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August 6, 2026

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

Company name: FUKUDA CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 1899
URL: https://www.fkd.co.jp/
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Scheduled date to file semi-annual securities report: August 6, 2026
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 six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	88,862	14.7	5,819	61.8	6,074	59.8	4,380	71.4
June 30, 2025	77,503	2.4	3,596	1.9	3,802	2.5	2,555	3.9

Note: Comprehensive income For the six months ended June 30, 2026: ¥ 4,992 million [84.6%]
For the six months ended June 30, 2025: ¥ 2,704 million [(5.2) %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	264.84	-
June 30, 2025	154.34	-

Note: The Company conducted a two-for-one stock split of its common shares, effective July 1, 2026. Earnings per share for the interim period have been calculated assuming that the stock split had occurred at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	155,974	92,969	59.4
December 31, 2025	147,476	90,166	60.9

Reference: Equity
As of June 30, 2026: ¥ 92,620 million
As of December 31, 2025: ¥ 89,805 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 December 31, 2025	-	0.00	-	260.00	260.00
Fiscal year ending December 31, 2026	-	0.00			
Fiscal year ending December 31, 2026 (Forecast)			-	140.00	140.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

Note: The Company conducted a two-for-one stock split of its common shares, effective July 1, 2026. The forecast dividend per share for the fiscal year ending December 31, 2026 has been presented on a post-stock-split basis. On a pre-stock-split basis, the forecast year-end dividend per share for the fiscal year ending December 31, 2026 would be ¥280.00.

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 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	190,500	13.4	9,300	19.7	9,600	18.1	6,400	15.4	390.24

Note: Revisions to the financial result forecast most recently announced: Yes

Note: The Company conducted a two-for-one stock split of its common shares, effective July 1, 2026. Net income per share in the consolidated earnings forecast for the fiscal year ending December 31, 2026 reflects the effect of the stock split. Without taking the stock split into account, forecast net income per share for the fiscal year ending December 31, 2026 would be ¥780.48.

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - companies( )

Excluded: - companies( )

(2) Adoption of accounting treatment specific to the preparation of semi-annual 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 June 30, 2026	17,976,222 shares
As of December 31, 2025	17,976,222 shares

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

As of June 30, 2026	1,576,162 shares
As of December 31, 2025	1,414,714 shares

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

Six months ended June 30, 2026	16,539,734 shares
Six months ended June 30, 2025	16,557,970 shares

Notes:

1. The Company conducted a two-for-one stock split of its common shares, effective July 1, 2026. The number of shares issued and outstanding at the end of the period, the number of treasury shares at the end of the period, and the average number of shares outstanding during the period have been calculated assuming that the stock split had occurred at the beginning of the previous fiscal year.

2. The Company has adopted the Employee Stock Ownership Plan (J-ESOP) and the Board Benefit Trust (BBT). Treasury shares at the end of the period include shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account E) (367,600 shares as of the interim period of the fiscal year ending December 31, 2026, and 206,600 shares as of the fiscal year ended December 31, 2025). In addition, shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account E) are included in treasury shares deducted in calculating the average number of treasury shares during the period (228,228 shares for the interim period of the fiscal year ending December 31, 2026, and 186,570 shares for the interim period of the fiscal year ended December 31, 2025).

* This Quarterly (Interim) Financial Results Report is not subject to review by a certified public accountant or an audit firm.

* Explanation regarding the appropriate use of earnings forecasts and other special notes

Forward-looking statements contained in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company considers reasonable. Actual results may differ materially from those expressed or implied by these statements due to various factors. For the assumptions underlying the earnings forecasts and notes on their use, please refer to “1. Qualitative Information on Interim Financial Results for the Period under Review, (3) Explanation of Forward-looking Information Including Consolidated Earnings Forecasts” on page 2 of the accompanying materials.

Reference: Non-consolidated earnings forecast for the fiscal year ending December 31, 2026 (January 1, 2026 ~ December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	116,478	21.6	5,741	72.4	6,860	65.4	4,744	47.7	289.27

Note: The previously announced forecast figures disclosed on February 13, 2026 have been revised. No earnings forecast has been prepared for the cumulative third-quarter period.

