



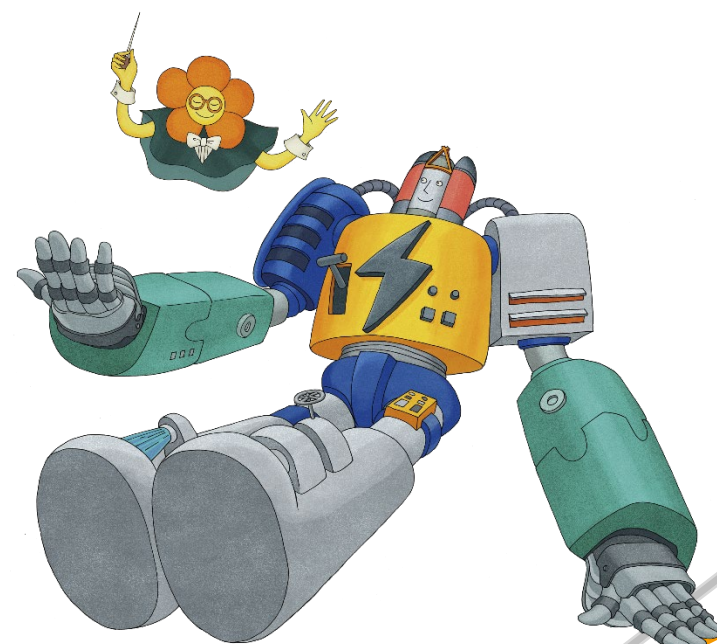
**SANKI ENGINEERING CO., LTD.**

## **Financial Results Presentation for the First Quarter of FY2025**

August 8, 2025

*for people, for the Earth*

**100<sup>th</sup>**  
**ANNIVERSARY**



## Summary

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## Supplementary Materials

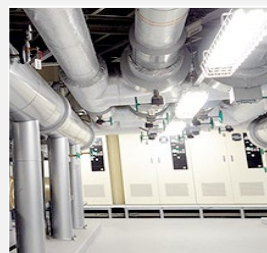
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# MIRAI 2030

The new management vision “MIRAI 2030” and the “Medium-Term Management Plan 2027” kicked off in April 2025, a milestone year marking the 100th anniversary of the founding of Sanki Engineering

For details of “MIRAI 2030” and the “Medium-Term Management Plan 2027,” please follow the link below.

<https://www.sanki.co.jp/ir/mid-term/>



## Facilities Construction Business

Business related to HVAC and Plumbing for Buildings, Industrial HVAC centered on air-conditioning systems for factories, Electrical Systems, and Facility Systems

Sales composition ratio  
Q1 FY2025

**85%**  
(up 2pt YoY)



## Machinery Systems Business

Business related mainly to material handling systems and manufacturing and sale of transportation equipment

Sales composition ratio  
Q1 FY2025

**4%**  
(down 1 pt YoY)



## Environmental Systems Business

Business related to water supply/sewage treatment facilities and waste treatment facilities

Sales composition ratio  
Q1 FY2025

**10%**  
(down 1 pt YoY)



## Real Estate Business

Business related to leasing of real estate holdings and building management

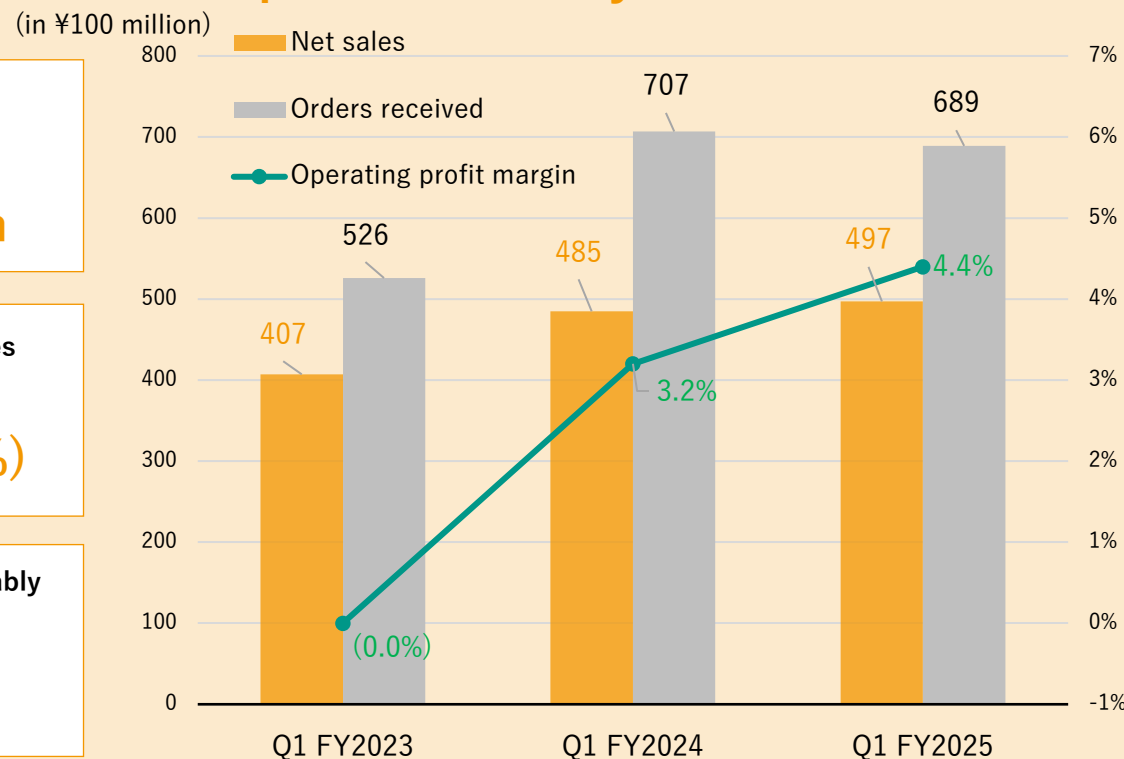
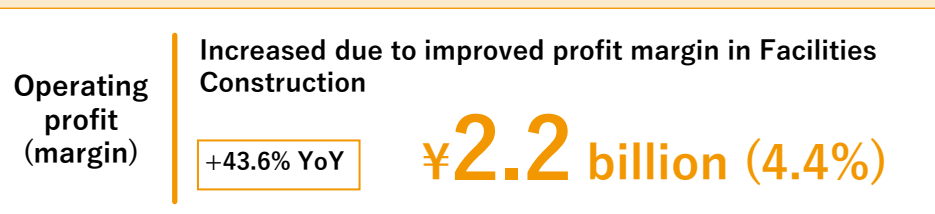
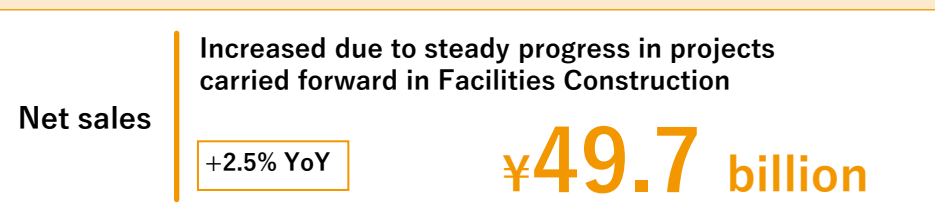
Sales composition ratio  
Q1 FY2025

