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February 6, 2026

## Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)



Company name: TOKYO ENERGY & SYSTEMS INC.  
 Listing: Tokyo Stock Exchange  
 Securities code: 1945  
 URL: <https://www.qtes.co.jp/en>  
 Representative: Toshiaki Majima, President and Chief Executive Officer  
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 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: None

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

### 1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit (loss)		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2025	56,237	21.0	2,285	-	2,842	364.7	2,798	156.3
December 31, 2024	46,462	(27.0)	(12)	-	611	(83.6)	1,091	(48.3)

Note: Comprehensive income For the nine months ended December 31, 2025: ¥3,628 million [-%]  
 For the nine months ended December 31, 2024: ¥(43) million [-%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2025	84.09	-
December 31, 2024	32.59	-

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2025	110,189	69,916	63.5
March 31, 2025	108,081	68,427	63.3

Reference: Equity  
 As of December 31, 2025: ¥69,916 million  
 As of March 31, 2025: ¥68,427 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	26.00	-	26.00	52.00
Fiscal year ending March 31, 2026	-	28.00	-		
Fiscal year ending March 31, 2026 (Forecast)				29.00	57.00

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

## 3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	82,000	21.1	3,900	46.3	4,100	22.7	3,400	17.2	102.07

Note: Revisions to the financial result forecast most recently announced: None

**\* Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None
- (4) Number of issued shares (common shares)

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

As of December 31, 2025	34,973,752 shares
As of March 31, 2025	34,973,752 shares

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

As of December 31, 2025	1,838,817 shares
As of March 31, 2025	1,664,412 shares

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

Nine months ended December 31, 2025	33,284,719 shares
Nine months ended December 31, 2024	33,498,342 shares

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

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

The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company considers reasonable, but they are not intended to be a commitment by the Company. Actual results may differ significantly due to various factors.

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Nine Months Ended December 31, 2025

The Japanese economy has maintained a gradual recovery trend and, with improved business sentiment, stock prices remain strong, and business confidence shows signs of rebounding. On the other hand, risks such as rising demand for labor and increasing interest rates exist, alongside destabilizing international circumstances and exchange rate fluctuations, and the outlook for the Japanese economy remains uncertain.

The business environment in which the Group operates has generally remained firm, although attention needs to be paid to chronic labor shortages and trends in materials prices. The Japanese government's policy in the Seventh Strategic Energy Plan and the GX2040 Vision is aimed at maximizing the use of power sources that contribute to energy security and have a high decarbonization effect, such as renewable energy and nuclear power. In response to this, capital investment is ramping up in earnest, especially in decarbonized related markets and toward the resumption of nuclear power plant operations, as well as in power supply infrastructure against the backdrop of growing electricity demand, particularly from new data centers resulting from expanded use of generative AI. The favorable environment for receiving orders is expected to continue.

In these circumstances, the Group drew up the FY2024 mid-term management plan (FY2024-FY2026) and is addressing key issues based on the basic policy of "creating a strong and flexible Q'd with people at the core." In the nine months ended December 31, 2025, a virtuous investment cycle with people at the core began to generate steady results, and total orders received, net sales, and profits were all above the levels of the same period of the previous fiscal year. We will continue promoting operational efficiency primarily through selective order taking and DX to achieve our profit targets.

Especially, in the nuclear power market, as preparations for the implementation of safety measures have progressed toward the resumption of operations at various nuclear power plants, we will work to steadily expand the order flow centered on our specialized organization for wide-area safety measures, which was newly established in April last year. Furthermore, the Substation Construction Department, which was also newly set up, is driving an increase in our share in the market for the installation of new and additional facilities for substations in response to growing electricity demand at data centers. Moreover, in the general industry market, we are steadily increasing orders and expanding the number of onsite bases through sales development leveraging our branches nationwide.

As a result, total orders received were ¥71,979 million (up 19.1% year-on-year), owing mainly to the receiving of orders concerning implementation of safety measures at nuclear facilities, tasks related to the decommissioning of the Fukushima Daiichi Nuclear Power Plant, construction of waste boilers at paper mills and projects related to electric furnaces at steel plants toward decarbonization, removal work in response to the decommissioning of thermal power plants, electrical facility work at public utilities, solar power facilities for on-site power purchase agreements (PPA), and replacement work of public hydroelectric power plants.

Net sales were ¥56,237 million (up 21.0% year-on-year), owing mainly to progress of tasks related to the decommissioning of the Fukushima Daiichi Nuclear Power Plant, safety measures and maintenance and repair work implemented at nuclear power plants across Japan, installation of new and additional facilities for substations in response to growing electricity demand, construction of storage battery-related plants, maintenance and repair work for thermal power generation facilities, increased maintenance and repair work at oil refineries resulting from permanent staffing, and installation of new power generation facilities for chemical plants, among others.

