Nippon Air Conditioning Services Co., Ltd.

Supplementary Materials of Financial Results for the 1st Quarter of Fiscal Year Ending March 31, 2027

August 2026

TSE Prime Market, NSE Premier Market

Securities code: 4658

Contents

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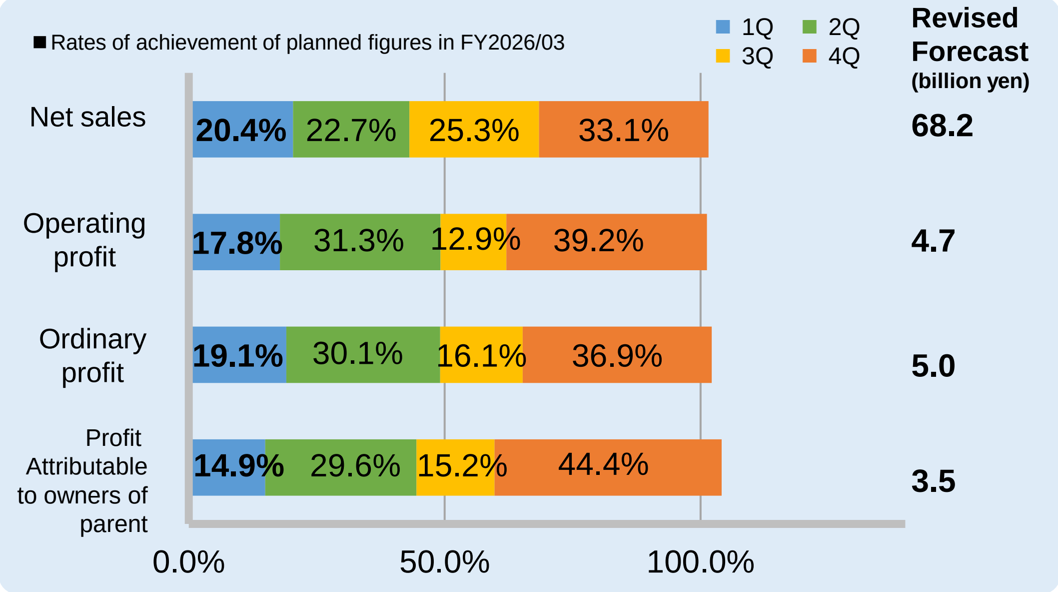
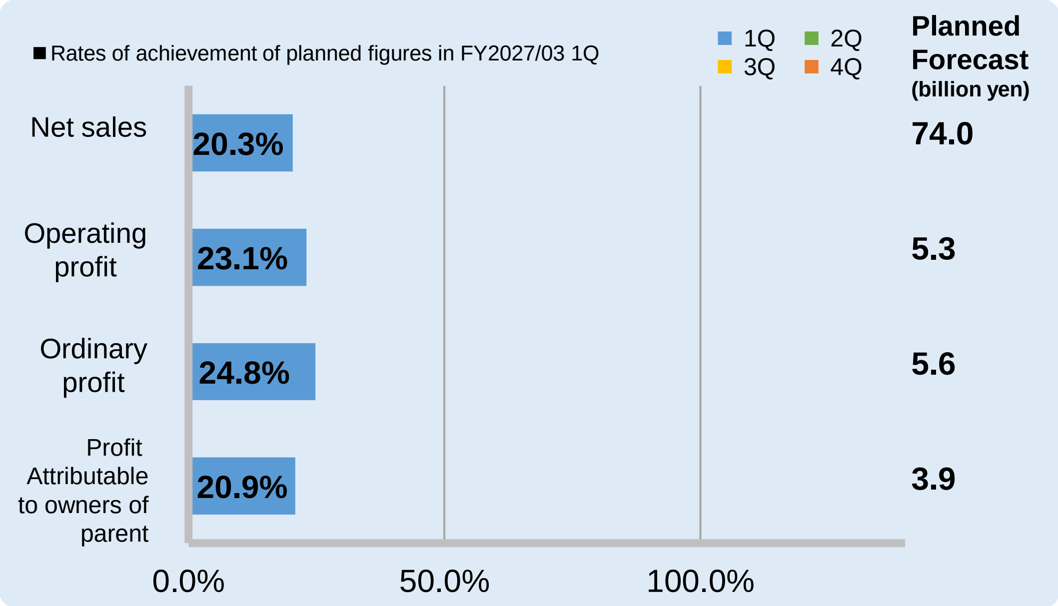
Net sales：¥**15.0** billion[+8.4%]

Operating profit：¥**1.22** billion[+45.8%]

Profit attributable to owners of parent：¥**0.81** billion[+53.8%]

*For net sales, operating profit, profit attributable to owners of parent, the number in the 1st quarter of fiscal year ending March 31, 2027 is used.





*The revised forecast announced on January 30, 2026 is used as the forecast for FY2026/03.

Following the previous fiscal year, both net sales and each profit category remain strong due to receiving orders at reasonable prices, etc., based on the provision of top-quality services.

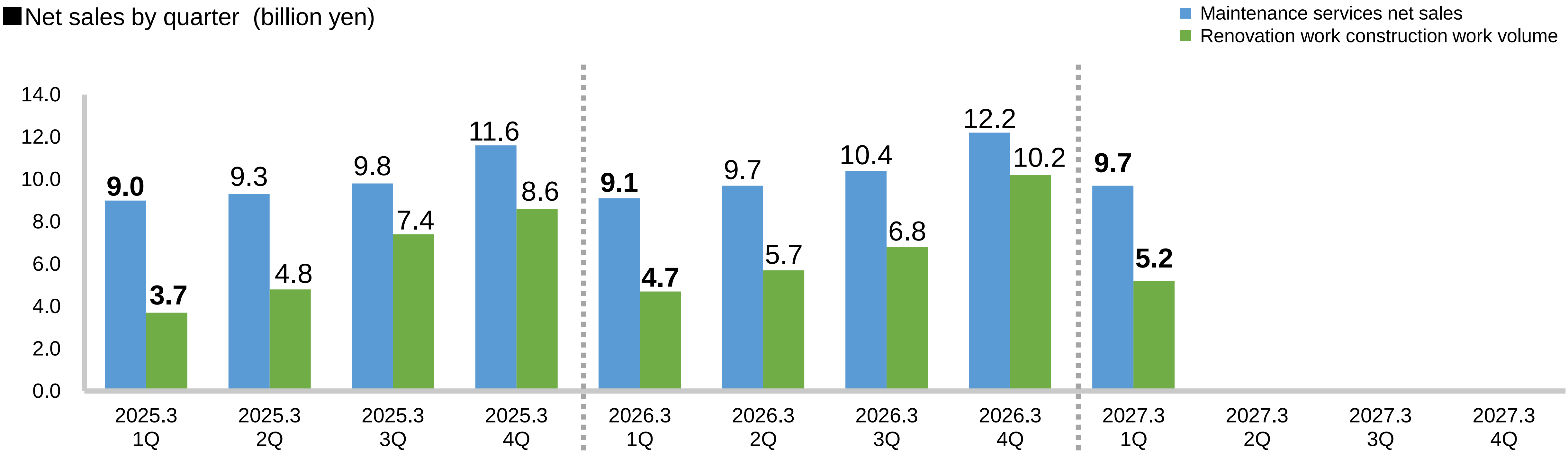
(billion yen, %)