**1%**  
(— pt YoY)

## Financial Summary (Consolidated)

Due to steady progress in projects carried forward and improved profit margin in Facilities Construction,

**Net sales and profit achieved record highs\* for the first quarter, breaking the previous record set in the same period of the previous fiscal year**



\* Since FY1983 when the Company started disclosure of consolidated financial statements

## Consolidated Results

- Net sales increased due to steady progress in projects carried forward from the previous fiscal year in Facilities Construction
- Profit increased due to improved profit margin in Facilities Construction resulting from completion of large-scale projects
- Orders received decreased due to decline in Environmental Systems compared to the same period of the previous fiscal year when contracts were awarded for large-scale projects, although Facilities Construction saw increase in orders for large-scale projects including urban redevelopment.

	(Millions of yen)			
	Q1 FY2024	Q1 FY2025	YoY	Change (%)
Net sales	48,527	49,747	1,220	2.5
Gross profit [margin]	7,178 [14.8]	8,863 [17.8]	1,684 [3.0]	23.5
Operating profit [margin]	1,540 [3.2]	2,211 [4.4]	670 [1.2]	43.6
Ordinary profit [margin]	2,087 [4.3]	2,612 [5.3]	524 [1.0]	25.1
Profit attributable to owners of parent [margin]	1,345 [2.8]	1,806 [3.6]	460 [0.8]	34.2
Orders received	70,732	68,928	(1,803)	(2.6)
Orders carried forward	221,106	229,911	8,805	4.0

## Orders Received by Business (Consolidated)

### Facilities

### Construction








### Business








Increased due to large-scale contracts awarded for such projects as urban redevelopment and logistics facilities

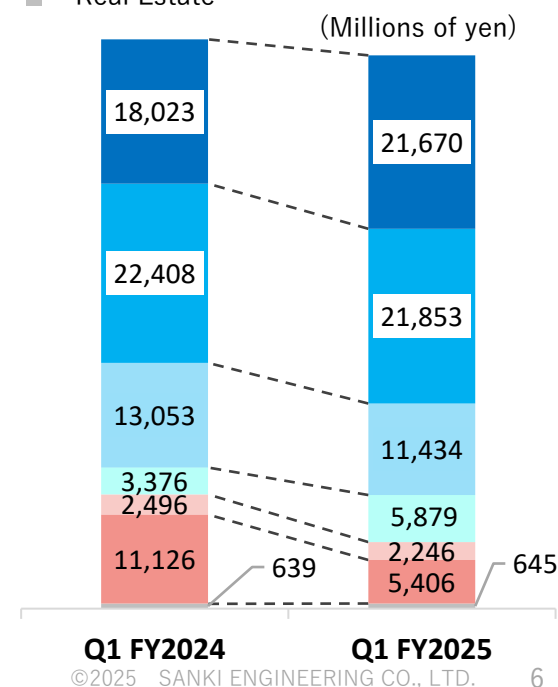
### Plant & Machinery

### Systems Business

In Environmental Systems, a decrease in orders has been projected reflecting order intake activities that take into consideration the construction work structure, and the result was largely in line with this projection

		Q1 FY2024	Q1 FY2025	YoY	
		Orders received	Orders received	Change	% change
	HVAC and Plumbing for Buildings	18,023	21,670	3,647	20.2
	Industrial HVAC	22,408	21,853	(554)	(2.5)
	Electrical Systems	13,053	11,434	(1,618)	(12.4)
	Facility Systems	3,376	5,879	2,502	74.1
	Total of Facilities Construction Business	56,861	60,837	3,976	7.0
	Machinery Systems	2,496	2,246	(250)	(10.0)
	Environmental Systems	11,126	5,406	(5,720)	(51.4)
	Total of Plant & Machinery Systems Business	13,623	7,652	(5,970)	(43.8)
	Real Estate Business	639	645	6	1.0
	Others	162	302	140	86.3
	Adjustments*	(553)	(509)	43	—
	Total	70,732	68,928	(1,803)	(2.6)

