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May 14, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 7003
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 Scheduled date of annual general meeting of shareholders: June 26, 2026
 Scheduled date to commence dividend payments: June 29, 2026
 Scheduled date to file annual securities report: June 25, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for analysts)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	353,196	12.1	37,641	62.7	44,892	61.7	38,456	(1.6)
March 31, 2025	315,112	4.4	23,130	17.8	27,756	34.0	39,074	56.0

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 63,183 million [59.3%]
 For the fiscal year ended March 31, 2025: ¥ 39,661 million [30.4%]

	Earnings per share	Earnings per share (diluted)	Return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	381.15	381.06	19.3	9.5	10.7
March 31, 2025	385.39	385.25	25.1	6.1	7.3

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: ¥ 7,516 million
 For the fiscal year ended March 31, 2025: ¥ 7,909 million

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity to total assets ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	494,554	233,819	46.3	2,270.25
March 31, 2025	449,212	174,154	37.8	1,682.97

Reference: Equity As of March 31, 2026: ¥ 229,074 million
 As of March 31, 2025: ¥ 169,792 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	28,419	2,552	(10,417)	54,589
March 31, 2025	14,852	60,902	(76,566)	33,376

2. Dividends

Common Stock	Annual dividend per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Dividends to net assets ratio (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended/ending	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2025	-	0.00	-	20.00	20.00	2,017	5.2	1.3
March 31, 2026	-	15.00	-	42.00	57.00	5,751	15.0	2.9
March 31, 2027 (Forecast)	-	30.00	-	30.00	60.00		20.2	

3. Forecasts for Financial Results (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

Fiscal year ending	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2027	370,000	4.8	32,000	(15.0)	37,000	(17.6)	30,000	(22.0)	297.33

Reference: Estimate is based on exchange rate of USD1.00 = JPY150.0

* Notes

(1) Changes in significant subsidiaries during the period

(changes in specified subsidiaries resulting in the change in scope of consolidation):

None

Newly included: -

Excluded: -

(2) Changes in accounting policies, changes in accounting estimates, and restatement

i) Changes in accounting policies due to revisions of accounting standards: None

ii) Changes in accounting policies due to other reasons: None

iii) Changes in accounting estimates: None

iv) Restatement: None

(3) Number of issued shares (common stock)

i) Number of issued shares at the end of the period (including treasury stock)

As of	shares
March 31, 2026	103,098,717
March 31, 2025	103,098,717

ii) Number of treasury stock at the end of the period

As of	shares
March 31, 2026	2,196,032
March 31, 2025	2,210,318

iii) Average number of shares outstanding during the period

Fiscal year ended	shares
March 31, 2026	100,897,091
March 31, 2025	100,886,162

Reference : Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	209,623	7.4	33,084	79.3	45,009	47.9	31,800	(45.0)
March 31, 2025	195,270	12.4	18,449	52.7	30,429	-	57,867	309.6

Fiscal year ended	Earnings per share	Earnings per share (diluted)
	Yen	Yen
March 31, 2026	315.18	315.10
March 31, 2025	571.66	571.45

Note: Due to a change in presentation for the fiscal year ended March 31, 2026, the figures for the fiscal year ended March 31, 2025 have been restated to reflect this change. Furthermore, the year-over-year change in ordinary income for the fiscal year ended March 31, 2025 is not disclosed due to this change in presentation. Please note that this matter relates to transactions with consolidated subsidiaries and has no impact on the consolidated financial statements.

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Shareholders' equity to total assets ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	392,974	171,107	43.5	1,695.46
March 31, 2025	356,373	124,061	34.8	1,229.11

Reference: Equity As of March 31, 2026: ¥ 171,076 million

As of March 31, 2025: ¥ 124,002 million

Note: Due to a change in presentation for the fiscal year ended March 31, 2026, the figures for the fiscal year ended March 31, 2025 have been restated to reflect this change. Please note that this matter relates to transactions with consolidated subsidiaries and has no impact on the consolidated financial statements.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

(Notice regarding forward-looking statements)

The forecasts for financial results are based on information available at the time this report was released. These forecasts and other forward-looking statements are not guarantees of future performance. Actual operating results may differ from the above forecasts due to known and unknown risks, uncertainties, and other factors. Please refer to "1. Overview of Operating Results and Others, (4) Future Outlook" on page 5 (attached materials) for the assumptions used in forecasting business results and precautions regarding the use of business results forecasts, etc.

(Where to get the supplementary explanatory materials)

Supplementary material was posted on TDnet (Timely Disclosure Network) the same day and is also available on our website.

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1. Overview of Operating Results and Others

(1) Overview of Operating Results for the Fiscal Year

i) Outline of Consolidated Operating Results

During the fiscal year under review, the global economy remained firm overall as inflation in major countries stabilized amid an unstable international situation and trade environment. However, tensions in the Middle East intensified from February onward, and factors such as rising resource prices due to supply constraints and a resulting rise in prices and slump in consumer spending have raised the possibility of economic downturns affecting various countries.

The domestic economy is also gradually recovering due to various factors such as a rebound in consumer spending and solid corporate performance, although continued caution is needed due to concerns such as resource price trends and an uptick in prices.

In the shipbuilding industry, which is closely related to the Group's Marine Propulsion Systems business, a trajectory towards expanding shipbuilding capacity is gradually emerging, marked by the execution of a memorandum of understanding on Japan-U.S. collaboration and the formulation of a "Shipbuilding Industry Revitalization Roadmap." Additionally, building berths are already fully booked in the near term, and some shipyards have even received orders for new ships with delivery dates in 2030, ensuring that shipyards in Japan have secured sufficient volumes of work on hand.

In Logistics Systems business, the Group continues to maintain its competitive edge in the U.S. market, while demand remains strong in the Asian region and Japan, mainly due to new construction, the expansion of existing facilities, and the replacement of aging facilities. The order environment for the Group's core businesses is expected to remain generally favorable for the time being.

While attention must be paid to factors such as developments in the international situation and sudden fluctuations in interest and exchange rates, the Group is dealing with each risk appropriately through measures such as maintaining interest-bearing debt at an appropriate level and using forward exchange contracts.

