 216,638**
Private sector	**45,690**		21,598		**285,690**
Overseas	**51,935**		72,336		**324,741**
Subtotal	**132,273**	**37.5%**	192,888	51.2%	**827,070**
Architectural construction:					
Domestic:					
Public sector	**19,918**		29,497		**124,544**
Private sector	**200,090**		154,259		**1,251,113**
Overseas	**—**		—		**—**
Subtotal	**220,008**	**62.5**	183,756	48.8	**1,375,658**
Total:					
Domestic:					
Public sector	**54,565**		128,450		**341,183**
Private sector	**245,781**		175,857		**1,536,803**
Overseas	**51,935**		72,336		**324,741**
Total	**¥352,282**	**100 %**	¥376,645	100 %	**$2,202,728**

Net Sales

	2026		2025		2026
	Millions of Yen	Composition ratio	Millions of Yen	Composition ratio	Thousands of U.S. Dollars
Construction business					
Civil engineering:					
Domestic:					
Public sector	**¥ 66,777**		¥ 62,849		**$ 417,541**
Private sector	**37,152**		29,659		**232,304**
Overseas	**11,318**		6,515		**70,774**
Subtotal	**115,248**	**38.2%**	99,024	34.1%	**720,620**
Architectural construction:					
Domestic:					
Public sector	**34,818**		33,119		**217,712**
Private sector	**145,323**		152,431		**908,668**
Overseas	**—**		—		**—**
Subtotal	**180,142**	**59.8**	185,551	63.9	**1,126,381**
Subtotal:					
Domestic:					
Public sector	**101,596**		95,968		**635,254**
Private sector	**182,475**		182,091		**1,140,973**
Overseas	**11,318**		6,515		**70,774**
Subtotal	**295,390**	**98.0**	284,575	98.0	**1,847,001**
Real estate investment, development business and other	**5,999**	**2.0**	5,784	2.0	**37,511**
Total	**¥301,390**	**100 %**	¥290,359	100 %	**$1,884,513**

Year-end Backlog

	2026		2025		2026
	Millions of Yen	Composition ratio	Millions of Yen	Composition ratio	Thousands of U.S. Dollars
Civil engineering:					
Domestic:					
Public sector	**¥108,484**		¥140,614		**$ 678,324**
Private sector	**61,466**		52,928		**384,332**
Overseas	**134,685**		94,068		**842,154**
Subtotal	**304,636**	**49.5%**	287,612	51.5%	**1,904,812**
Architectural construction:					
Domestic:					
Public sector	**57,044**		71,944		**356,684**
Private sector	**253,949**		199,182		**1,587,879**
Overseas	**—**		—		**—**
Subtotal	**310,994**	**50.5**	271,127	48.5	**1,944,563**
Total:					
Domestic:					
Public sector	**165,528**		212,559		**1,035,008**
Private sector	**315,415**		252,110		**1,972,212**
Overseas	**134,685**		94,068		**842,154**
Total	**¥615,630**	**100 %**	¥558,739	100 %	**$3,849,375**

Head Offices, Branch Offices and Sales Offices

Head Office
2-2-2, Matsuzaki-cho, Abeno-ku,
Osaka 545-8555, Japan
TEL: +81-6-6621-1101

Tokyo Head Office
5-6-1, Shiba, Minato-ku,
Tokyo 108-8381, Japan
TEL: +81-3-3454-8111

X Innovation Center
2-7-2, Marunouchi, Chiyoda-ku,
Tokyo 100-7022, Japan
TEL: +81-50-3828-0270

Technical Research Institute
387, Osuna, Tsukuba 300-2612, Japan
TEL: +81-29-865-1521

East Japan Branch Office
5-6-1, Shiba, Minato-ku,
Tokyo 108-8381, Japan
TEL: +81-3-3454-8111

West Japan Branch Office
2-2-2, Matsuzaki-cho, Abeno-ku,
Osaka 545-8555, Japan
TEL: +81-6-6621-1101

West Japan Branch Office (HARUKAS Office)
26F ABENO HARUKAS,1-1-43, Abenosuji,
Abeno-ku, Osaka 545-6026, Japan
TEL: +81-6-6621-1101

Sapporo Branch
2-1-18, Kita Yojo Nishi,
Chuo-ku, Sapporo 060-0004, Japan
TEL: +81-11-261-9261

Tohoku Branch
2-11-18, Chuo,
Aoba-ku, Sendai 980-8482, Japan
TEL: +81-50-3495-2020

Tokyo Branch
5-6-1, Shiba, Minato-ku,
Tokyo 108-8381, Japan
TEL: +81-3-3454-8111

Higashikanto Office
18-14, Shinmachi, Chuo-ku,
Chiba 260-0028, Japan
TEL: +81-43-241-2255

Yokohama Office
60, Nihon Odori, Naka-ku,
Yokohama 231-0021, Japan
TEL: +81-45-662-1361

Hokuriku Office
2-3-26, Higashi Odori, Chuo-ku,
Niigata 950-0087, Japan
TEL: +81-25-241-6160

Nagoya Branch
29-8, Takebashi-cho, Nakamura-ku,
Nagoya 453-8555, Japan
TEL: +81-52-451-1101

Kansai Branch
26F ABENO HARUKAS,1-1-43, Abenosuji,
Abeno-ku, Osaka 545-6026, Japan
TEL: +81-6-6621-1101