Consolidated (cumulative period)	FY2026/03 1Q			**FY2027/03 1Q**		
	Amount	Ratio to sales	Year-on-year growth ratio	**Amount**	**Ratio to sales**	**Year-on-year growth ratio**
Net sales	13.8	100.0	+9.0	**15.0**	**100.0**	**+8.4**
Maintenance service sales	9.1	66.0	+1.6	**9.7**	**65.0**	**+6.7**
Net sales of completed construction contracts	4.7	34.0	+26.9	**5.2**	**35.0**	**+11.5**
Gross profit on sales	2.9	21.1	+20.1	**3.4**	**22.6**	**+16.2**
Gross profit on maintenance sales	2.1	23.2	+14.1	**2.4**	**24.8**	**+14.0**
Gross profit on completed construction contracts	0.8	17.1	+39.4	**0.9**	**18.7**	**+22.0**
Selling, general and administrative expenses (SG&A expenses)	2.0	15.1	+11.5	**2.1**	**14.5**	**+4.3**
Operating profit	0.8	6.0	+48.8	**1.2**	**8.1**	**+45.8**
Ordinary profit	0.9	6.9	+38.9	**1.3**	**9.2**	**+45.7**
Profit before income taxes	0.9	6.9	+39.1	**1.3**	**9.2**	**+45.5**
Profit attributable to owners of parent	0.5	3.8	+43.5	**0.8**	**5.4**	**+53.8**
Earnings per share(unit:yen)	15.30	-	+42.6	**23.47**	**-**	**+53.4**

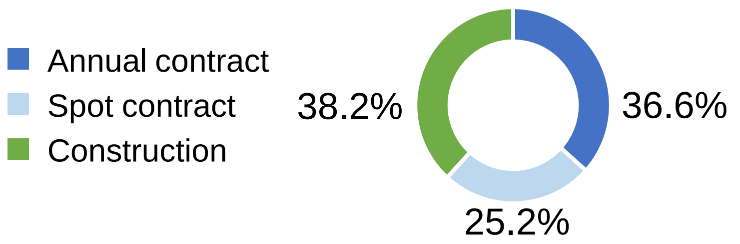
Ⅰ. Net sales by quarter

For FY2027/03 1Q, net sales reached a record high for the fourth consecutive year. Net sales of the mainstay maintenance services reached a record high for the 15th consecutive year due to an increase in spot maintenance services at hospitals and schools etc. Net sales of the renovation work reached record highs for the third consecutive fiscal year as the work at manufacturing plants, hotels, and hospitals proceeded at a good pace.

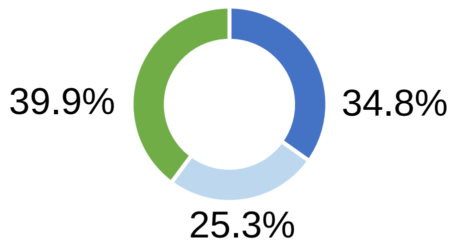
■Net sales by quarter (billion yen)