To achieve sustainable growth in light of the uncertain and rapidly changing external environment, the Group has adopted a rolling mid-term business plan, that will constantly update its goals rather than commit to fixed ones for the next three years. Based on the financial results for FY2024, the Group has formulated the "MITSUI E&S Rolling Vision 2025" in May 2025, which includes continuously updated functional strategies (finance and human resources) and business strategies through FY2027, three years from now. In this plan, the Group will make business investments to further grow the Group's core businesses and expand new business, as well as returning profits to shareholders through an appropriate dividend policy and striving to improve corporate value by balancing the cost of equity and the cost of liabilities.

In Marine Propulsion Systems business, the Group will strengthen the development and manufacturing of dual fuel engines, such as ammonia dual fueled engines, based on the Group's green strategy, as well as expand related peripheral equipment businesses. As a marine propulsion system supplier, the Group will continue to contribute to the realization of a decarbonized society in the field of marine logistics. As part of this initiative, we obtained Approval in Principle (AiP) from the Nippon Kaiji Kyokai General Incorporated Foundation (ClassNK) for an LPG/ammonia carrier that can use liquid ammonia as the ship's fuel, in collaboration with Kawasaki Heavy Industries, Ltd. This has enhanced the technical reliability towards the practical application of ammonia fueled engines. In addition, the Company submitted its "Plan to Increase Production Capacity of Ammonia-Fueled Propulsion Systems" for the Ministry of the Environment's and Ministry of Land, Infrastructure, Transport and Tourism's "Zero Emission Ship Construction Promotion Project," and it has been selected.

In Logistics Systems business, the Group received the delivery of the crane transport vessel "YAMATO" in April 2025. By owning this vessel, the Group has strengthened its maritime transportation capacity. This has established a foundation for expanding into the global market, and the Group is also advancing investments to increase its production capacity in the future. Additionally, we began an on-site operation demonstration of cargo handling equipment powered by hydrogen fuel cells at the Yokohama Port, promoting the development of environmentally friendly technologies. In domestic orders, we received an order for 17 Rubber-Tyred-Gantry Cranes (Transtainer) for Y3 Berth, Outer Central Breakwater Container Terminal, Port of Tokyo, and orders for Southeast Asia remained strong, such as the order for 15 Rubber-Tyred-Gantry Cranes from Westports Malaysia Sdn Bhd. Moreover, we also received an order for two Ship-to-Shore-Gantry Cranes (Portainer) for the Port of Long Beach in the U.S. Through these efforts, the Group is steadily advancing its overseas expansion, and will continue to make an even greater contribution to the development of domestic and international container terminal operations.

In New Business Development business, the Group will strengthen the maintenance and inspection-service areas using digital technology. Specifically, the Group is providing new services such as "FALCONS (Fouling Advanced Lifecycle Control Service)" for managing hull fouling, offering drone inspection and maintenance services for various facilities, including port cranes and industrial plants, and providing solutions to improve the operational efficiency of port terminals.

Moreover, as a result of efforts to strengthen our financial base and improve our earning structure, the Company has newly obtained an issuer rating of "A-" with a "Positive" outlook from Rating and Investment Information, Inc. (R&I) as of December 24, 2025.

Orders received in the current fiscal year decreased by 105,895 million yen (down 25.1%) year on year to 315,804 million yen. Net sales were 353,196 million yen, an increase of 38,083 million yen (up 12.1%) year on year mainly due to an increase in net sales of large engines and dual fuel engines in Marine Propulsion Systems and the steady progress in large projects in Logistics Systems. Operating income increased by 14,511 million yen (up 62.7%) year on year to 37,641 million yen mainly due to an increase in net sales and improved profitability in Marine Propulsion Systems and Logistics Systems. Ordinary income was 44,892 million yen, an increase of 17,136 million yen (up 61.7%) year on year, mainly due to an increase in operating income. Profit attributable to owners of parent was 38,456 million yen, a decrease of 617 million yen (down 1.6%) year on year, mainly due to a decrease in gain on sales of subsidiaries and affiliates' stocks.

ii) Overview of Consolidated Operating Results by Segment

The overview by reportable segment is as follows. From the current fiscal year, the Group changed the reportable segment classifications, and the year-on-year comparison shown is based on the reportable segment classifications after the change. For details, please refer to "3. Consolidated Financial Statements and Major Notes, (5) Notes to Consolidated Financial Statements (Notes on Segment Information, etc.)."

(New Business Development)

In the decarbonization field, the Group delivered its high-pressure, high-flow hydrogen compressor for Japan's first offshore hydrogen station. Owing to the delay in the emergence of the decarbonization market, including the hydrogen market, we have not yet received new orders for the high-pressure, high-flow hydrogen compressor. However, we have consecutively received two large orders for blast furnace blowers for domestic steelworks, continuing the momentum from last year.

In the digital field, aiming to eliminate reliance on manual labor in equipment inspections, we have launched a new digital solution that integrates everything from drone inspections to data management and evaluation. Using the "Drone Snap" app, which creates automated flight routes for drones, inspection image data captured from the same angle is stored on the "Drone Snap Cloud," we enable chronological comparison and analysis, achieving both improved safety and efficiency in inspection operations.

Moving forward, we will continue to pursue various functional expansions, improve inspection quality, and make advancements in equipment maintenance, addressing the challenges of service and maintenance in a society with a shrinking population, and contributing to stable operation and safe functioning for our customers.

Orders received decreased by 2,668 million yen (down 5.8%) compared to the previous fiscal year to 43,285 million yen, mainly due to the absence of large-scale orders for industrial machinery products that were secured in the previous fiscal year. Net sales and operating income increased by 3,739 million yen (up 9.3%) to 43,757 million yen and by 1,941 million yen (up 28.4%) to 8,772 million yen, respectively, compared to the previous fiscal year driven by growth in industrial machinery products and strong performance in the after-sales service.

(Marine Propulsion Systems)

Amid the strengthening of international environmental regulations aimed at reducing GHG emissions, the demand for marine low-speed dual fuel engines using LNG, LPG, methanol, and other fuels has been expanding. In FY2025, both orders and production at the Company remained firm. Regarding dual fuel engines, our group company Mitsui E&S DU Co., Ltd. (MESDU), received orders for methanol-fueled engines under the Winterthur Gas & Diesel (WinGD) license, which were manufactured at our Tamano factory, establishing an engine production system that supports both licenses. At MESDU, inquiries for WinGD engines have been increasing, and we will flexibly produce Everllence/WinGD licensed engines at both our Tamano and MESDU Aioi factories, supplying high-quality engines that meet customer needs.