-  HVAC and Plumbing for Buildings
-  Industrial HVAC
-  Electrical Systems
-  Facility Systems
-  Machinery Systems
-  Environmental Systems
-  Real Estate



\* Internal transactions included in each segment are eliminated with "Adjustments"

## Net Sales by Business (Consolidated)

### Facilities

### Construction








### Business

With steady progress in projects carried forward from the previous fiscal year, net sales increased notably in Industrial HVAC reflecting completion of a large-scale semiconductor-related projects

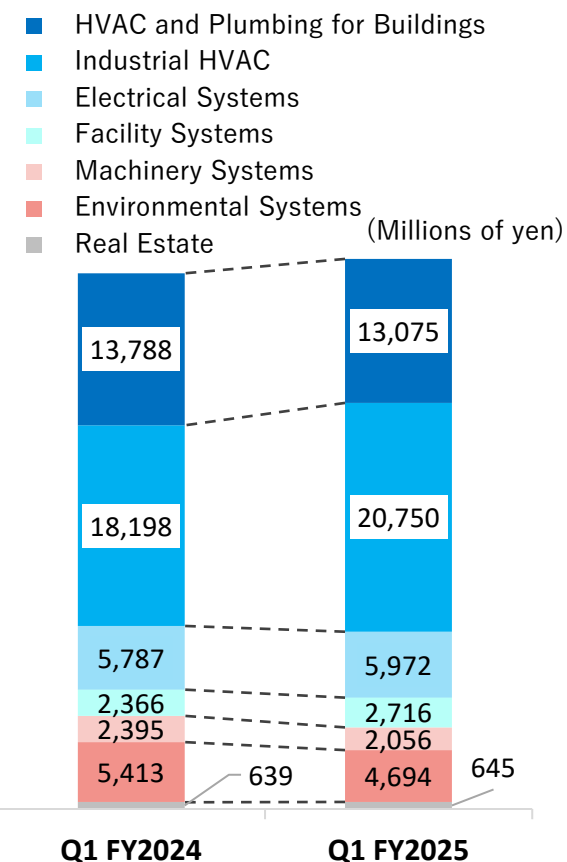
### Plant & Machinery

### Systems Business

Decreased in both Machinery Systems and Environmental Systems due to slower progress in projects carried forward as compared to the same period of the previous fiscal year

		Q1 FY2024	Q1 FY2025	YoY	
		Net sales	Net sales	Change	% change
	HVAC and Plumbing for Buildings	13,788	13,075	(712)	(5.2)
	Industrial HVAC	18,198	20,750	2,552	14.0
	Electrical Systems	5,787	5,972	185	3.2
	Facility Systems	2,366	2,716	350	14.8
	Total of Facilities Construction Business	40,139	42,515	2,375	5.9
	Machinery Systems	2,395	2,056	(339)	(14.2)
	Environmental Systems	5,413	4,694	(719)	(13.3)
	Total of Plant & Machinery Systems Business	7,809	6,750	(1,058)	(13.6)
	Real Estate Business	639	645	6	1.0
	Others	156	206	49	31.6
	Adjustments*	(217)	(370)	(153)	—
	Total	48,527	49,747	1,220	2.5

\* Internal transactions included in each segment are eliminated with “Adjustments”



## Gross Profit by Business (Consolidated)

### Facilities Construction Business

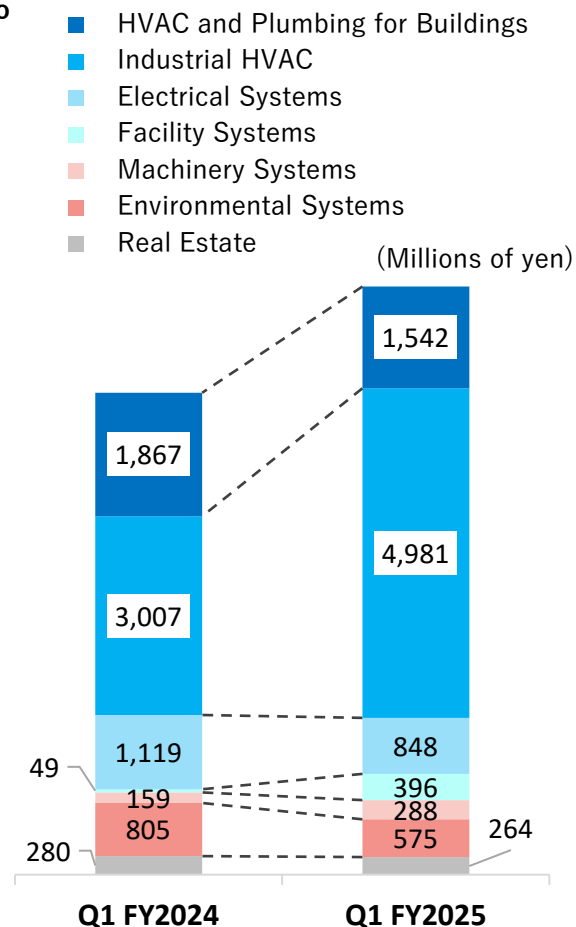
In Industrial HVAC, gross profit increased substantially due to higher net sales resulting from completion of large-scale semiconductor-related project as well as improved profit margin

In Facility Systems, gross profit increased substantially given elimination of the impact of unprofitable project that occurred in the same period of the previous fiscal year