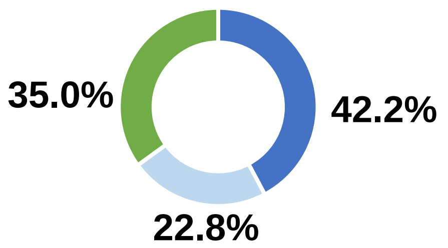
Net sales composition in FY2025/03



Net sales composition in FY2026/03



Net sales composition in FY2027/03 1Q



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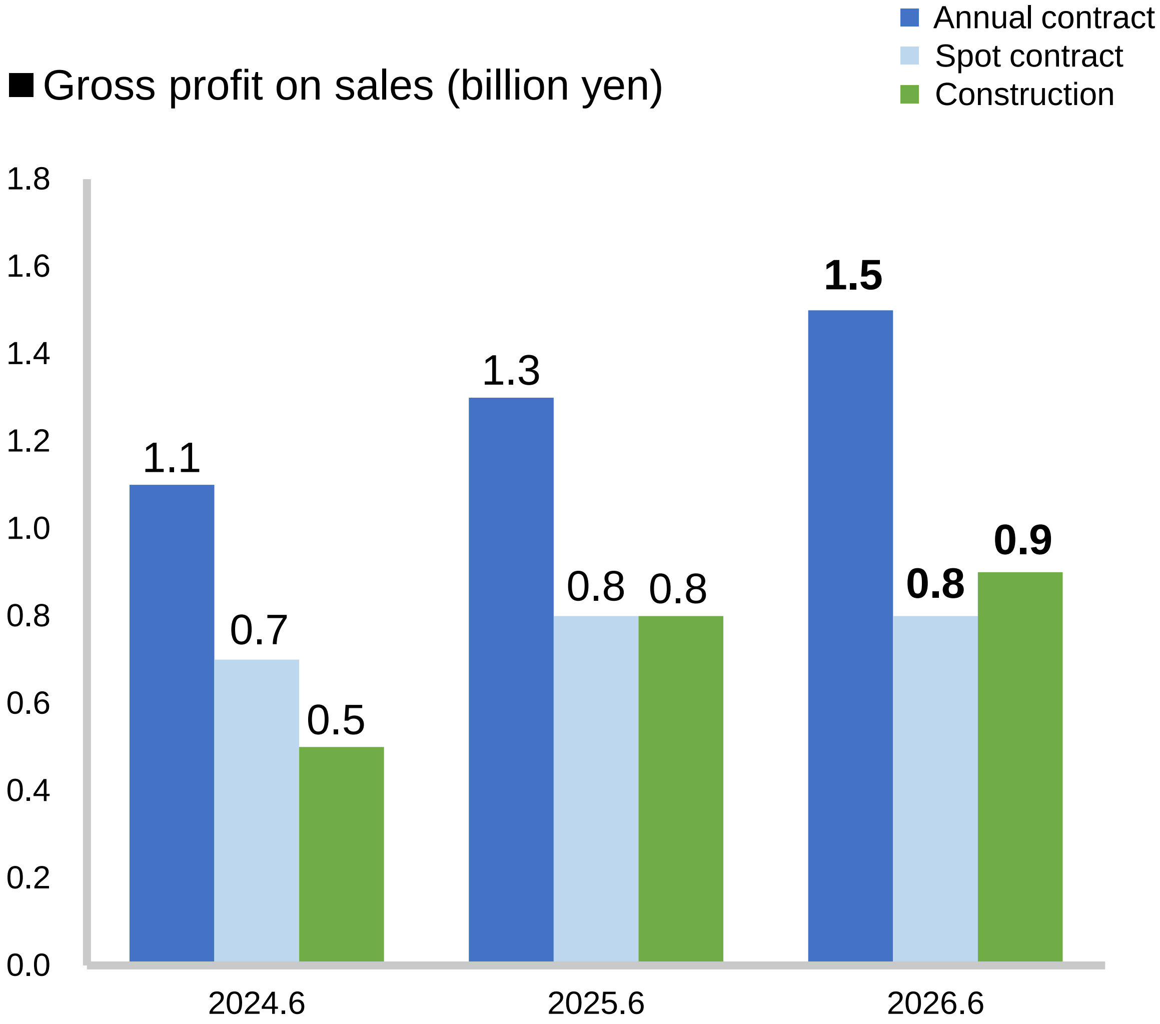
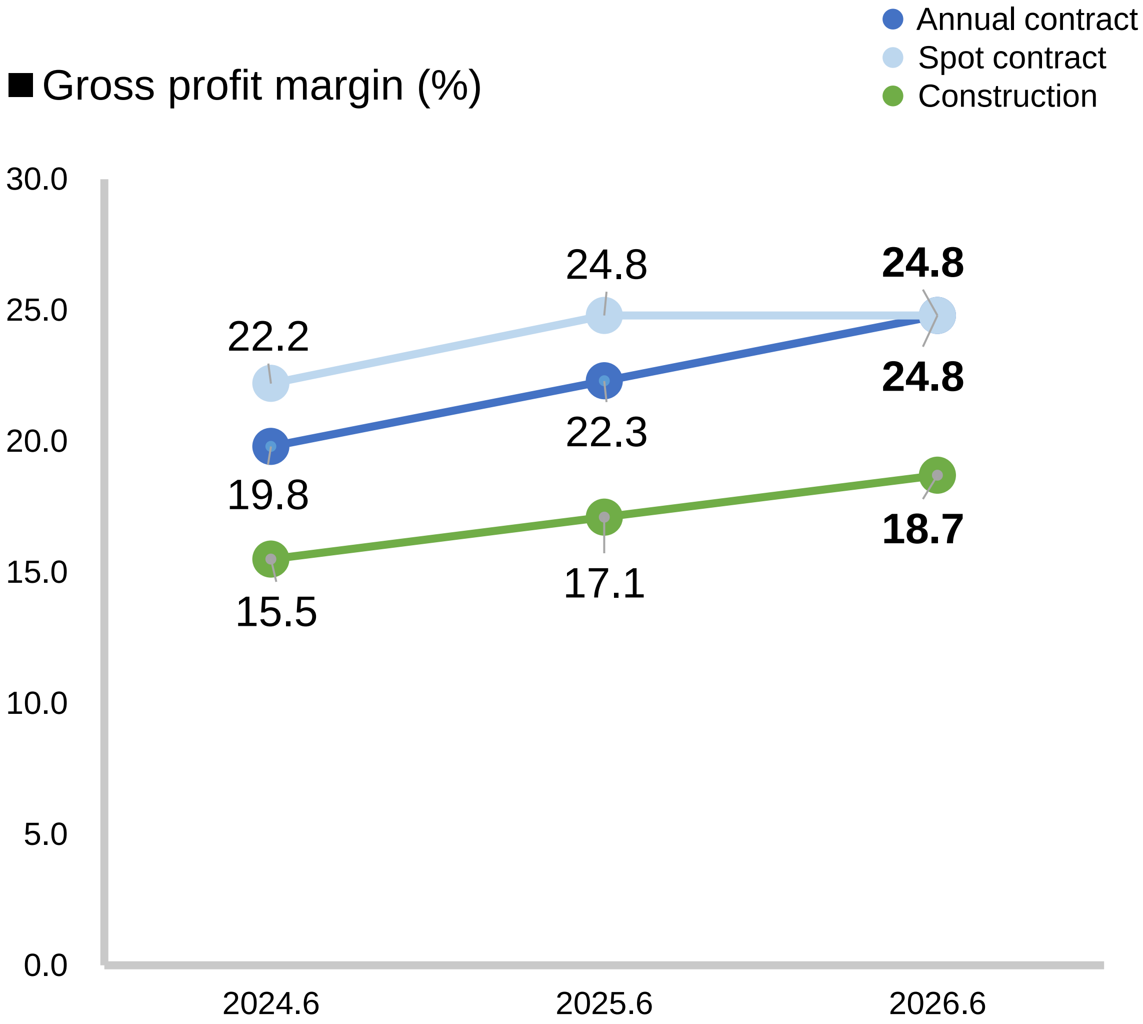
Profits increased in all categories of annual contracts, spot contracts, and construction by absorbing increases in costs due to rising procurement costs of materials and supplies and rising labor costs.

■Gross profit on sales (billion yen)