The amount of projects carried forward to the next period was maintained at a high level of ¥137,163 million (up 22.9% year-on-year).

As for profits, operating profit was ¥2,285 million (compared to operating loss of ¥12 million for the same period of the previous fiscal year), as a result of our continued initiative of selective order taking that emphasizes profitability—an effort we have been working on from the previous period—as well as improved profit margins due to a decline in nonconforming or unprofitable work, in addition to an increase in net sales. Ordinary profit

was ¥2,842 million (up 364.7% year-on-year) due to the recording of foreign exchange gains, etc. Profit attributable to owners of parent amounted to ¥2,798 million (up 156.3% year-on-year), due to the recording of extraordinary income from the sale of cross-shareholdings and real estate for rent aimed at improving asset efficiency.

Business results by segment were as follows.

(Facilities Construction)

Total orders received were ¥67,787 million (up 21.5% year-on-year) due to increases in the Green Energy Business Division, the Energy Division, and the Nuclear Power Division.

Net sales were ¥51,882 million (up 23.5% year-on-year) due to increases in the Energy Division and the Nuclear Power Division.

Segment profit was ¥6,176 million (up 248.1% year-on-year).

(Other Businesses)

Total orders received were ¥4,312 million (down 6.6% year-on-year).

Net sales were ¥4,476 million (up 0.8% year-on-year).

Segment loss was ¥67 million (compared to segment profit of ¥12 million for the same period of the previous fiscal year).

Reference: Names of divisions, etc. corresponding to the segments

Segment name	Division, etc.
Facilities Construction	Green Energy Business Division, Energy Division, Nuclear Power Division, Welding and Inspection Engineering Center, Overseas Division
Other Businesses	Power generation business, real estate business, leasing and rental business, insurance agency, manufacture and sale, wholesale

(2) Overview of Financial Position for the Nine Months Ended December 31, 2025

Total assets amounted to ¥110,189 million as of December 31, 2025, an increase of ¥2,107 million from the end of the previous fiscal year. This was mainly due to an increase in investment securities.

Total liabilities amounted to ¥40,272 million as of December 31, 2025, an increase of ¥618 million from the end of the previous fiscal year. This was mainly due to an increase in bonds payable.

Net assets amounted to ¥69,916 million as of December 31, 2025, an increase of ¥1,489 million from the end of the previous fiscal year. This was mainly due to an increase in valuation difference on available-for-sale securities.

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

The consolidated financial results forecast for the fiscal year ending March 31, 2026, announced on May 12, 2025, remains unchanged.

## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	7,648	9,596
Notes receivable, accounts receivable from completed construction contracts and contract assets	42,969	42,430
Electronically recorded monetary claims - operating	960	257
Securities	120	128
Costs on construction contracts in progress	1,038	1,037
Raw materials and supplies	1,090	1,013
Other	4,190	4,726
Total current assets	58,018	59,191
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,522	9,672
Machinery and vehicles, net	7,870	7,472
Land	8,620	8,526
Other, net	725	866
Total property, plant and equipment	27,739	26,537
Intangible assets		
Goodwill	89	35
Customer related assets	1,306	1,149
Other	676	827
Total intangible assets	2,072	2,012
Investments and other assets		
Investment securities	15,427	17,479
Retirement benefit asset	775	759
Other	4,066	4,190
Allowance for doubtful accounts	(17)	(17)
Total investments and other assets	20,252	22,412
Total non-current assets	50,063	50,962
Deferred assets		
Bond issuance costs	-	35
Total deferred assets	-	35
<b>Total assets</b>	<b>108,081</b>	<b>110,189</b>

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable for construction contracts	7,828	5,545
Electronically recorded obligations - operating	102	176
Short-term borrowings	14,468	7,818
Income taxes payable	243	1,312
Contract liabilities	2,235	4,125
Provision for warranties for completed construction	221	163
Provision for loss on construction contracts	345	245
Other	2,903	4,342
Total current liabilities	28,347	23,730
Non-current liabilities		
Bonds payable	-	5,000
Long-term borrowings	5,134	4,724
Retirement benefit liability	4,518	4,404
Other	1,653	2,413
Total non-current liabilities	11,306	16,542
Total liabilities	39,654	40,272
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,881	2,881
Capital surplus	3,741	3,753
Retained earnings	60,406	61,405
Treasury shares	(1,287)	(1,639)
Total shareholders' equity	65,741	66,400
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,613	4,054
Foreign currency translation adjustment	72	(538)
Total accumulated other comprehensive income	2,685	3,516
Total net assets	68,427	69,916
Total liabilities and net assets	108,081	110,189