As for ammonia, which is expected to be a zero-emission fuel in the future, we completed the class and client witness tests for the Everllence licensed ammonia-fueled engine and our ammonia fuel supply system in February 2026. Leveraging the expertise of our group company TGE Marine Gas Engineering GmbH, we will continue to provide ammonia fuel propulsion systems, including fuel supply systems, as a propulsion system supplier.

In the after-sales service business, we are securing high levels of orders and sales, driven by the increase in dock work and demand for compliance with environmental regulations.

Orders received decreased by 81,881 million yen (down 38.5%) compared to the previous fiscal year to 131,051 million yen, mainly due to the receipt of a single large-scale order for multiple large engines in the previous fiscal year. Net sales increased by 14,230 million yen (up 10.5%) compared to the previous fiscal year to 149,737 million yen, driven by growth in large engines and dual fuel engines. Operating income increased by 6,997 million yen (up 93.6%) compared to the previous fiscal year to 14,474 million yen, due to an increase in net sales as well as strong performance in the after-sales service.

(Logistics Systems)

Overseas orders remained strong, as we received a succession of orders for large-scale projects in Vietnam and an order for an ODA project in Cambodia, among others. In Japan, although there were few projects in FY2025, we achieved an almost 100% order rate, meeting our target values both domestically and internationally.

In the U.S., amid increasing demand for container cranes based on national security, we received orders for two Portainers. This further solidifies our position as a trusted partner for U.S. port customers.

In Vietnam, we delivered four Transtainers produced locally. We will continue to work towards expanding production in Vietnam.

Additionally, regarding the anticipated expansion of remote operation projects, we received orders for 17 remote-controlled Transtainers for the Port of Tokyo. Furthermore, we completed the conversion to wireless remote control for cranes used for product shipment at steelworks. Moving forward, we aim to enhance product value through digital innovation and contribute to solving challenges in a society with a shrinking population.

In the after-sales service business, we continue to perform well by proposing preventive maintenance plans tailored to the operational status of container cranes and generating large-scale projects. The parts supply business is also thriving, with strong orders for expanding stock of popular parts, recommended spare parts for new projects, and spare spreaders.

While orders received continued to grow steadily both domestically and overseas—including in Asian countries and the U.S.—the total amounted to 66,558 million yen, a decrease of 9,553 million yen (down 12.6%) compared to the previous fiscal year which had recorded a record high. Net sales increased by 2,417 million yen (up 3.9%) compared to the previous fiscal year to 65,185 million yen, driven by the steady progress of large projects. Operating income increased by 7,984 million yen (up 134.1%) compared to the previous fiscal year to 13,939 million yen, due to an increase in net sales and improved profitability of large projects.

(Peripheral Businesses)

In Peripheral Businesses, sales were driven by stable orders for systems related projects and steel structures at subsidiaries in Japan. Meanwhile, although orders at overseas subsidiaries declined due to delays in contract signing, sales increased and profitability improved as projects already under contract progressed smoothly.

Orders received decreased by 11,782 million yen (down 13.6%) compared to the previous fiscal year to 74,780 million yen, mainly due to the absence of large-scale construction contracts secured in the previous fiscal year. Net sales increased by 19,139 million yen (up 25.5%) compared to the previous fiscal year to 94,333 million yen, mainly due to growth at overseas subsidiaries. Operating income improved from a loss of 1,615 million yen in the previous fiscal year to a profit of 826 million yen, driven by improved profitability at overseas subsidiaries.

(2) Overview of Financial Position for the Fiscal Year

Total assets at the end of the current fiscal year were 494,554 million yen, increased by 45,341 million yen from the end of the previous fiscal year. This was mainly due to increases in cash and time deposits by 21,702 million yen, investment securities by 25,330 million yen and others in investments and other assets by 19,075 million yen, despite decreases of 12,030 million yen in notes and accounts receivables - trade, and contract assets and 10,847 million yen others in current assets.

Total liabilities were 260,734 million yen, decreased by 14,323 million yen from the end of the previous fiscal year. This was mainly due to decreases in electronically recorded obligations - operating by 7,563 million yen and long-term borrowings by 6,380 million yen.

Total net assets were 233,819 million yen, increased by 59,664 million yen from the end of the previous fiscal year. This was mainly due to the recording of profit attributable to owners of parent and an increase in net unrealized holding gains on securities.

(3) Overview of Cash Flows for the Fiscal Year

Cash and cash equivalents (hereinafter, "cash") at the end of the current fiscal year were 54,589 million yen, increased by 21,212 million yen from the end of the previous fiscal year.

The summary of cash flows for the fiscal year ended March 31, 2026, were as follows.

(Cash flows from operating activities)

Net cash provided by operating activities for the fiscal year ended March 31, 2026 was 28,419 million yen (14,852 million yen was provided in the previous fiscal year). This was mainly due to inflows from the recording of profit before income taxes, and a decrease in trade receivables and contract assets, despite outflows from a decrease in trade payables and income taxes paid.

(Cash flows from investing activities)

Net cash provided by investing activities for the fiscal year ended March 31, 2026 was 2,552 million yen (60,902 million yen was provided in the previous fiscal year). This was mainly due to proceeds from sales of non-current assets and shares of subsidiaries and affiliates, despite outflows from capital expenditure.

(Cash flows from financing activities)

Net cash used in financing activities amounted to 10,417 million yen in the current fiscal year (76,566 million yen was used in the previous fiscal year). This was mainly due to outflows from repayments of long-term borrowings and dividends paid.

(4) Future Outlook

i) Issues to be addressed

The Group has adopted a mid-term business plan designed to depict continuous growth, with targets continuously updated on a rolling basis for the next three years. In May 2025, based on the financial results for FY2024 and changes in the business environment, we formulated the "MITSUI E&S Rolling Vision 2025," which reflects ongoing revisions of our functional strategies (finance and human resources) and business strategies for the three years from FY2025 through FY2027.