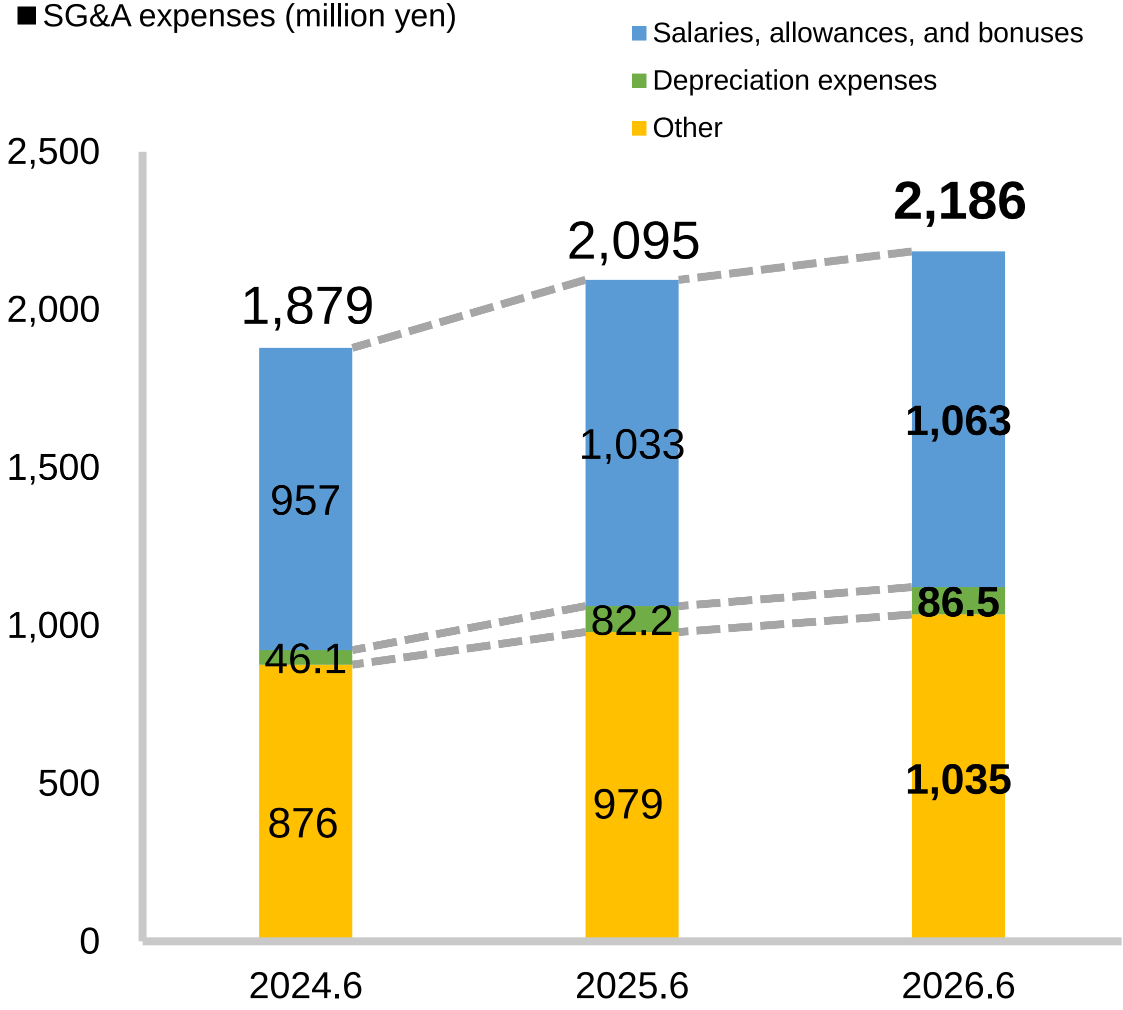


■Gross profit margin (%)



Although SG&A expenses increased due to rising labor costs from base pay raises and higher advertising costs related to Web advertising and recruitment, the growth rate was kept in check. Also reflecting the increase in net sales, SG&A expenses ratio decreased year on year.

■SG&A expenses (million yen)

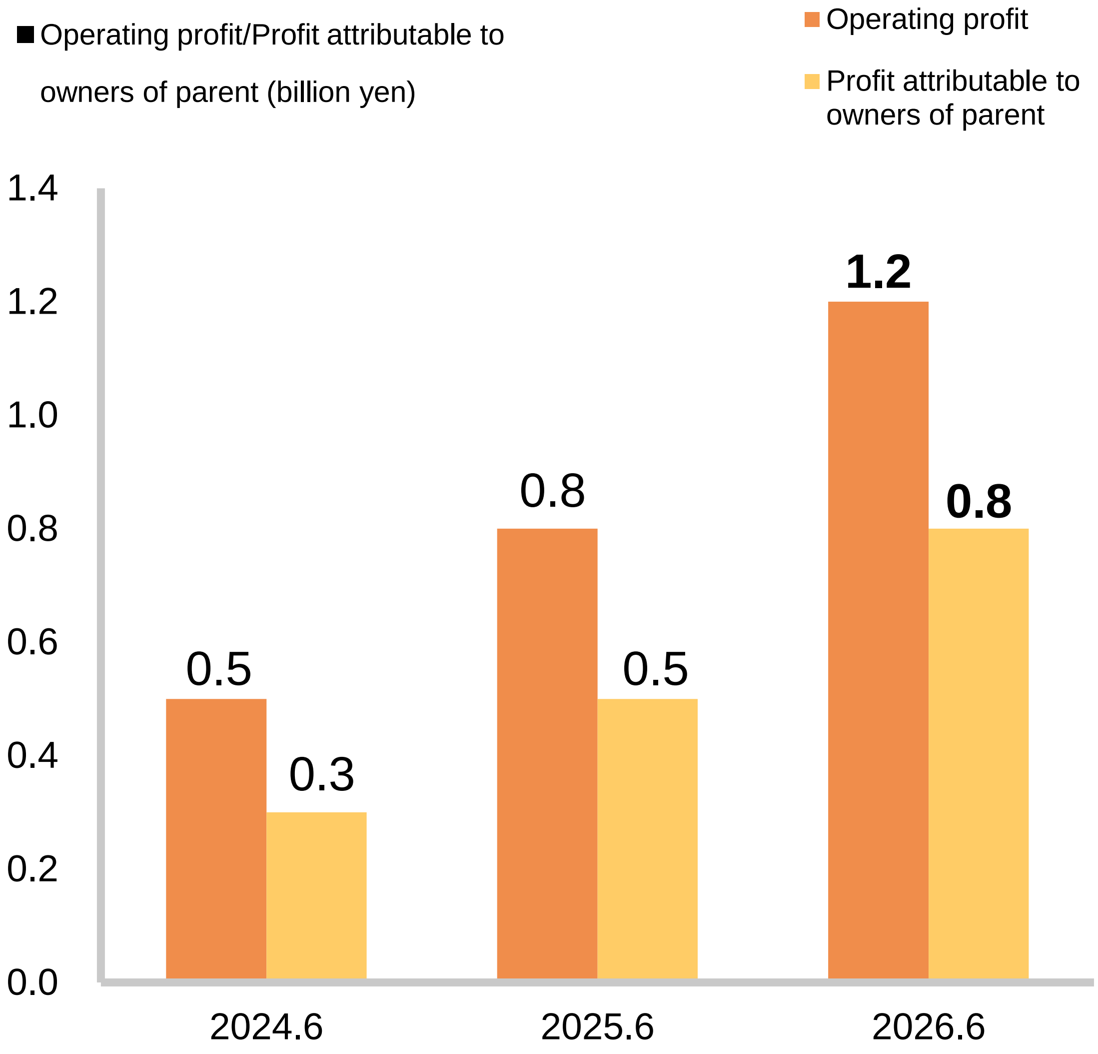


■SG&A expenses ratio (%)