### Plant & Machinery Systems Business

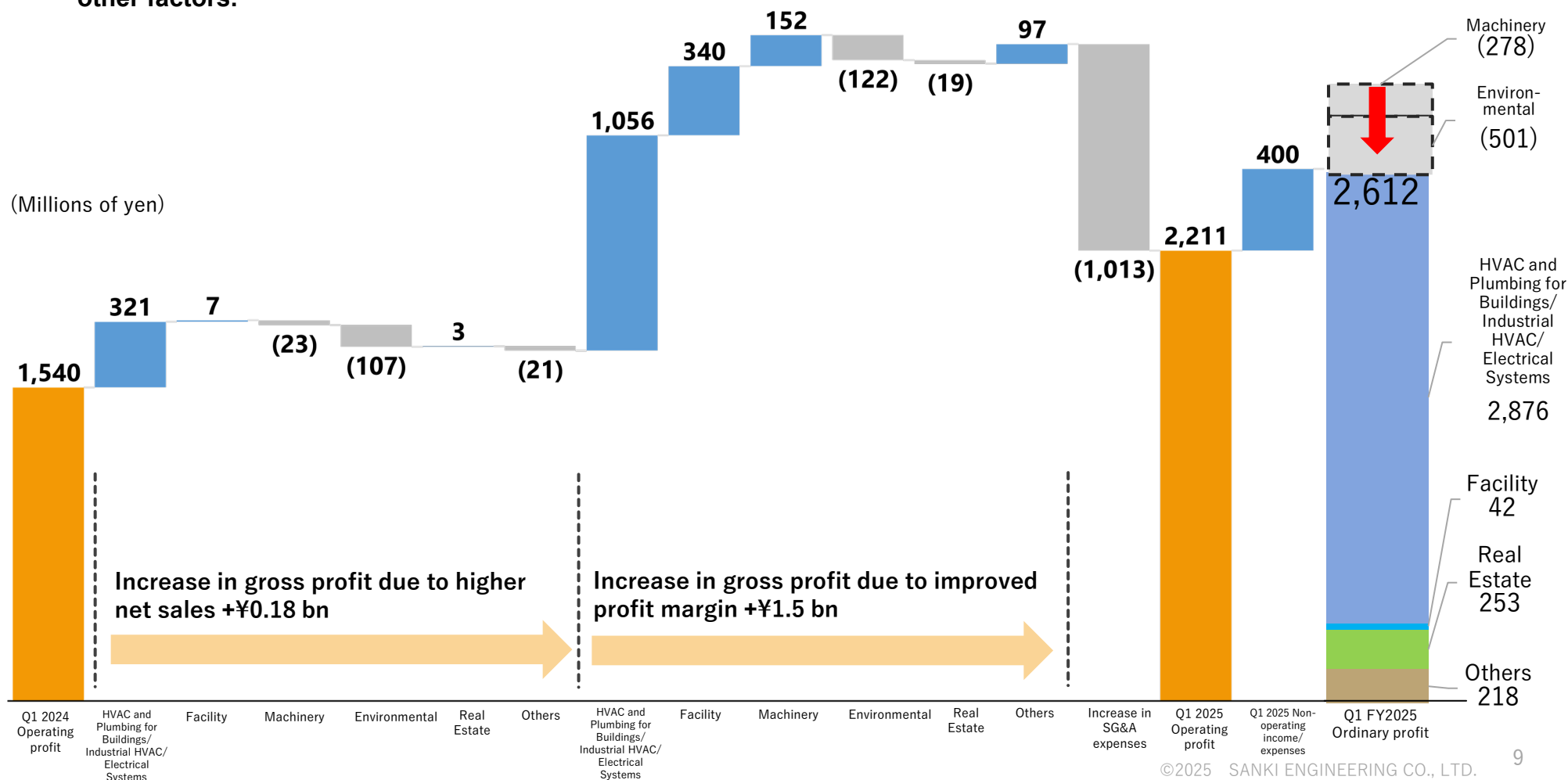
In Machinery Systems, gross profit decreased but profit margin improved due to price revisions carried out in the previous fiscal year

	Q1 FY2024		Q1 FY2025		YoY		
	Gross profit	margin in %	Gross profit	margin in %	Change	% change	
HVAC and Plumbing for Buildings	1,867	13.5	1,542	11.8	(324)	(1.7)	(17.4)
Industrial HVAC	3,007	16.5	4,981	24.0	1,973	7.5	65.6
Electrical Systems	1,119	19.3	848	14.2	(271)	(5.1)	(24.2)
Facility Systems	49	2.1	396	14.6	347	12.5	702.3
Total of Facilities Construction Business	6,043	15.1	7,768	18.3	1,724	3.2	28.5
Machinery Systems	159	6.7	288	14.0	129	7.3	80.9
Environmental Systems	805	14.9	575	12.3	(229)	(2.6)	(28.5)
Total of Plant & Machinery Systems Business	964	12.4	864	12.8	(100)	0.4	(10.4)
Real Estate Business	280	43.9	264	41.0	(16)	(2.9)	(5.7)
Others	12	8.1	24	11.9	11	3.8	92.3
Adjustments	(123)	—	(59)	—	64	—	—
Total	7,178	14.8	8,863	17.8	1,684	3.0	23.5