To achieve sustainable growth, we will continue necessary business investments, implement appropriate dividend policies to return profits to shareholders, and strive to enhance corporate value while balancing the cost of equity and the cost of liabilities.

(Financial Strategies)

The Group will continue to improve its financial base, while transitioning to business management that is conscious of the cost of equity and stock prices, also remaining aware of Return on Equity (ROE) and the Price-to-Book Ratio (PBR), and aiming for Return On Invested Capital (ROIC) that exceeds Weighted Average Cost of Capital (WACC).

Furthermore, in terms of cash allocation for the Group's growth phase, approximately 75% of operating cash flow from FY2025 to FY2027 is to be allocated to business growth investment and business development investment, with approximately 25% to be allocated to shareholder returns and strengthening the financial base. With regard to shareholder returns, the Company is strengthening returns to encourage long-term holding of shares and has recently implemented an interim dividend and increased the dividend amount. Through these initiatives, we aim to strengthen our earning capability while also improving our capital efficiency.

(Personnel Strategies)

To realize continuous growth while responding flexibly to environmental changes, we will clarify our ideal organizational culture and human resources, and promote initiatives centered on the themes of "promotion of diversity in personnel," "facilitation of labor mobility," and "investment in human capital and work environment."

Furthermore, the Board of Directors shall comprise a small but highly skilled number of seven, with enhanced independence and diversity of outside directors, aiming to achieve well-balanced functions of management and supervisory.

In addition, we will strengthen mid-career recruitment, continue with planned job rotation for employees up to 5 to 10 years after joining the Company, and rebuild our selective training, rank-specific training, and basic training to support the acquisition of a management perspective, a broad vision, and basic business literacy. At the same time, we will continue to implement measures for improvement of well-being through engagement surveys and other means.

To accelerate growth toward sustainable enhancement of corporate value, from FY2026 we will introduce a Restricted Stock Incentive Plan for the Employee Shareholding Association, intended to further promote value sharing between employees and shareholders.

(Business Strategies)

The Group has positioned "Creating a decarbonized society" and "Resolving issues of a society with a shrinking population" as the two pillars of its materialities, and we will continue to develop the core businesses of Marine Propulsion Systems and Logistics Systems with a focus on "green" and "digital" strategies. Detailed strategies are as follows.

(1) Further Growth of Core Businesses

Clarify that "Marine Propulsion Systems" and "Logistics Systems" are our core businesses, and enhance profitability centered around core businesses.

In the field of Marine Propulsion Systems, we will contribute to decarbonization in the maritime logistics sector by strengthening our production system to meet growth in demand for LNG, LPG and methanol dual fueled engines, and strengthening our development and supply system for items such as ammonia dual fueled engines and fuel gas supply systems.

In the field of Logistics Systems, we are accelerating our expansion in the global market, targeting the U.S. and Southeast Asia. We will respond surely to demand expansion by expanding our production capacity and strengthening our transport capacity (including owning and utilizing a crane transport vessel), while also advancing environmental initiatives such as hydrogen-powered cranes and promoting the development and market launch of technologies such as automated cranes.

(2) Development of New Businesses

We have positioned some specific businesses that promote new products and services in peripheral areas of core businesses as "New Business Development" businesses, and we will focus on the development of new products and services. Leveraging our experience in the industrial machinery sector, we aim to supply products to markets focused on energy transition and reducing dependence on fossil fuels, such as for hydrogen supply facilities and Sustainable Aviation Fuel (SAF) production.

(Initiatives on sustainability issues)

Climate change and the arrival of depopulated society are recognized as critical management issues and the business opportunities for the Group. In light of the risks and opportunities for our businesses, we have determined that "creating a carbon-free society" and "resolving challenges induced by depopulation" as our strategic material issues. As a leading company for marine engines and port cranes, we will promote solutions to social issues through the provision of environmentally friendly products and automation and systematization.

ii) Forecasts for financial results for FY2026

Due to the current tension in the Middle East, there are concerns regarding impacts on the business environment. The Group's net sales to the Middle East region are limited, and the Group does not have any major production sites or key suppliers in the region. However, we expect environmental changes, such as procurement risk and cost increase risk associated with supply chain disruptions for fuel used in test operation of ship engines and certain supplies, and these changes could have a certain degree of impact on the Group's business and performance.

Our financial forecasts for the fiscal year ending March 31, 2027 are as follows:

Net sales:	370.0 billion yen
Operating income:	32.0 billion yen
Ordinary income:	37.0 billion yen
Profit attributable to owners of parent:	30.0 billion yen

These forecasts have been prepared by conservatively incorporating the above risks within the range of impacts that can be reasonably anticipated at this time with an exchange rate of 1US Dollar to 150.0 Japanese yen.

[Forecasts for financial results for FY2026 by segment (Consolidated)]

	(Billions of yen)	
	Net sales	Operating income
New Business Development	45.0	8.0
Marine Propulsion Systems	160.0	12.0
Logistics Systems	70.0	8.0
Peripheral Businesses	95.0	4.0
Others	0.0	0.0
Total	370.0	32.0

Note: Above forecasts are based on information currently available to the Company and certain assumptions that the Company considers reasonable. Actual results may differ from the above figures due to various factors in the future.

iii) **Basic policy on the distribution of profits and dividend payment for FY2025 and FY2026**

The Company's basic policy for profit distribution is to enhance returns to shareholders, while giving comprehensive consideration to capital expenditures and investments in R&D for business expansion and strengthening the financial base through the enhancement of shareholders' equity.

Regarding the dividends for the fiscal year ended March 31, 2026, the Company has decided to set the annual dividend at 57.00 yen per share, based on the 15% dividend payout ratio outlined in "MITSUI E&S Rolling Vision 2025." Accordingly, the year-end dividend will increase by 7.00 yen, from 35.00 yen per share to 42.00 yen per share.

With respect to the dividends for the next fiscal year, the Company plans to increase the annual dividend to 60 yen per share (30 yen per share for both interim and year-end dividends), based on the 20% dividend payout ratio set forth in "MITSUI E&S Rolling Vision 2025."