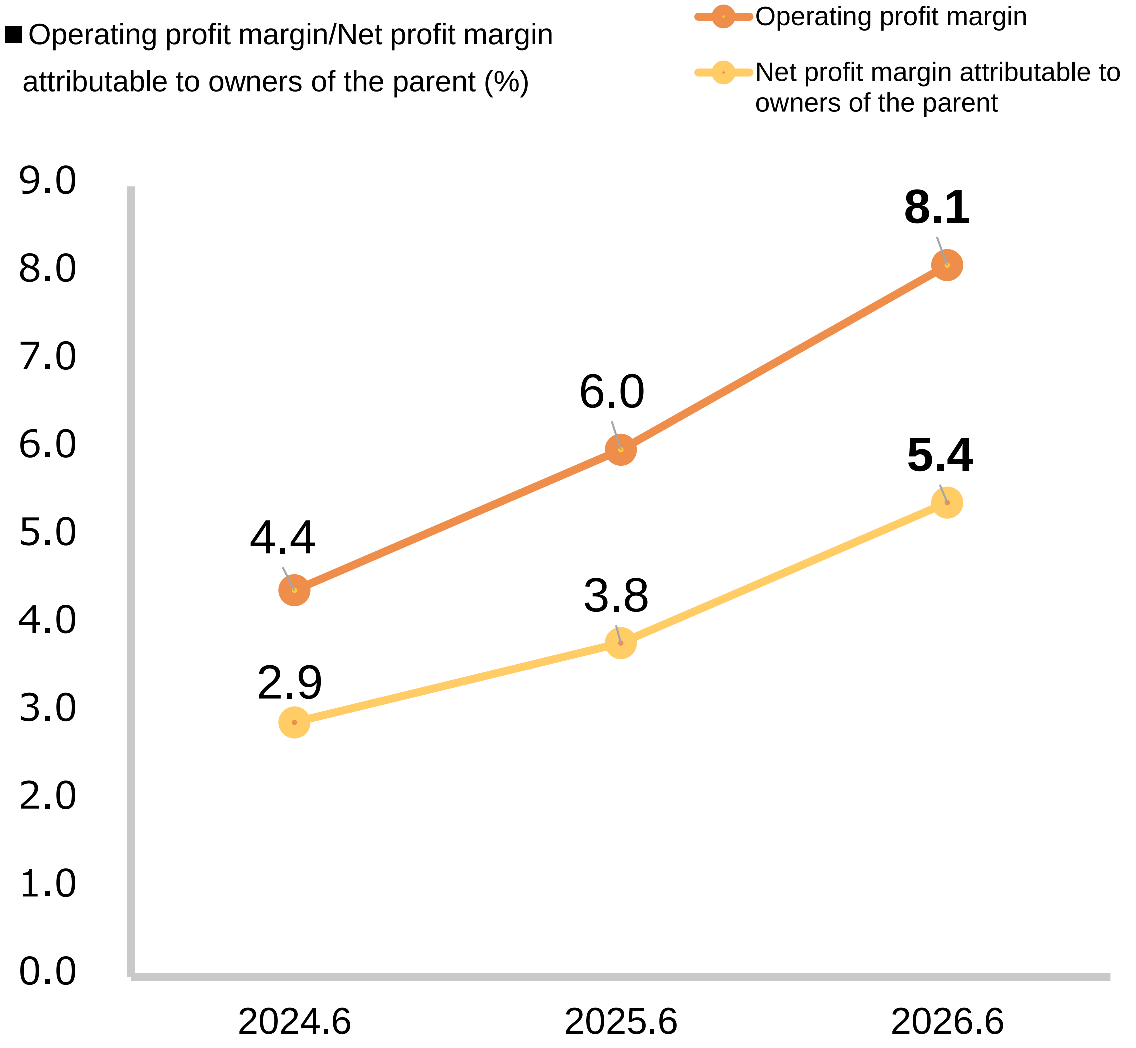
Ⅰ. Operating profit / Profit attributable to owners of parent

For FY2027/03 1Q, driven by steady sales growth and controlled SG&A expenses, operating profit reached a record high for the third consecutive year. Profit attributable to owners of parent also reached a record high for the third consecutive year.

■Operating profit/Profit attributable to owners of parent (billion yen)



■Operating profit margin/Net profit margin attributable to owners of the parent (%)



Ⅰ．Net sales by entrusted facility type

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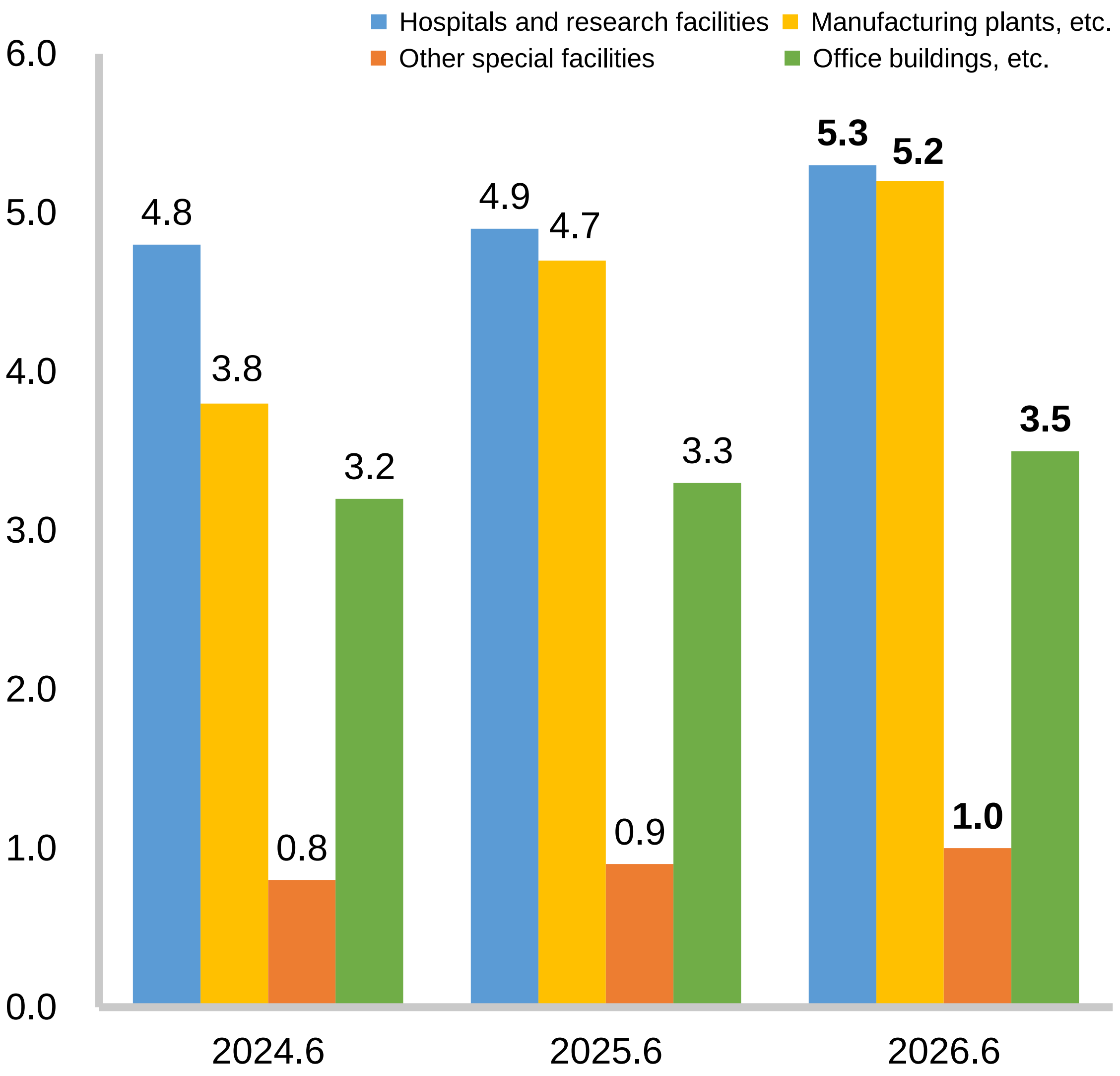
■Net sales by entrusted facility type (billion yen)