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

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
<b>Net sales</b>		
Net sales of completed construction contracts	46,462	56,237
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	41,740	48,391
<b>Gross profit</b>		
Gross profit on completed construction contracts	4,721	7,846
Selling, general and administrative expenses	4,734	5,560
Operating profit (loss)	(12)	2,285
<b>Non-operating income</b>		
Interest income	31	54
Dividend income	210	234
Foreign exchange gains	597	637
Other	39	92
Total non-operating income	879	1,018
<b>Non-operating expenses</b>		
Interest expenses	148	183
Loss on investments in silent partnerships	9	265
Loss on valuation of derivatives	88	-
Other	8	13
Total non-operating expenses	255	461
<b>Ordinary profit</b>	<b>611</b>	<b>2,842</b>
<b>Extraordinary income</b>		
Gain on sale of non-current assets	41	817
Gain on sale of investment securities	1,465	999
Other	0	0
Total extraordinary income	1,507	1,817
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	8	2
Other	0	-
Total extraordinary losses	8	2
<b>Profit before income taxes</b>	<b>2,110</b>	<b>4,657</b>
Income taxes - current	100	1,547
Income taxes - deferred	917	311
Total income taxes	1,018	1,858
<b>Profit</b>	<b>1,091</b>	<b>2,798</b>
Profit attributable to owners of parent	1,091	2,798

Quarterly Consolidated Statements of Comprehensive Income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	1,091	2,798
Other comprehensive income		
Valuation difference on available-for-sale securities	(854)	1,441
Foreign currency translation adjustment	(281)	(611)
Total other comprehensive income	(1,135)	830
Comprehensive income	(43)	3,628
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(43)	3,628

(3) Notes to Quarterly Consolidated Financial Statements

(Segment information, etc.)

I. Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

1. Information on net sales and profit (loss) by reportable segment and breakdown of revenue

(Millions of yen)

	Reportable segment	Other Businesses	Total
	Facilities Construction		
Net sales			
Net sales to outside customers	42,001	4,442	46,444
Inter-segment net sales or transfers	1,939	1,669	3,609
Total	43,941	6,112	50,054
Net sales (by Division)			
Green Energy Business Division	7,732	-	7,732
Energy Division	27,309	-	27,309
Nuclear Power Division	8,722	-	8,722
Other	176	6,112	6,289
Total	43,941	6,112	50,054
Timing of transfer of goods or services			
A point in time	8,737	6,112	14,849
Over time	35,204	-	35,204
Total	43,941	6,112	50,054
Segment profit	1,774	12	1,786

Notes: 1. "Other Businesses" is a business segment not included in the reportable segments and includes power generation, real estate, leasing and rental, insurance agency, manufacture and sale, and wholesale.

2. Net sales are mainly revenue generated from contracts with customers, and the amount of revenue generated from other sources is not material.

2. Difference between reportable segment total profit (loss) and the amount stated in the quarterly consolidated statement of income, and main details of differences (matters related to adjustment of difference)

(Millions of yen)

Profit (loss)	Amount
Reportable segment total	1,774
Profit in the "Other Businesses" segment	12
Inter-segment eliminations	91
Amortization of goodwill	(53)
Corporate expenses	(3,070)
Other adjustments	1,234
Operating (loss) in quarterly consolidated statement of income	(12)

Note: Corporate expenses are general and administrative expenses that do not belong to any reportable segment.

II. Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

1. Information on net sales and profit (loss) by reportable segment and breakdown of revenue

(Millions of yen)

	Reportable segment	Other Businesses	Total
	Facilities Construction		
Net sales			
Net sales to outside customers	51,882	4,476	56,358
Inter-segment net sales or transfers	2,151	1,621	3,773
Total	54,033	6,097	60,131
Net sales (by Division)			
Green Energy Business Division	7,677	-	7,677
Energy Division	33,982	-	33,982
Nuclear Power Division	12,119	-	12,119
Other	254	6,097	6,352
Total	54,033	6,097	60,131
Timing of transfer of goods or services			
A point in time	8,119	6,097	14,217
Over time	45,914	-	45,914
Total	54,033	6,097	60,131
Segment profit (loss)	6,176	(67)	6,109

Notes: 1. "Other Businesses" is a business segment not included in the reportable segments and includes power generation, real estate, leasing and rental, insurance agency, manufacture and sale, and wholesale.

2. Net sales are mainly revenue generated from contracts with customers, and the amount of revenue generated from other sources is not material.