The Company will continue to enhance its corporate value sustainably and further improve shareholder returns while considering the cost of equity and the cost of debt.

2. Basic Policy on the Selection of Accounting Standards

The Group's policy is to prepare the consolidated financial statements with the Japanese Generally Accepted Accounting Principles (J-GAAP) because Japanese accounting standards are now of high quality and internationally competitive as a result of convergence with international accounting standards and have been accepted to be equivalent to International Financial Reporting Standards (IFRS) in Europe.

In preparation for the future adoption of IFRS, the Group has implemented initiatives such as acquiring the knowledge of IFRS and analyzing the impact of its adoption, but the timing for the adoption of IFRS has not been determined.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and time deposits	35,353	57,055
Notes and accounts receivables - trade, and contract assets	102,955	90,925
Electronically recorded monetary claims - operating	4,987	4,329
Merchandise and finished goods	10,625	10,311
Work in progress	52,473	60,337
Raw materials and supplies	6,829	7,207
Others	27,427	16,580
Allowance for doubtful accounts	(1,006)	(506)
Total current assets	239,646	246,241
Non-current assets		
Property, plant and equipment		
Buildings and structures	110,118	95,822
Accumulated depreciation	(86,974)	(73,088)
Buildings and structures, net	23,143	22,734
Machinery, equipment and vehicles	73,016	73,180
Accumulated depreciation	(58,154)	(56,834)
Machinery, equipment and vehicles, net	14,861	16,346
Land	65,728	58,561
Lease assets	13,170	12,915
Accumulated depreciation	(6,731)	(7,676)
Lease assets, net	6,439	5,238
Construction in progress	3,344	2,440
Others	13,496	13,472
Accumulated depreciation	(10,865)	(10,545)
Others, net	2,631	2,926
Total property, plant and equipment	116,149	108,247
Intangible assets		
Goodwill	6,477	6,196
Others	7,661	7,597
Total intangible assets	14,138	13,793
Investments and other assets		
Investment securities	29,674	55,005
Long-term loans	1,703	1,698
Net defined benefit asset	21,957	27,690
Deferred tax assets	13,037	10,885
Others	13,031	32,107
Allowance for doubtful accounts	(126)	(1,116)
Total investments and other assets	79,278	126,272
Total non-current assets	209,566	248,313
Total assets	449,212	494,554

(Millions of yen)

As of March 31, 2025 As of March 31, 2026

Liabilities		
Current liabilities		
Trade payables	45,610	45,557
Electronically recorded obligations - operating	13,526	5,963
Short-term borrowings	47,854	49,040
Current portion of long-term borrowings	6,166	6,232
Lease obligations	2,050	2,050
Accrued income taxes	5,120	5,248
Contract liabilities	44,187	42,911
Provision for bonuses	6,171	8,490
Provision for construction warranties	2,651	2,627
Provision for losses on construction contracts	4,837	3,729
Provision for demolition and removal	1,142	1,315
Asset retirement obligations	106	-
Others	21,366	24,157
Total current liabilities	200,792	197,324
Long-term liabilities		
Long-term borrowings	43,829	37,449
Lease obligations	5,343	3,780
Deferred tax liabilities	182	189
Deferred tax liabilities for land revaluation	11,746	10,079
Provision for business restructuring	1,110	1,026
Provision for contract losses	3,845	3,376
Net defined benefit liabilities	4,565	4,083
Asset retirement obligations	1,481	1,059
Others	2,160	2,365
Total long-term liabilities	74,265	63,410
Total liabilities	275,058	260,734
Net assets		
Shareholders' equity		
Share capital	8,846	8,846
Capital surplus	2,792	2,793
Retained earnings	104,494	143,060
Treasury stock	(4,590)	(4,566)
Total shareholders' equity	111,543	150,132
Accumulated other comprehensive income		
Net unrealized holding gains on securities	6,890	26,329
Unrealized gains on hedging derivatives	2,723	3,193
Revaluation reserve for land	25,438	21,793
Foreign currency translation adjustments	9,085	10,341
Remeasurements of defined benefit plans	14,111	17,283
Total accumulated other comprehensive income	58,249	78,941
Subscription rights to shares	58	30
Non-controlling interests	4,303	4,714
Total net assets	174,154	233,819
Total liabilities and net assets	449,212	494,554

(2) Consolidated Statements of Operations and Comprehensive Income
Consolidated Statements of Operations

(Millions of yen)

	April 1, 2024 to March 31, 2025	April 1, 2025 to March 31, 2026
Net sales	315,112	353,196
Cost of sales	263,541	283,732
Gross profit	51,571	69,463
Selling, general and administrative expenses	28,440	31,821
Operating income	23,130	37,641
Non-operating income		
Interest income	389	298
Dividend income	275	463
Share of profit of entities accounted for using equity method	7,909	7,516
Foreign currency exchange gains	-	2,199
Others	1,270	821
Total non-operating income	9,845	11,299
Non-operating expenses		
Interest expenses	2,559	1,728
Provision of allowance for doubtful accounts	-	862
Foreign currency exchange losses	942	-
Others	1,717	1,458
Total non-operating expenses	5,219	4,048
Ordinary income	27,756	44,892
Extraordinary income		
Gain on disposal of non-current assets	370	56
Gain on sales of subsidiaries and affiliates' stocks	24,417	254
Total extraordinary income	24,788	310
Extraordinary losses		
Loss on disposal of non-current assets	556	1,198
Loss on impairment of non-current assets	1,523	496
Loss on change in equity	1,124	-
Loss on liquidation of business	1,983	617
Provision for demolition and removal	456	789
Provision for business restructuring	678	-
Provision for contract losses	3,845	150
Settlement payments for accidents	2,659	-
Loss on litigation	-	1,905
Total extraordinary losses	12,827	5,156
Profit before income taxes	39,716	40,046
Income taxes - current	9,533	10,645
Income taxes - deferred	(8,976)	(9,484)
Total income taxes	556	1,161
Profit	39,160	38,885
Profit attributable to non-controlling interests	85	428
Profit attributable to owners of parent	39,074	38,456

Consolidated Statements of Comprehensive Income

(Millions of yen)