The Company conducted a two-for-one stock split of its common shares, effective July 1, 2026. Net income per share in the non-consolidated earnings forecast for the fiscal year ending December 31, 2026 reflects the effect of the stock split. Without taking the stock split into account, forecast net income per share for the fiscal year ending December 31, 2026 would be ¥578.53.

Semi-annual Consolidated Financial Statements and Primary Notes

Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	30,822	42,557
Notes receivable, accounts receivable from completed construction contracts and other	63,573	59,511
Real estate for sale	1,942	2,058
Costs on construction contracts in progress	1,861	2,447
Costs on real estate business	3,944	3,987
Other inventories	415	553
Accounts receivable - other	3,749	3,020
Other	1,352	1,098
Allowance for doubtful accounts	(33)	(14)
Total current assets	107,630	115,221
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,498	24,840
Machinery, vehicles, tools, furniture and fixtures	14,412	14,512
Land	16,486	16,463
Other	1,307	1,331
Accumulated depreciation	(29,291)	(29,807)
Total property, plant and equipment	27,413	27,341
Intangible assets		
Other	382	358
Total intangible assets	382	358
Investments and other assets		
Investment securities	7,571	8,620
Long-term loans receivable	151	152
Retirement benefit asset	3,051	3,073
Deferred tax assets	638	552
Other	926	944
Allowance for doubtful accounts	(289)	(289)
Total investments and other assets	12,049	13,053
Total non-current assets	39,845	40,753
Total assets	147,476	155,974

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	29,466	33,383
Short-term borrowings	309	257
Income taxes payable	1,465	2,325
Advances received on uncompleted construction contracts and others	9,844	13,797
Provision for loss on litigation	248	-
Provisions	221	1,163
Other	7,985	4,427
Total current liabilities	49,540	55,356
Non-current liabilities		
Long-term borrowings	705	594
Deferred tax liabilities	883	888
Deferred tax liabilities for land revaluation	801	801
Provisions	625	650
Retirement benefit liability	2,207	2,120
Other	2,546	2,592
Total non-current liabilities	7,769	7,648
Total liabilities	57,310	63,004
Net assets		
Shareholders' equity		
Share capital	5,158	5,158
Capital surplus	6,066	6,066
Retained earnings	78,965	81,166
Treasury shares	(3,518)	(3,509)
Total shareholders' equity	86,672	88,881
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,597	3,170
Revaluation reserve for land	18	18
Remeasurements of defined benefit plans	517	549
Total accumulated other comprehensive income	3,133	3,738
Non-controlling interests	360	349
Total net assets	90,166	92,969
Total liabilities and net assets	147,476	155,974

Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Net sales		
Net sales of completed construction contracts	70,471	80,337
Sales in real estate business	1,005	1,391
Sales in other businesses	6,026	7,134
Total net sales	77,503	88,862
Cost of sales		
Cost of sales of completed construction contracts	63,481	70,830
Cost of sales in real estate business	677	995
Cost of sales in other businesses	4,792	6,038
Total cost of sales	68,952	77,864
Gross profit		
Gross profit on completed construction contracts	6,989	9,506
Gross profit - real estate business	328	395
Gross profit - other business	1,233	1,095
Total gross profit	8,551	10,998
Selling, general and administrative expenses	4,955	5,178
Operating profit	3,596	5,819
Non-operating income		
Interest income	13	20
Dividend income	151	176
Reversal of allowance for doubtful accounts	0	-
Share of profit of entities accounted for using equity method	12	21
Other	66	84
Total non-operating income	244	302
Non-operating expenses		
Interest expenses	10	17
Commission for syndicated loans	12	6
Prepayment guarantee fee	12	18
Other	3	5
Total non-operating expenses	38	47
Ordinary profit	3,802	6,074