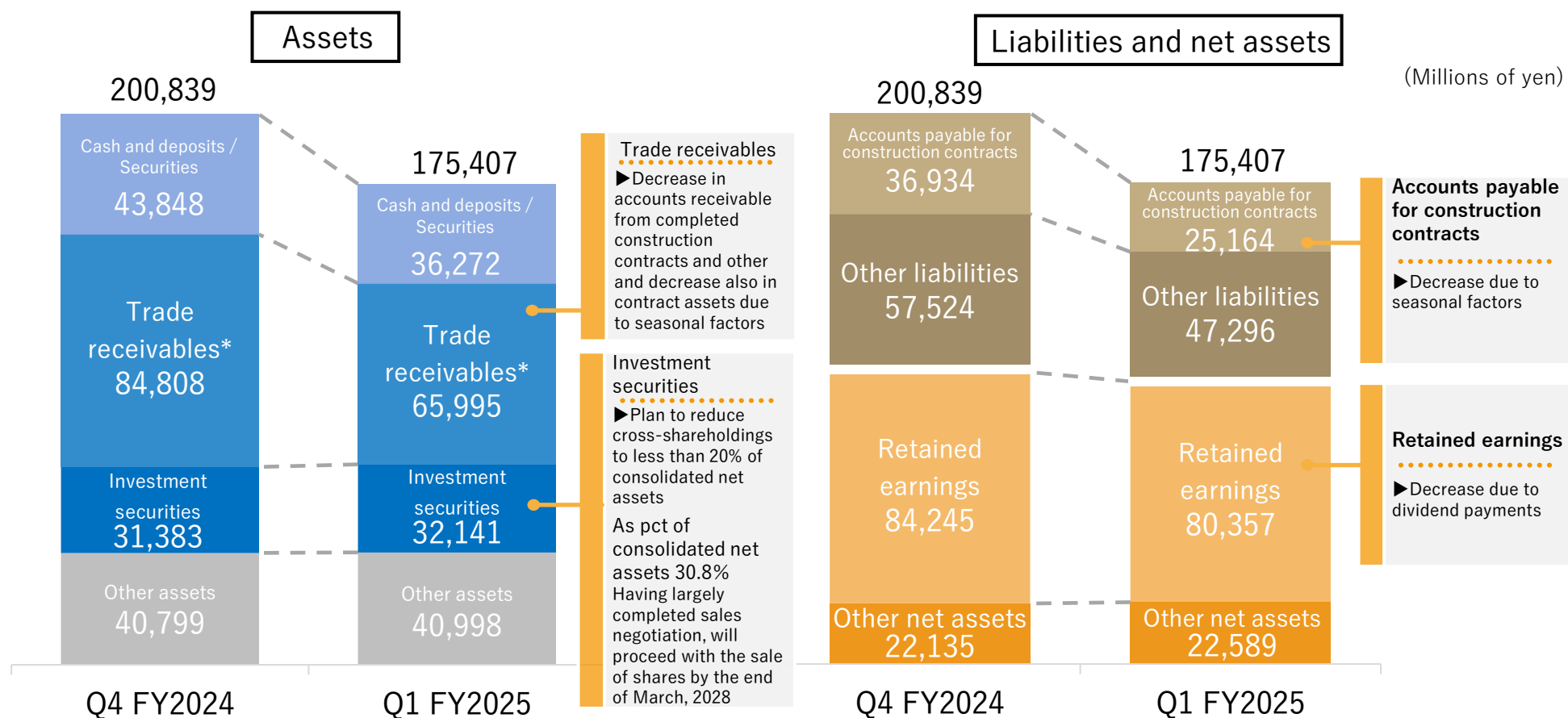
## Factors Behind Changes in Profit

- Although SG&A expenses increased due partly to an increase in personnel costs, operating profit increased as a result of improved profit margin in Industrial HVAC attributable to completion of large-scale semiconductor-related project, and other factors.



## Financial Condition (consolidated)

	Q4 FY2024	Q1 FY2025	Change
Net assets per share (yen)	2,051.62	1,985.07	(66.55)
Equity ratio (%)	52.9	58.6	5.7
Borrowings (Millions of yen)	7,107	6,851	(256)