①Hospitals and research facilities

・ Increased in both maintenance and construction work.

②Manufacturing plants, etc.

・Increased in both maintenance and construction work due to an increase in equipment renewal, etc.

③Other special facilities

・Remained flat in construction work. Maintenance work for data center repair and maintenance projects has been steadily increasing at a good pace.

④Office buildings, etc.

・Increased in both maintenance and construction work mainly due to a rise in large-scale projects driven by appropriate price adjustment in maintenance service for schools.

Ⅰ. Annual contract / Maintenance services / Renovation work

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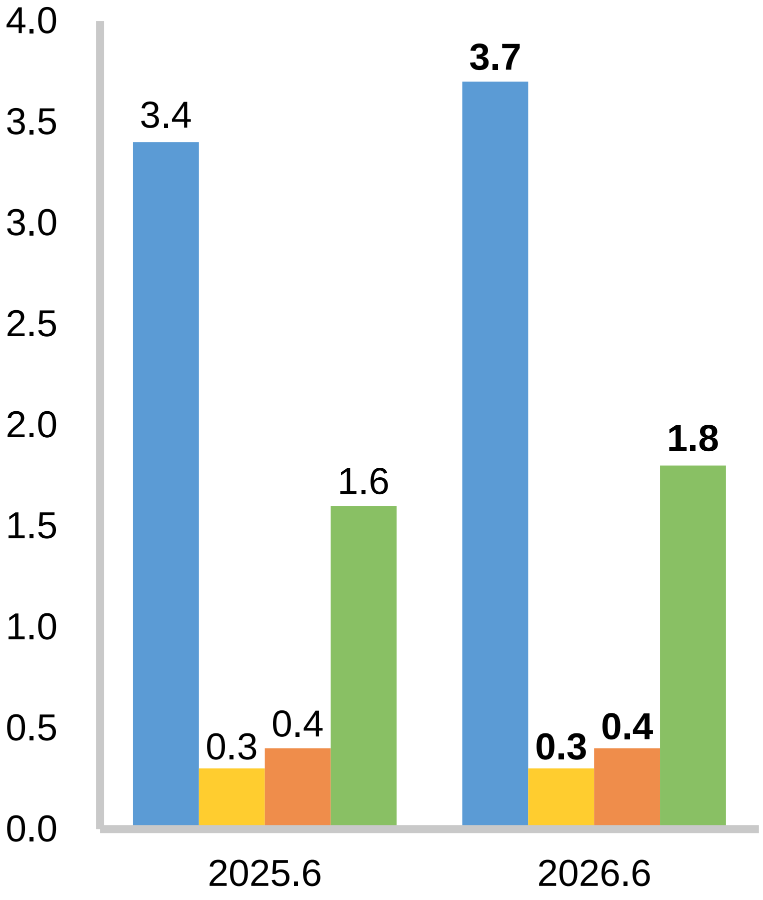
Hospitals and research facilities / Manufacturing plants, etc. / Other special facilities / Office buildings, etc.

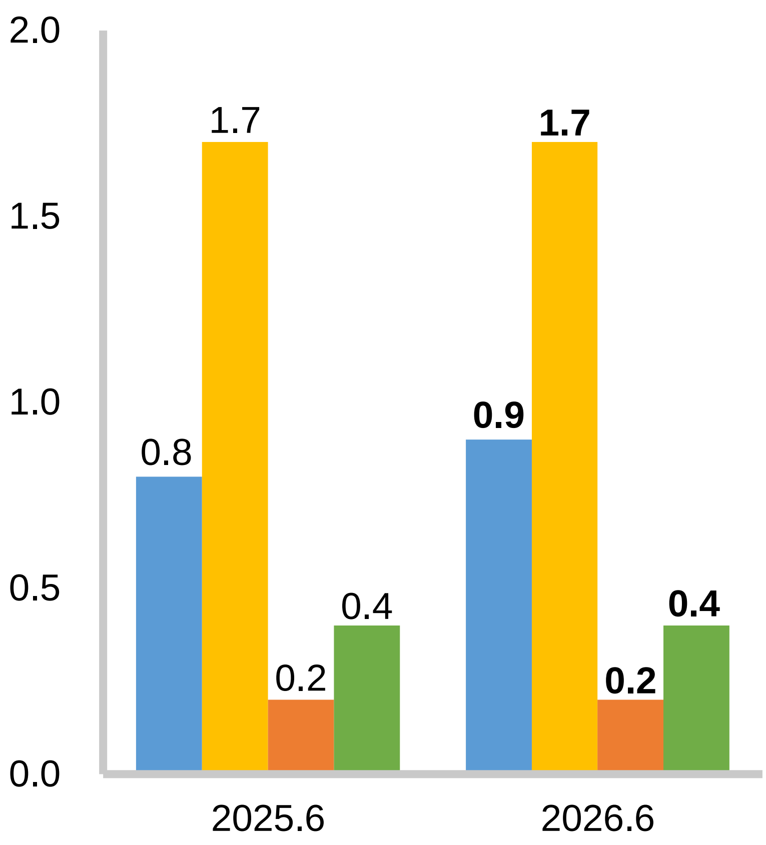
■ Annual contract sales (billion yen)