2. Difference between reportable segment total profit (loss) and the amount stated in the quarterly consolidated statement of income, and main details of differences (matters related to adjustment of difference)

(Millions of yen)

Profit (loss)	Amount
Reportable segment total	6,176
(Loss) in the "Other Businesses" segment	(67)
Inter-segment eliminations	(30)
Amortization of goodwill	(53)
Corporate expenses	(3,586)
Other adjustments	(152)
Operating profit in quarterly consolidated statement of income	2,285

Note: Corporate expenses are general and administrative expenses that do not belong to any reportable segment.

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

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes to quarterly consolidated statement of cash flows)

No quarterly consolidated statement of cash flows for the nine months ended December 31, 2025 has been prepared. Depreciation (including amortization of intangible assets other than goodwill) for the nine months ended December 31, 2025 and amortization of goodwill are as follows.

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Depreciation	1,455 million yen	1,466 million yen
Amortization of goodwill	53 million yen	53 million yen

### 3. Supplementary Information

#### (1) Orders Received, Net Sales, and Amount of Projects Carried Forward to the Next Period by Segment and Division

Segment / Division		Nine months ended December 31, 2024		Nine months ended December 31, 2025		Year-on-year increase (decrease)	
		Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Change (%)
Orders Received	Green Energy Business Division	7,614	12.5	11,950	16.7	4,335	56.9
	Energy Division	36,055	59.7	40,702	56.5	4,646	12.9
	Nuclear Power Division	11,780	19.5	15,035	20.9	3,254	27.6
	Other	348	0.6	99	0.1	(249)	(71.4)
	Facilities Construction	55,800	92.3	67,787	94.2	11,987	21.5
	Other Businesses	4,618	7.6	4,312	6.0	(305)	(6.6)
	Segment total	60,418	99.9	72,100	100.2	11,681	19.3
	Adjustments	18	0.1	(120)	(0.2)	(139)	-
	Total	60,437	100.0	71,979	100.0	11,542	19.1
	Net Sales	Green Energy Business Division	5,805	12.4	5,508	9.6	(297)
Energy Division		27,296	58.7	34,000	60.5	6,703	24.6
Nuclear Power Division		8,722	18.8	12,119	21.6	3,396	38.9
Other		176	0.4	254	0.5	77	43.6
Facilities Construction		42,001	90.3	51,882	92.2	9,880	23.5
Other Businesses		4,442	9.6	4,476	8.0	33	0.8
Segment total		46,444	99.9	56,358	100.2	9,913	21.4
Adjustments		18	0.1	(120)	(0.2)	(139)	-
Total		46,462	100.0	56,237	100.0	9,774	21.0
Amount of Projects Carried Forward to the Next Period		Green Energy Business Division	15,234	13.6	19,964	14.5	4,730
	Energy Division	77,211	69.2	96,503	70.4	19,291	25.0
	Nuclear Power Division	17,992	16.1	20,034	14.6	2,042	11.4
	Other	325	0.3	159	0.1	(165)	(50.9)
	Facilities Construction	110,763	99.2	136,662	99.6	25,899	23.4
	Other Businesses	887	0.8	500	0.4	(386)	(43.6)
	Segment total	111,651	100.0	137,163	100.0	25,512	22.9
	Adjustments	-	-	-	-	-	-
	Total	111,651	100.0	137,163	100.0	25,512	22.9

(2) Orders Received, Net Sales, and Amount of Projects Carried Forward to the Next Period by Market

Market		Nine months ended December 31, 2024		Nine months ended December 31, 2025		Year-on-year increase (decrease)	
		Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Change (%)
Orders Received	Electric Power Market	31,476	52.0	32,524	45.2	1,048	3.3
	General Industry and Other Market	18,213	30.1	24,174	33.6	5,961	32.7
	Renewable Energy-Related Market	10,729	17.8	15,401	21.4	4,671	43.5
	Adjustments	18	0.1	(120)	(0.2)	(139)	-
	Total	60,437	100.0	71,979	100.0	11,542	19.1
Net Sales	Electric Power Market	25,479	54.8	28,781	51.1	3,302	13.0
	General Industry and Other Market	11,589	24.9	17,701	31.5	6,112	52.7
	Renewable Energy-Related Market	9,376	20.2	9,874	17.6	498	5.3
	Adjustments	18	0.1	(120)	(0.2)	(139)	-
	Total	46,462	100.0	56,237	100.0	9,774	21.0
Amount of Projects Carried Forward to the Next Period	Electric Power Market	41,173	36.9	55,508	40.4	14,335	34.8
	General Industry and Other Market	18,308	16.4	26,030	19.0	7,722	42.2
	Renewable Energy-Related Market	52,169	46.7	55,624	40.6	3,454	6.6
	Adjustments	-	-	-	-	-	-
	Total	111,651	100.0	137,163	100.0	25,512	22.9