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Extraordinary income		
Gain on sale of non-current assets	2	21
Gain on sale of investment securities	10	-
Reversal of provision for loss on litigation	-	248
Reversal of provision for loss on liquidation of subsidiaries and associates	28	-
Gain on liquidation of subsidiaries and associates	59	-
Other	-	0
Total extraordinary income	100	269
Extraordinary losses		
Loss on retirement of non-current assets	25	1
Loss on valuation of investment securities	20	0
Total extraordinary losses	46	1
Profit before income taxes	3,856	6,343
Income taxes - current	1,323	2,145
Income taxes - deferred	(65)	(188)
Total income taxes	1,258	1,956
Profit	2,598	4,386
Profit attributable to non-controlling interests	42	6
Profit attributable to owners of parent	2,555	4,380

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Profit	2,598	4,386
Other comprehensive income		
Valuation difference on available-for-sale securities	99	565
Revaluation reserve for land	(11)	-
Remeasurements of defined benefit plans, net of tax	19	32
Share of other comprehensive income of entities accounted for using equity method	(0)	7
Total other comprehensive income	106	605
Comprehensive income	2,704	4,992
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,661	4,985
Comprehensive income attributable to non-controlling interests	43	6

Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	3,856	6,343
Depreciation	659	700
Increase (decrease) in allowance for doubtful accounts	(18)	(18)
Increase (decrease) in provision for bonuses	647	919
Increase (decrease) in provision for share awards	11	28
Increase (decrease) in provision for share awards for directors (and other officers)	-	(8)
Increase (decrease) in retirement benefit liability	(43)	(86)
Decrease (increase) in retirement benefit asset	(39)	(21)
Increase (decrease) in provision for loss on construction contracts	(37)	(15)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(4)	5
Increase (decrease) in other provisions	(67)	37
Interest and dividend income	(164)	(196)
Interest expenses	10	17
Loss (gain) on valuation of short-term and long-term investment securities	20	0
Loss (gain) on sale of short-term and long-term investment securities	(10)	-
Loss (gain) on liquidation of subsidiaries and associates	(59)	-
Loss (gain) on sale of non-current assets	(2)	(21)
Loss on retirement of property, plant and equipment	25	1
Share of loss (profit) of entities accounted for using equity method	(12)	(21)
Decrease (increase) in trade receivables	4,925	4,061
Decrease (increase) in inventories	(384)	(766)
Decrease (increase) in other assets	(241)	835
Increase (decrease) in trade payables	2,006	3,925
Increase (decrease) in advances received on construction contracts in progress	579	3,414
Increase (decrease) in other liabilities	(3,285)	(3,132)
Other, net	36	64
Subtotal	8,408	16,066
Interest and dividends received	166	199
Interest paid	(10)	(17)
Income taxes paid	(1,556)	(1,297)
Net cash provided by (used in) operating activities	7,008	14,950

(Millions of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Cash flows from investing activities		
Payments into time deposits	(3)	-
Proceeds from withdrawal of time deposits	3	-
Purchase of property, plant and equipment	(488)	(740)
Proceeds from sale of property, plant and equipment	6	79
Purchase of intangible assets	(32)	(23)
Purchase of investment securities	(105)	(207)
Proceeds from sale of investment securities	12	0
Net decrease (increase) in short-term loans receivable	0	150
Long-term loan advances	-	(1)
Proceeds from collection of long-term loans receivable	2	0
Proceeds from the liquidation of subsidiaries and associates	59	-
Other payments	(15)	(61)
Other proceeds	11	10
Net cash provided by (used in) investing activities	(549)	(793)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(400)	(20)
Repayments of long-term borrowings	(141)	(143)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(547)	-
Proceeds from sale of treasury shares	14	10
Purchase of treasury shares	(1)	(1)
Dividends paid	(1,670)	(2,174)
Dividends paid to non-controlling interests	(29)	(17)
Repayments of finance lease liabilities	(76)	(75)
Net cash provided by (used in) financing activities	(2,853)	(2,422)
Net increase (decrease) in cash and cash equivalents	3,605	11,734
Cash and cash equivalents at beginning of period	31,946	30,819
Cash and cash equivalents at end of period	35,551	42,554