number of cases ： 2,426 cases **2,396 cases**

average unit price ： ¥2,372 thousand **¥2,591 thousand**

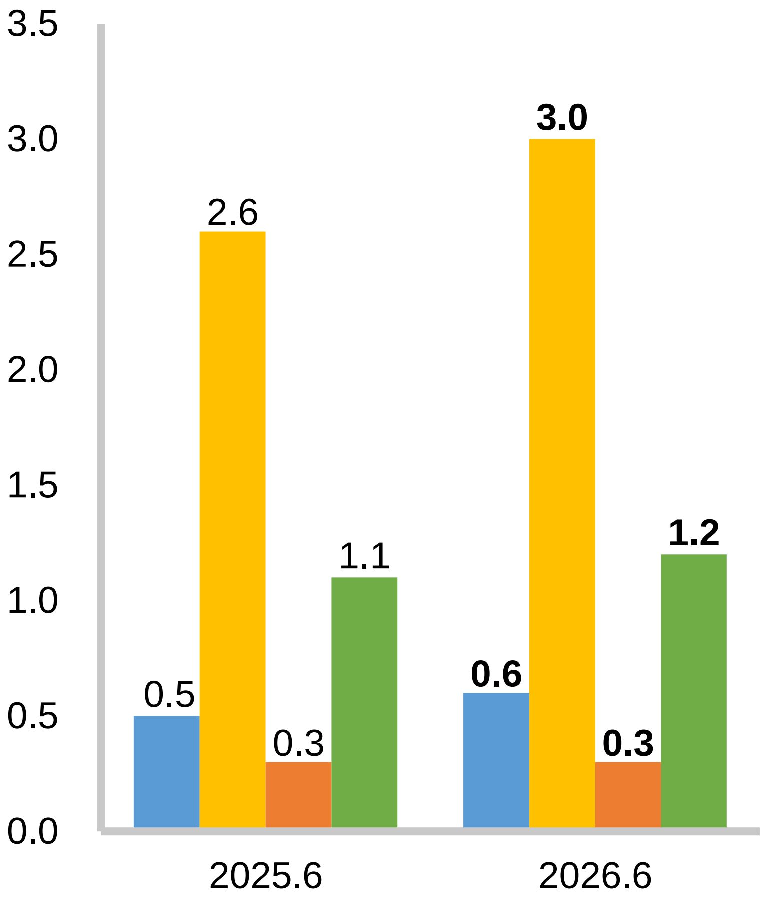
■ Maintenance services net sales (billion yen)



number of cases ： 8,253 cases **8,151 cases**

average unit price ： ¥383 thousand **¥402 thousand**

■ Renovation work construction work volume (billion yen)

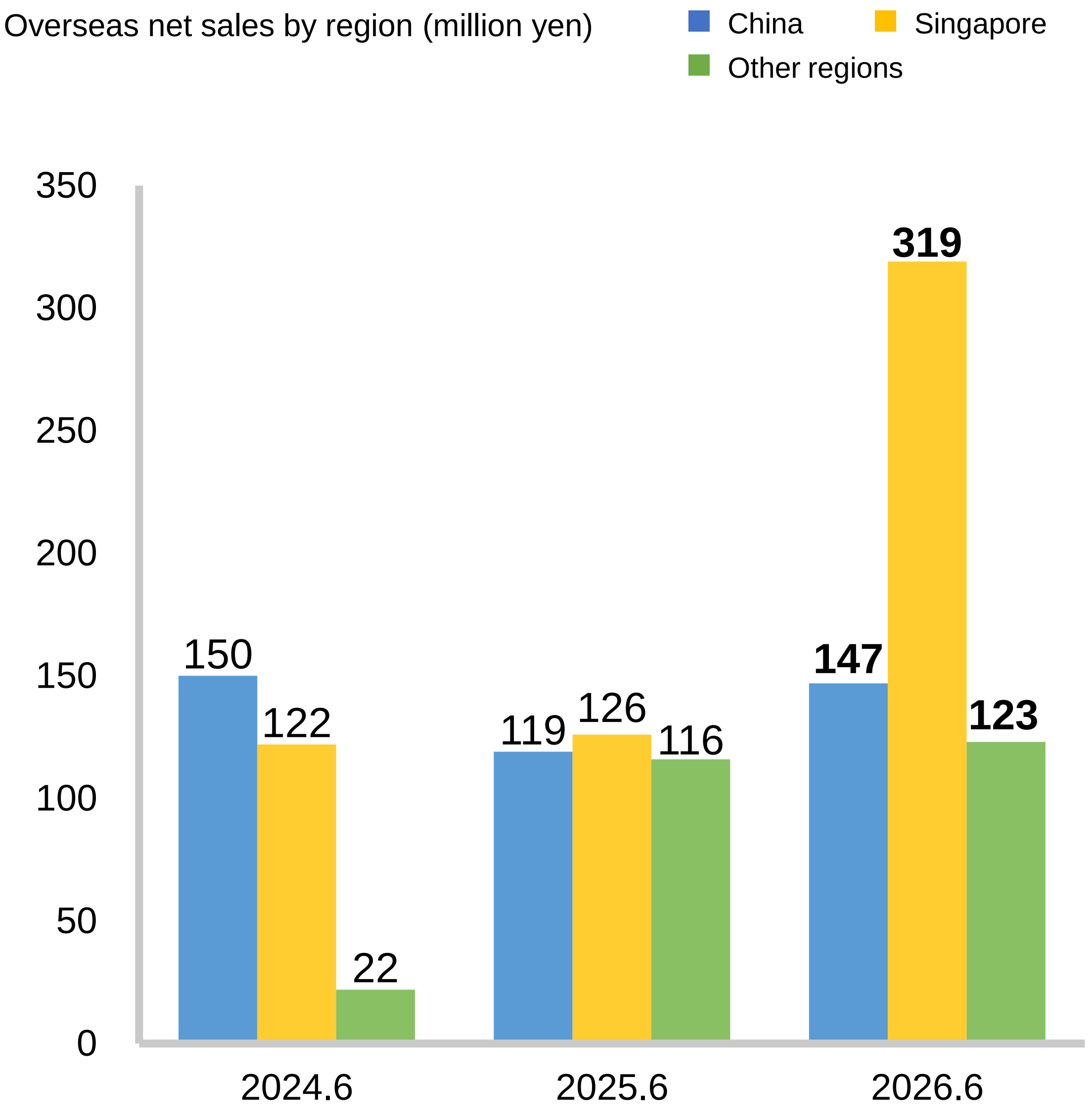


number of cases ： 937 cases **987 cases**

average unit price ： ¥4,921 thousand **¥5,040 thousand**

*Number of cases and average unit price only count domestic ones.