	April 1, 2024 to March 31, 2025	April 1, 2025 to March 31, 2026
Profit	39,160	38,885
Other comprehensive income		
Net unrealized holding gains on securities	5,607	19,394
Unrealized gains (losses) on hedging derivatives	277	(508)
Revaluation reserve for land	(327)	-
Foreign currency translation adjustments	1,305	1,230
Remeasurements of defined benefit plans	2,123	3,404
Share of other comprehensive income of affiliates accounted for using equity method	(8,485)	778
Total	501	24,298
Comprehensive income	39,661	63,183
Comprehensive income attributable to		
Owners of parent	39,729	62,794
Non-controlling interests	(67)	389

(3) Consolidated Statements of Changes in Net Assets

(From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance as of April 1, 2024	8,846	11,804	67,056	(4,624)	83,083
Changes during the year					
Cash dividends paid			(1,206)		(1,206)
Profit attributable to owners of parent			39,074		39,074
Change in scope of equity method		2	(1,574)		(1,572)
Purchases of treasury stock				(9,197)	(9,197)
Sales of treasury stock		(7)		36	28
Cancellation of treasury stock		(9,194)		9,194	-
Transfer from retained earnings to capital surplus		188	(188)		-
Transfer from revaluation reserve for land			1,332		1,332
Change in ownership interest of parent due to transactions with non-controlling interests		(0)			(0)
Net changes of items other than those in Shareholders' equity					
Total changes during the year	-	(9,012)	37,438	33	28,459
Balance as of March 31, 2025	8,846	2,792	104,494	(4,590)	111,543

	Accumulated other comprehensive income						Subscription rights to shares	Non-controlling interests	Total net assets
	Net unrealized holding gains on securities	Unrealized gains on hedging derivatives	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Beginning balance as of April 1, 2024	1,269	5,642	27,098	12,924	11,992	58,927	87	4,411	146,510
Changes during the year									
Cash dividends paid									(1,206)
Profit attributable to owners of parent									39,074
Change in scope of equity method									(1,572)
Purchases of treasury stock									(9,197)
Sales of treasury stock									28
Cancellation of treasury stock									-
Transfer from retained earnings to capital surplus									-
Transfer from revaluation reserve for land									1,332
Change in ownership interest of parent due to transactions with non-controlling interests									(0)
Net changes of items other than those in Shareholders' equity	5,621	(2,918)	(1,659)	(3,839)	2,118	(677)	(28)	(108)	(815)
Total changes during the year	5,621	(2,918)	(1,659)	(3,839)	2,118	(677)	(28)	(108)	27,643
Balance as of March 31, 2025	6,890	2,723	25,438	9,085	14,111	58,249	58	4,303	174,154

(From April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Beginning balance as of April 1, 2025	8,846	2,792	104,494	(4,590)	111,543
Changes during the year					
Cash dividends paid			(3,531)		(3,531)
Profit attributable to owners of parent			38,456		38,456
Purchases of treasury stock				(10)	(10)
Sales of treasury stock		(5)		34	28
Transfer from retained earnings to capital surplus		5	(5)		-
Transfer from revaluation reserve for land			3,645		3,645
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Net changes of items other than those in Shareholders' equity					
Total changes during the year	-	0	38,565	24	38,589
Balance as of March 31, 2026	8,846	2,793	143,060	(4,566)	150,132

	Accumulated other comprehensive income						Subscription rights to shares	Non-controlling interests	Total net assets
	Net unrealized holding gains on securities	Unrealized gains on hedging derivatives	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Beginning balance as of April 1, 2025	6,890	2,723	25,438	9,085	14,111	58,249	58	4,303	174,154
Changes during the year									
Cash dividends paid									(3,531)
Profit attributable to owners of parent									38,456
Purchases of treasury stock									(10)
Sales of treasury stock									28
Transfer from retained earnings to capital surplus									-
Transfer from revaluation reserve for land									3,645
Change in ownership interest of parent due to transactions with non-controlling interests									0
Net changes of items other than those in Shareholders' equity	19,438	470	(3,645)	1,256	3,172	20,692	(28)	411	21,075
Total changes during the year	19,438	470	(3,645)	1,256	3,172	20,692	(28)	411	59,664
Balance as of March 31, 2026	26,329	3,193	21,793	10,341	17,283	78,941	30	4,714	233,819

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	April 1, 2024 to March 31, 2025	April 1, 2025 to March 31, 2026
Cash flows from operating activities		
Profit before income taxes	39,716	40,046
Depreciation and amortization	7,617	8,078
Loss on impairment of non-current assets	1,523	496
Amortization of goodwill	1,001	1,132
Increase (decrease) of allowance for doubtful accounts	178	(419)
Increase in net defined benefit liabilities	624	306
Decrease in net defined benefit assets	967	898
Increase (decrease) in provision for losses on construction contracts	511	(1,393)
Increase in provision for demolition and removal	333	172
Increase (decrease) in provision for contract losses	3,845	(468)
Interest and dividend income	(665)	(762)
Interest expenses	2,559	1,728
Share of profit of entities accounted for using equity method	(7,909)	(7,516)
Foreign currency exchange losses (gains)	69	(1,635)
Gain on sales of subsidiaries and affiliates' stocks	(24,417)	(254)
Loss on disposal of non-current assets	186	1,141
Loss on change in equity	1,124	-
Loss on liquidation of business	1,983	617
Settlement payments for accidents	2,659	-
Loss on litigation	-	1,905
Decrease (increase) in trade receivables and contract assets	(10,374)	15,309
Increase in inventories	(2,184)	(7,913)
Decrease in trade payables	(7,538)	(10,516)
Increase (decrease) in contract liabilities	13,254	(2,023)
Increase in other assets	(1,063)	(1,434)
Increase in other liabilities	6,030	6,310
Others, net	(5,028)	(3,170)
Sub-total	25,005	40,634
Interest and dividend received	1,876	2,677
Interest paid	(2,815)	(2,111)
Settlement paid for accidents	(2,040)	(619)
Payments for loss on litigation	-	(1,869)
Income taxes paid	(7,173)	(10,293)
Net cash provided by (used in) operating activities	14,852	28,419

(Millions of yen)