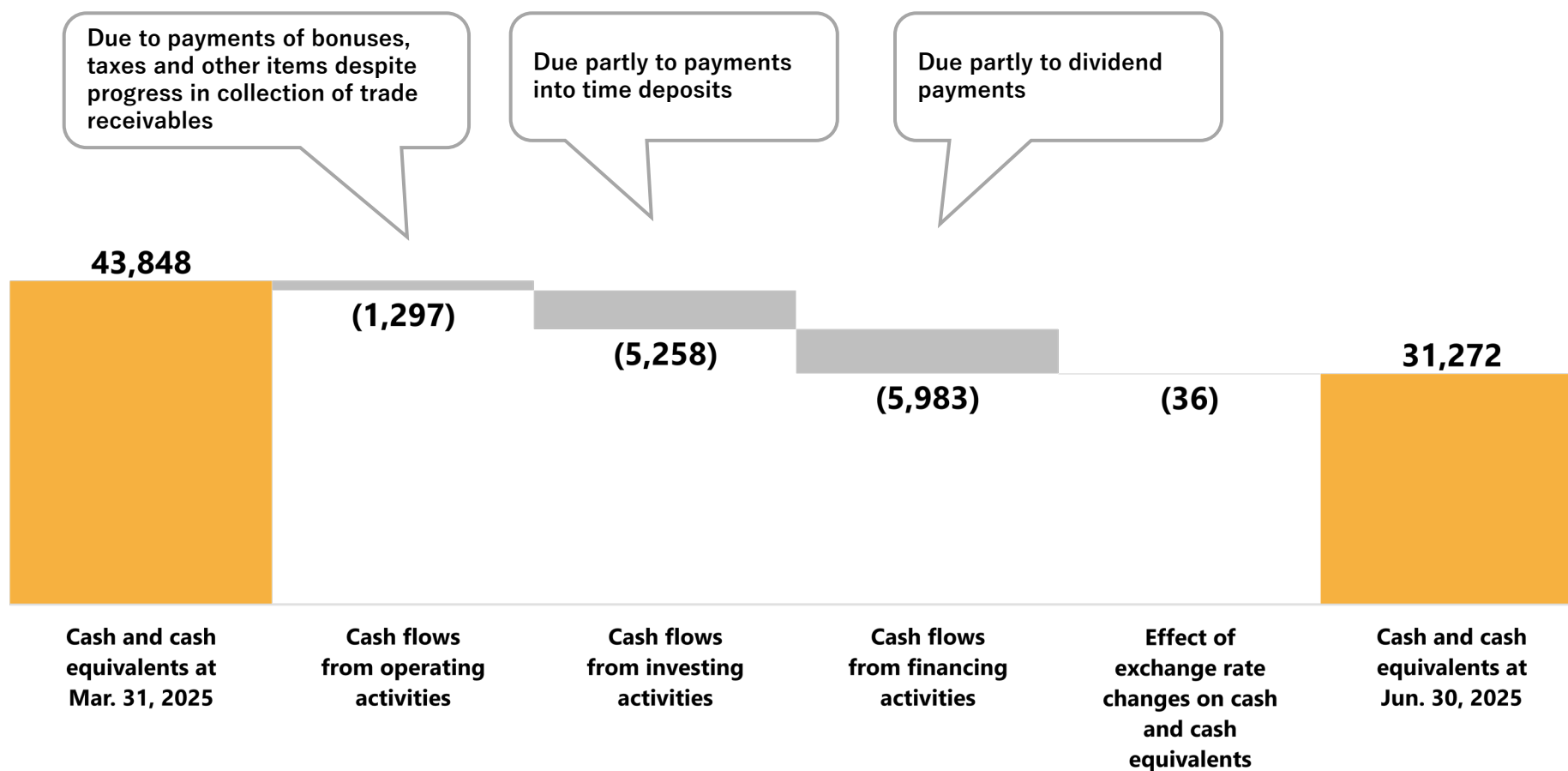


\* Trade receivables: notes receivable - trade, electronically recorded monetary claims - operating, accounts receivable from completed construction contracts and other, and contract assets

## Cash Flows

- Balance of cash and cash equivalents decreased from March 31, 2025

(Millions of yen)



## FY2025 Forecast (Consolidated)

### Net sales / Profit

Unchanged from the initial forecast announced on May 13

### Orders received

Orders received are projected to exceed initial forecast amid favorable order intake environment, with expectation of contracts to be awarded notably in HVAC and Plumbing for Buildings, for large-scale and long-term projects such as urban redevelopment

(Millions of yen)

	FY2023	FY2024	Initial forecast announced on May 13 (A)	Revised forecast announced on Aug. 8 (B)	% change B - A
Net sales	221,920	253,136	250,000	250,000	—
Gross profit	34,642	47,495	51,500	51,500	—
Gross profit margin (%)	15.6	18.8	20.6	20.6	—
Operating profit	11,586	21,893	24,500	24,500	—
Operating profit margin (%)	5.2	8.6	9.8	9.8	—
Ordinary profit	12,750	23,071	25,000	25,000	—
Profit attributable to owners of parent	8,951	17,203	19,500	19,500	—
Orders received	232,396	264,965	240,000	270,000	12.5
Orders carried forward	198,902	210,731	200,731	230,731	14.9
EPS (yen)	165.58	326.31	376.23	376.23	—
ROE (%)	9.2	16.3	17.9	17.9	—

## Forecast of Orders Received and Net Sales by Business (Consolidated)

● Revision made to orders received in light of the latest earnings projection

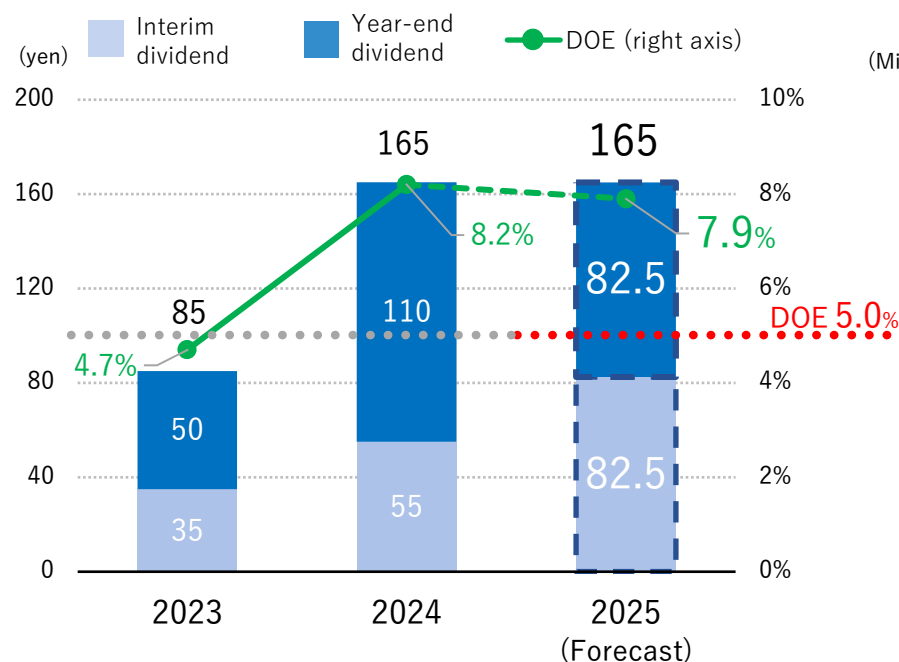
(Millions of yen)