Nara Office
38-3, Takama-cho, Nara 630-8241, Japan
TEL: +81-742-22-5001

Kobe Office
2-2-16, Isobe-dori, Chuo-ku,
Kobe 651-0084, Japan
TEL: +81-78-221-9355

Hiroshima Branch
1-7-22, Kokutaiji-machi, Naka-ku,
Hiroshima 730-0042, Japan
TEL: +81-82-241-2246

Shikoku Branch
2-3-11, Kotobuki-cho,
Takamatsu 760-0023, Japan
TEL: +81-87-851-9008

Kyushu Branch
2-19-1, Sanno, Yahata Higashi-ku,
Kitakyushu 805-8531, Japan
TEL: +81-93-671-3131

Fukuoka Office
1-13-8, Yakuin, Chuo-ku,
Fukuoka 810-0022, Japan
TEL: +81-92-741-4431

Taiwan Branch
16F-2, No.2, Sec 1, Chengde Rd.,
Datong Dist., Taipei City 103022, Taiwan
(R.O.C.)
TEL: +886-2-2311-7080

Singapore Office
175A Bencoolen Street, #05-06 Burlington
Square, Singapore 189650
TEL: +65-6884-6830

Consolidated Subsidiaries

Okumura Machinery Corporation
3-5-26, Himejima, Nishiyodogawa-ku,
Osaka 555-0033, Japan
TEL: +81-6-6472-3461
Business line:Design, manufacture, sales, and repair of construction/industrial machines and devices

Taihei Real Estate Corporation
5-16-7, Shiba, Minato-ku,
Tokyo 108-0014, Japan
TEL: +81-3-5439-5401
Business line:Development, leasing, management, brokerage of real estate, provision of solutions thereto, and urban redevelopment, etc.

ISHIKARI BIO ENERGY GODO KAISHA
2-763-3, Shinkochuo,
Ishikari 061-3242, Japan
TEL: +81-133-77-5318
Business line: Power generation using renewable energy and sales of electricity

HIRATA BIO ENERGY GODO KAISHA
37-4, Tsubouchi, Tonoko, Hirata-mura,
Ishikawa-gun, Fukushima-ken 963-8204, Japan
No.1 Power plant
TEL: +81-247-57-7351
No.2 Power plant
TEL: +81-247-57-6562
Business line: Power generation using renewable energy and sales of electricity

Board of Directors

(As of June 26, 2026)

Directors

President and Representative Director
Takanori Okumura

Representative Directors
Masahiro Kaneshige
Hiroyuki Matsushima

Directors
Kunitake Konishi
Masanari Kashiki
Yasuyuki Nakatani
Shinya Kimura
Rieko Ueda

Director (Chair of the Audit and Supervisory Committee)
Eiji Maeda

Director (Full-time Audit and Supervisory Committee Member)
Akira Sasaki

Directors (Audit and Supervisory Committee Member)
Kyoko Hirose
Eri Ogura
Hisae Komiya

Note: Rieko Ueda,Eiji Maeda,Kyoko Hirose,Eri Ogura and Hisae Komiya are outside directors.

Executive Officers

Executive Vice President
Hajime Kosaka

Senior Managing Executive Officers
Masahiro Kaneshige*
Wataru Onishi
Kazutoshi Yuyama

Managing Executive Officers
Takanori Hayashi
Kunitake Konishi*
Takami Nakada
Masanari Kashiki*
Yasuyuki Nakatani*
Hiroyuki Matsushima*
Kazuyoshi Okuma

Executive Officers
Hiroki Machida
Junichi Hori
Yuji Yamamoto
Kazuya Takekuni
Yuichi Umezawa
Shinya Kimura*
Takayuki Kitano
Keisuke Yasui
Hideki Nakayama
Nobuhiko Kawanaka
Masanori Okamura
Yuji Shimobe
Akiyoshi Sato
Yoshihiro Fujimoto
Fumitaka Nozaki
Yoshifumi Machida
Hitoshi Mimura
Kazutaka Kuno
Jun Ota
Masakazu Kato
Toshiki Okawa

Note: Those officers marked with an asterisk (*) work as directors.

Investor Information

(As of March 31, 2026)

Corporate Data

Head Office
OKUMURA CORPORATION
2-2-2, Matsuzaki-cho, Abeno-ku, Osaka 545-8555, Japan
TEL: +81-6-6621-1101 FAX: +81-6-6627-5295

Established
February 22, 1907

Capital
¥19.8 billion

Group Employees
2,492

Stock Information

Stock Exchange Listings
Tokyo

Transfer Agent
Sumitomo Mitsui Trust Bank, Limited

Major Shareholders

Shareholder	Shares held (thousands)	Shareholding ratio
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,196	11.61%
Okumura Employees' Shareholding Association	1,993	5.52
Custody Bank of Japan, Ltd. (Trust Account)	1,466	4.06
Resona Bank, Limited.	1,214	3.36
Custody Bank of Japan, Ltd. (Taxable Account for Money Trusts)	1,210	3.35
State Street Bank and Trust Company 505001	838	2.32
Nippon Life Insurance Company	643	1.78
Takanori Okumura	549	1.52
JP MORGAN CHASE BANK 385781	470	1.30
THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	459	1.27

Note:
1. The Company holds 2,526,357 shares of treasury stock, which are excluded from the above.
2. Shareholding ratio is computed excluding treasury stock.
3. The number of shares held by Mr. Takanori Okumura does not include his ownership interest in the Okumura officers' shareholding association.

奥村組
OKUMURA CORPORATION

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