	April 1, 2024 to March 31, 2025	April 1, 2025 to March 31, 2026
Cash flows from investing activities		
Net decrease (increase) in time deposits	275	(493)
Capital expenditure	(9,627)	(9,096)
Proceeds from sales of non-current assets	1,252	6,964
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	330	-
Proceeds from sales of shares of subsidiaries and affiliates	68,914	4,174
Payments for asset retirement obligations	(356)	(191)
Subsidies received	-	1,611
Others, net	113	(416)
Net cash provided by (used in) investing activities	60,902	2,552
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(101,930)	1,261
Proceeds from long-term borrowings	43,857	2,400
Repayments of long-term borrowings	(6,088)	(8,715)
Repayments of lease obligations	(1,992)	(1,827)
Purchase of treasury stock	(9,197)	-
Cash dividends	(1,203)	(3,505)
Dividends paid to non-controlling interests	(40)	(49)
Others, net	28	17
Net cash provided by (used in) financing activities	(76,566)	(10,417)
Effect of exchange rate changes on cash and cash equivalents	672	699
Net increase (decrease) in cash and cash equivalents	(140)	21,254
Cash and cash equivalents at beginning of period	33,516	33,376
Decrease due to changes in scope of consolidation	-	(42)
Cash and cash equivalents at end of period	33,376	54,589

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes on Segment Information, etc.)

a. Segment information

1. Overview of reportable segment

Reportable segment is composed of the segment by products and services belonging to the operating companies and subject to be reviewed periodically by the Board of Directors to decide the allocation of management resources and to evaluate the performance.

The Company organizes headquarters by products and services in Head office. Each headquarter makes strategies of its products and services in both Japan and abroad comprehensively and develops the operation.

Reportable segment is classified into 4 segments: New Business Development, Marine Propulsion Systems, Logistics Systems and Peripheral Businesses. Main products and services of each reportable segment are as follows.

Reportable Segment	Main Products and Services
New Business Development	Industrial machinery (process compressors, gas turbines, blowers, process equipment), hydraulic model testing equipment, service solutions (inspection management system for efficiency and digitalization, fouling advanced lifecycle control service, drone inspection system), and their after-sales services
Marine Propulsion Systems	Marine engines, fuel supply system (gas engineering and auxiliary machineries) for dual fuel engines, and their after-sales services
Logistics Systems	Container cranes, industrial cranes, container terminal management systems, and their after-sales services
Peripheral Businesses	Gas carriers engineering, stationary power generation plants, systems development/system related equipment, steel structures, hull blocks, mechanical and electrical equipment maintenance

2. Calculation method used for sales, segment income and loss, assets, liabilities and other items for each reportable segment

The accounting method used for reportable segment is the same in material aspects as the method used for the preparation of consolidated financial statements.

Segment income and loss is based on Operating income (loss) in Consolidated Statements of Operations.

Inter segment sales and transfer are based on the market price.

3. Changes in reportable segment

(Changes in Classification of Reportable Segment)

In the previous consolidated fiscal year, MODEC, INC. and its related companies, which constituted "Ocean Development," were excluded from the scope of application of the equity method due to a partial sale of MODEC, INC. shares. As a result, effective from the current fiscal year, the Group has changed the classification of its reportable segment to 4 segments: "New Business Development," "Marine Propulsion Systems," "Logistics Systems," and "Peripheral Businesses."

Comparative segment information for the previous fiscal year has been presented based on the reportable segments after the changes.

4. Information about sales, segment income and loss, assets, liabilities and other items for each reportable segment

Reportable segment information for the years ended March 31, 2025 and 2026 were as follows:

(From April 1, 2024 to March 31, 2025)

(Millions of yen)

	New Business Development	Marine Propulsion Systems	Logistics Systems	Peripheral Businesses	Sub total	Others	Total	Adjustments	Consolidated
Net Sales:									
Outside customers	40,017	135,506	62,767	75,193	313,485	1,626	315,112	-	315,112
Inter segment	1,374	1,004	39	13,740	16,158	-	16,158	(16,158)	-
Total	41,392	136,510	62,807	88,934	329,644	1,626	331,271	(16,158)	315,112
Segment income (loss)	6,831	7,476	5,954	(1,615)	18,648	4,482	23,130	-	23,130
Segment assets	35,343	137,174	64,737	80,361	317,616	52,603	370,219	78,993	449,212
Other Items:									
Depreciation and amortization	695	3,271	1,492	1,603	7,062	206	7,269	348	7,617
Amortization of goodwill	-	-	-	1,001	1,001	-	1,001	-	1,001
Year-end balance of goodwill	-	-	-	6,477	6,477	-	6,477	-	6,477
Share of profit of entities accounted for using equity method	-	1,374	385	873	2,633	1,518	4,152	3,757	7,909
Loss on impairment of non-current assets	41	-	-	-	41	1,473	1,514	9	1,523
Increase in property, plant and equipment and intangible assets	614	6,049	2,131	1,157	9,954	58	10,012	426	10,439

Notes 1: "Others" is the segment which is not included in reportable segment and includes Engineering businesses, etc.

2: Adjustments are as follows:

- (1) Adjustments of 78,993 million yen recorded for assets primarily include surplus funds (cash and time deposits), long-term investment (investment securities) and assets related to the administration divisions of the Company of 80,053 million yen that are not allocated to any reportable segment.
- (2) Adjustments of 348 million yen recorded for depreciation and amortization are depreciation for property, plant and equipment and amortization for intangible assets related to the administration divisions.
- (3) Adjustments of 3,757 million yen recorded for share of profit of entities accounted for using equity method are from MODEC, INC. and its related companies, which constituted "Ocean Development" until June 2024.
- (4) Adjustments of 9 million yen recorded for loss on impairment of non-current assets are the impairment loss for Corporate.
- (5) Adjustments of 426 million yen recorded for increase in property, plant and equipment and intangible assets are increase in assets related to the administration divisions.

3: Segment income (loss) is consistent with operating income shown on Consolidated Statements of Operations.