	FY2024 actual	Initial forecast announced on May 13 (A)	Revised forecast announced on Aug. 8 (B)	% change B – A		FY2024 actual	Initial forecast announced on May 13 (A)	Revised forecast announced on Aug. 8 (B)	% change B – A
	Orders received					Net sales			
HVAC and Plumbing for Buildings	69,564	84,000	113,000	34.5		73,782	70,000	70,000	—
Industrial HVAC	94,137	69,000	71,000	2.9		91,264	86,000	86,000	—
Electrical Systems	40,447	29,000	27,000	(6.9)		30,553	34,000	34,000	—
Facility Systems	14,441	16,000	16,000	—		13,381	14,000	14,000	—
Total of Facilities Construction Business	218,590	198,000	227,000	14.6		208,981	204,000	204,000	—
Machinery Systems	10,933	13,000	13,000	—		10,934	14,000	14,000	—
Environmental Systems	33,396	27,000	28,000	3.7		31,300	30,000	30,000	—
Total of Plant & Machinery Systems Business	44,330	40,000	41,000	2.5		42,235	44,000	44,000	—
Real Estate Business	2,592	2,500	2,500	—		2,592	2,500	2,500	—
Others	730	700	700	—		739	700	700	—
Adjustments	(1,278)	(1,200)	(1,200)	—		(1,413)	(1,200)	(1,200)	—
Total	264,965	240,000	270,000	12.5		253,136	250,000	250,000	—

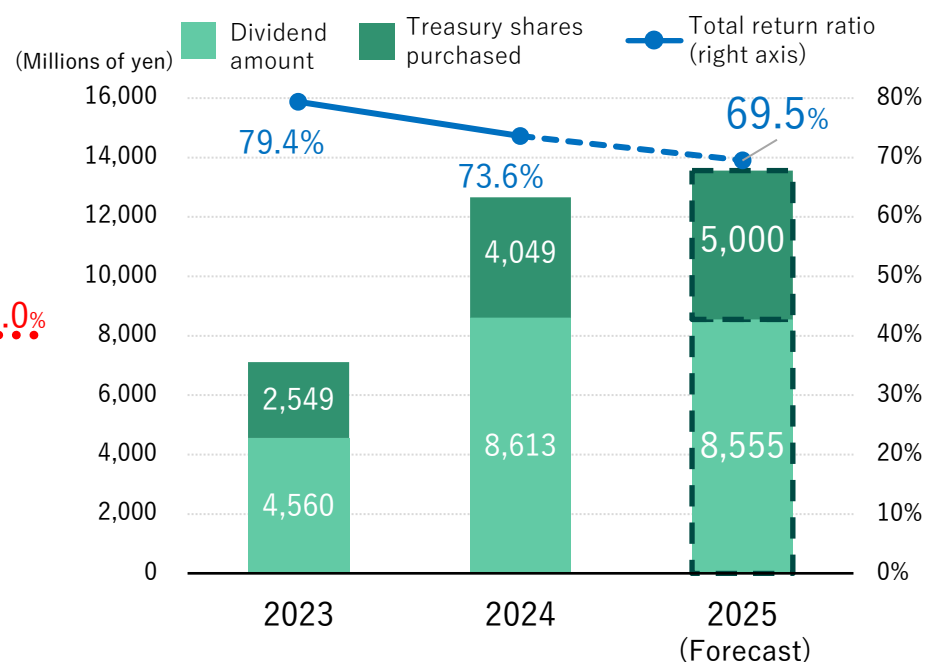
## Status of Shareholder Returns

- In line with the Medium-Term Management Plan 2027 which seeks to carry out growth investments while maintaining stable and sustainable distributions to shareholders, the shareholder return policy has been revised to target **DOE of at least 5.0%** and acquisition of a total of **approximately 4 million shares** of the Company's own stock during the Plan period\*
- Plan for FY2025 is to pay annual dividend of 165 yen (DOE of 7.9%) and acquire 1 million shares of own stock, and to cancel 1 million treasury shares on Aug. 18

Changes in annual dividend per share and DOE



Changes in the amount of dividends and acquisition value of own shares



\* Period of the "Medium-Term Management Plan 2027" (FY2025 to FY2027)

## Reference: Consolidated Results (P/L)

		(Millions of yen)			
		Q1 FY2024	Q1 FY2025	YoY	Rate of Change (%)
Net sales		48,527	49,747	1,220	2.5
	Completed construction contracts	47,880	49,089	1,208	2.5
	Real estate business and other	646	658	11	1.8
Gross profit		7,178	8,863	1,684	23.5
	Completed construction contracts	6,893	8,582	1,689	24.5
	Real estate business and other	284	280	(4)	(1.6)
Selling, general and administrative expenses		5,637	6,651	1,013	18.0
Operating profit		1,540	2,211	670	43.6
Non-operating income		658	537	(121)	(18.4)
Non-operating expenses		111	136	24	22.2
Ordinary profit		2,087	2,612	524	25.1
Extraordinary losses		188	—	(188)	—
Profit attributable to owners of parent		1,345	1,806	460	34.2

## Reference: Quarterly Changes in Performance

(Millions of yen)