(From April 1, 2025 to March 31, 2026)

(Millions of yen)

	New Business Development	Marine Propulsion Systems	Logistics Systems	Peripheral Businesses	Sub total	Others	Total	Adjustments	Consolidated
Net Sales:									
Outside customers	43,757	149,737	65,185	94,333	353,013	182	353,196	-	353,196
Inter segment	1,234	1,295	67	13,745	16,343	-	16,343	(16,343)	-
Total	44,991	151,033	65,252	108,079	369,357	182	369,540	(16,343)	353,196
Segment income (loss)	8,772	14,474	13,939	826	38,012	(370)	37,641	-	37,641
Segment assets	33,764	148,205	57,604	82,170	321,743	48,943	370,687	123,867	494,554
Other Items:									
Depreciation and amortization	678	3,515	1,610	1,723	7,528	171	7,699	379	8,078
Amortization of goodwill	-	-	-	1,132	1,132	-	1,132	-	1,132
Year-end balance of goodwill	-	-	-	6,196	6,196	-	6,196	-	6,196
Share of profit of entities accounted for using equity method	-	4,304	684	1,879	6,867	648	7,516	-	7,516
Loss on impairment of non-current assets	-	-	-	222	222	1	223	272	496
Increase in property, plant and equipment and intangible assets	247	3,831	3,312	1,421	8,813	93	8,906	349	9,256

Notes 1: "Others" is the segment which is not included in reportable segment and includes Engineering businesses, etc.

2: Adjustments are as follows:

(1) Adjustments of 123,867 million yen recorded for assets primarily include surplus funds (cash and time deposits), long-term investment (investment securities) and assets related to the administration divisions of the Company of 125,080 million yen that are not allocated to any reportable segment.

(2) Adjustments of 379 million yen recorded for depreciation and amortization are depreciation for property, plant and equipment and amortization for intangible assets related to the administration divisions.

(3) Adjustments of 272 million yen recorded for loss on impairment of non-current assets are the impairment loss for Corporate.

(4) Adjustments of 349 million yen recorded for increase in property, plant and equipment and intangible assets are increase in assets related to the administration divisions.

3: Segment income (loss) is consistent with operating income shown on Consolidated Statements of Operations.

b. Disclosure of impairment losses on non-current assets for each reportable segment

(From April 1, 2024 to March 31, 2025)

As described in "Notes on Segment Information, etc., a. Segment information 4. Information about sales, segment income and loss, assets, liabilities and other items for each reportable segment."

(From April 1, 2025 to March 31, 2026)

As described in "Notes on Segment Information, etc., a. Segment information 4. Information about sales, segment income and loss, assets, liabilities and other items for each reportable segment."

c. Information about new orders and sales

(Percentages in FY2024 and FY2025 indicate composition ratio.)

New Orders

	FY2024 (from April 1, 2024 to March 31, 2025)		FY2025 (from April 1, 2025 to March 31, 2026)		Increase/Decrease Millions of yen	Change ratio
	Millions of yen	%	Millions of yen	%		
New Business Development	45,953	10.9	43,285	13.7	(2,668)	(5.8)
Marine Propulsion Systems	212,932	50.5	131,051	41.5	(81,881)	(38.5)
Logistics Systems	76,112	18.1	66,558	21.1	(9,553)	(12.6)
Peripheral Businesses	86,562	20.5	74,780	23.7	(11,782)	(13.6)
Others	137	0.0	128	0.0	(9)	(7.1)
Total	421,699	100.0	315,804	100.0	(105,895)	(25.1)

Sales

	FY2024 (from April 1, 2024 to March 31, 2025)		FY2025 (from April 1, 2025 to March 31, 2026)		Increase/Decrease Millions of yen	Change ratio
	Millions of yen	%	Millions of yen	%		
New Business Development	40,017	12.7	43,757	12.4	3,739	9.3
Marine Propulsion Systems	135,506	43.0	149,737	42.4	14,230	10.5
Logistics Systems	62,767	19.9	65,185	18.4	2,417	3.9
Peripheral Businesses	75,193	23.9	94,333	26.7	19,139	25.5
Others	1,626	0.5	182	0.1	(1,443)	(88.8)
Total	315,112	100.0	353,196	100.0	38,083	12.1

Order Backlogs

	FY2024 (as of March 31, 2025)		FY2025 (as of March 31, 2026)		Increase/Decrease Millions of yen	Change ratio
	Millions of yen	%	Millions of yen	%		
New Business Development	40,124	8.2	39,150	8.5	(974)	(2.4)
Marine Propulsion Systems	161,819	33.3	142,295	30.8	(19,524)	(12.1)
Logistics Systems	95,884	19.7	97,726	21.1	1,841	1.9
Peripheral Businesses	188,789	38.8	183,461	39.6	(5,327)	(2.8)
Others	104	0.0	84	0.0	(20)	(19.2)
Total	486,722	100.0	462,718	100.0	(24,004)	(4.9)

(Notes on Per Share Information)

(Yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	1,682.97	2,270.25
Earnings per share	385.39	381.15
Earnings per share (diluted)	385.25	381.06

Notes 1: The basis for the calculation of earnings per share and earnings per share (diluted) is as follows:

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Earnings per share		
Profit attributable to owners of parent (millions of yen)	39,074	38,456
Profit not attributable to common shareholders (millions of yen)	194	-
[Of which, amount of difference on canceling preferred shares (millions of yen)]	[194]	[-]
Profit attributable to owners of parent related to common stock (millions of yen)	38,880	38,456
Average number of common stock (thousands of shares)	100,886	100,897
Earnings per share (diluted)		
Adjustments to profit attributable to owners of parent (millions of yen)	-	-
Increase in number of shares of common stock (thousands of shares)	38	24
[Of which, subscription rights to shares (thousands of shares)]	[38]	[24]
Outline of dilutive shares not included in calculation of earnings per share (diluted) due to absence of dilutive effects	-	-

2: The basis for the calculation of net assets per share is as follows:

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Total net assets (millions of yen)	174,154	233,819
Amount deducted from total net assets (millions of yen)	4,362	4,745
[Of which, subscription rights to shares (millions of yen)]	[58]	[30]
[Of which, non-controlling interests (millions of yen)]	[4,303]	[4,714]
Net assets related to common stock at the end of the period (millions of yen)	169,792	229,074
Number of shares of common stock at the end of the period used to calculate net assets per share (Thousands of shares)	100,888	100,902

(Notes on Significant Subsequent Events)

Not applicable.