	FY2023				FY2024				FY2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Net sales	40,727	48,732	60,152	72,309	48,527	57,422	70,540	76,645	49,747
Gross profit	5,231	6,738	9,959	12,713	7,178	10,020	14,459	15,836	8,863
Gross profit margin (%)	12.8	13.8	16.6	17.6	14.8	17.5	20.5	20.7	17.8
Selling, general and administrative expenses	5,250	5,437	5,242	7,124	5,637	5,634	6,210	8,119	6,651
Operating profit (loss)	(18)	1,300	4,716	5,588	1,540	4,386	8,248	7,717	2,211
Operating profit margin (%)	(0.0)	2.7	7.8	7.7	3.2	7.6	11.7	10.1	4.4
Ordinary profit	359	1,519	5,102	5,770	2,087	4,551	8,646	7,785	2,612
Profit attributable to owners of parent	339	1,070	3,452	4,090	1,345	3,104	5,714	7,038	1,806
Orders received	52,631	72,749	61,781	45,233	70,732	80,264	57,849	56,119	68,928

## Reference: Operating Profit by Business (Consolidated)

(Millions of yen)

	Q1 FY2024		Q1 FY2025		YoY		
	Operating profit	margin in %	Operating profit	margin in %	Change		% change
HVAC and Plumbing for Buildings	254	1.8	(239)	(1.8)	(493)	(3.6)	—
Industrial HVAC	1,431	7.9	2,899	14.0	1,467	6.1	102.5
Electrical Systems	397	6.9	(46)	(0.8)	(444)	(7.7)	—
Facility Systems	(256)	(10.8)	46	1.7	302	12.5	—
Total of Facilities Construction Business	1,828	4.6	2,660	6.3	832	1.7	45.5
Machinery Systems	(297)	(12.4)	(265)	(12.9)	32	(0.5)	—
Environmental Systems	(107)	(2.0)	(499)	(10.6)	(391)	(8.6)	—
Total of Plant & Machinery Systems Business	(405)	(5.2)	(764)	(11.3)	(359)	(6.1)	—
Real Estate Business	271	42.5	254	39.4	(17)	(3.1)	(6.4)
Others	(0)	(0.5)	6	3.0	7	3.5	—
Adjustments	(153)	—	55	—	208	—	—
Total	1,540	3.2	2,211	4.4	670	1.2	43.6

## Reference: Ordinary Profit by Business (Consolidated)

(Millions of yen)

	Q1 FY2024		Q1 FY2025		YoY		
	Ordinary profit	margin in %	Ordinary profit	margin in %	Change	% change	
HVAC and Plumbing for Buildings	372	2.7	(160)	(1.2)	(533)	(3.9)	—
Industrial HVAC	1,538	8.5	3,034	14.6	1,496	6.1	97.3
Electrical Systems	466	8.1	2	0.0	(463)	(8.1)	(99.4)
Facility Systems	(451)	(19.1)	42	1.6	494	20.7	—
Total of Facilities Construction Business	1,925	4.8	2,919	6.9	993	2.1	51.6
Machinery Systems	(319)	(13.3)	(278)	(13.5)	41	(0.2)	—
Environmental Systems	(119)	(2.2)	(501)	(10.7)	(381)	(8.5)	—
Total of Plant & Machinery Systems Business	(438)	(5.6)	(779)	(11.5)	(340)	(5.9)	—
Real Estate Business	271	42.5	253	39.3	(17)	(3.2)	(6.5)
Others	(0)	(0.5)	3	1.8	4	2.3	—
Adjustments	329	—	214	—	(115)	—	(34.9)
Total	2,087	4.3	2,612	5.3	524	1.0	25.1

## Reference: Balance Sheets (B/S)

(Millions of yen)

	March 31, 2025	June 30, 2025	Change
Current assets	138,834	112,689	(26,144)
Cash and deposits	31,856	34,272	2,416
Notes receivable - trade	337	65	(272)
Electronically recorded monetary claims - operating	8,990	8,433	(557)
Accounts receivable from completed construction contracts and other	47,958	32,395	(15,563)
Contract assets	27,521	25,101	(2,419)
Securities	11,992	1,999	(9,992)
Non-current assets	62,005	62,718	713
Investment securities	31,383	32,141	757
Total assets	200,839	175,407	(25,431)
Current liabilities	82,283	58,984	(23,298)
Accounts payable for construction contracts	36,934	25,164	(11,769)
Non-current liabilities	12,175	13,476	1,301
Deferred tax liabilities	54	1,088	1,033
Total liabilities	94,458	72,461	(21,997)
Net assets	106,380	102,946	(3,434)
Retained earnings	84,245	80,357	(3,888)
Treasury shares	(6,376)	(6,350)	26
Valuation difference on available-for-sale securities	13,383	13,903	520
Total liabilities and net assets	200,839	175,407	(25,431)

## Reference: Statements of Cash Flows

(Millions of yen)

	March 31, 2025	June 30, 2025	June 30, 2024
Cash flows from operating activities (Operating CF)	29,725	(1,297)	13,910
Cash flows from investing activities (Investing CF)	1,897	(5,258)	207
Cash flows from financing activities (Financing CF)	(11,398)	(5,983)	(3,554)
Effect of exchange rate changes on cash and cash equivalents, etc.	123	(36)	75
Cash and cash equivalents at end of period	43,848	31,272	34,139

## Disclaimer

Forward-looking statements, including forecasts of financial results, contained in this document reflect management's judgment based on the information available as of August 8, 2025. Actual results may differ from the figures contained herein due to a number of factors.

For IR inquiries, please contact

Corporate Communications Department, Corporate Division,  
SANKI ENGINEERING CO., LTD.

Tel. **+81-3-6367-7041**