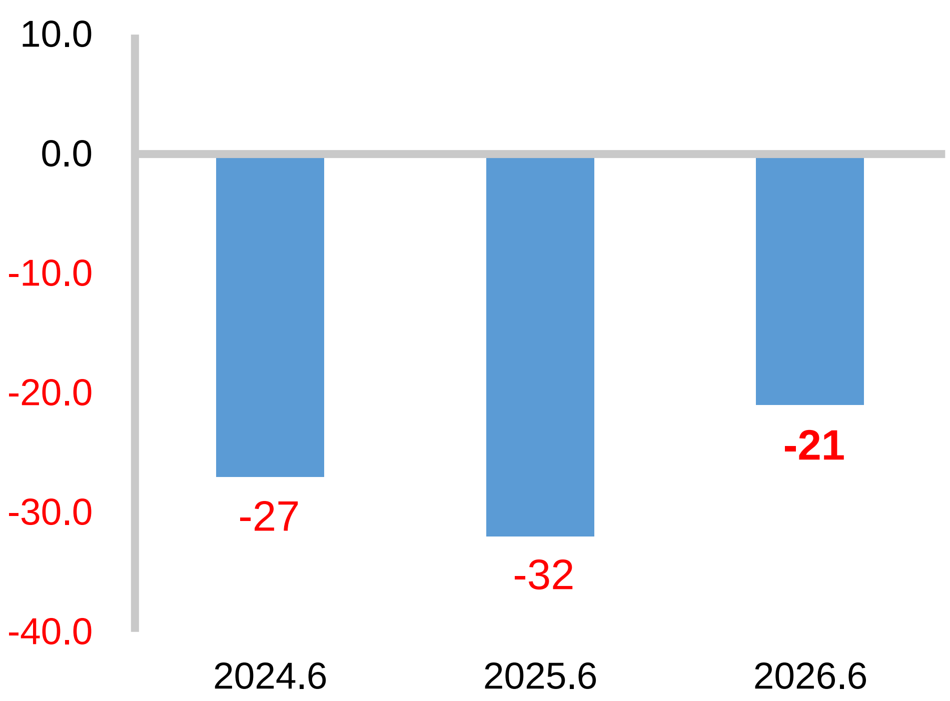
■ Overseas net sales by region (million yen)



Net sales in four countries outside Japan ： ¥590 million

Singapore saw a significant year-on-year increase in net sales due to revenue recognition for a greater number of projects shifting into the quarter. China remained firm despite continued uncertainty over the outlook amid the economic slowdown. Vietnam saw decreases in both sales and profits, while Thailand posted higher net sales but recorded a loss.

■ Operating profit overseas (million yen)

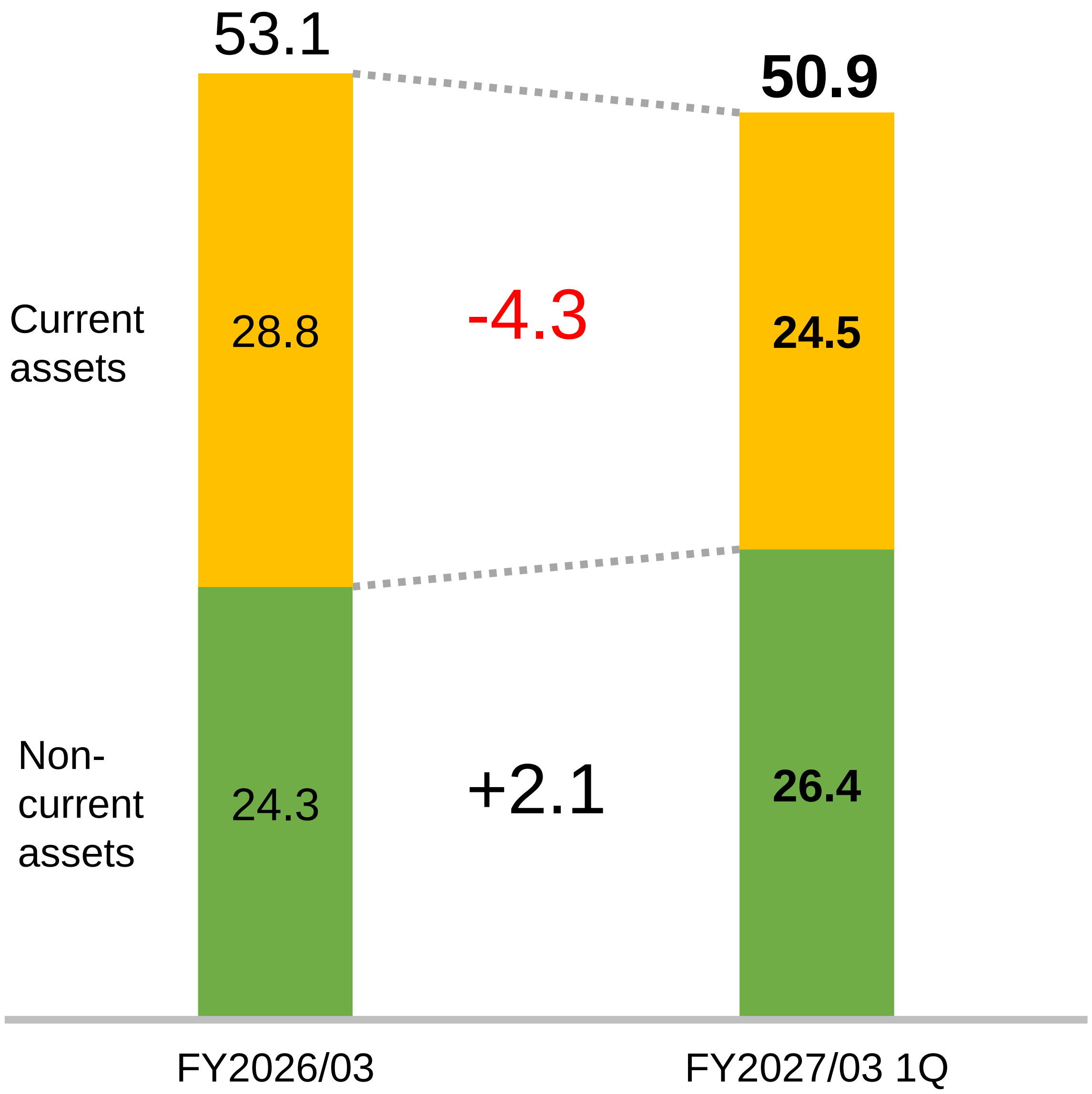


*"Other regions" of net sales overseas by region are Thailand and Vietnam.

*Overseas net sales and operating profit are calculated by simply aggregating the net sales and operating profit of each overseas Group company.

Ⅰ. Assets

■ Assets (billion yen)



■ Key variable factors (billion yen)

Current assets	-4.3
Cash and deposits	+0.9
Notes receivable, accounts receivable from completed construction contracts and other	-6.1
Inventories	+0.5
Non-current assets	+2.1
Land	+0.5
Investment securities	+1.5

Notes receivable, accounts receivable from completed construction contracts and other: Down from 18.0 to 11.8 billion yen

▼

Decreased as receivables, which had increased due to the concentration of project completions at the end of the fiscal year, were collected this term

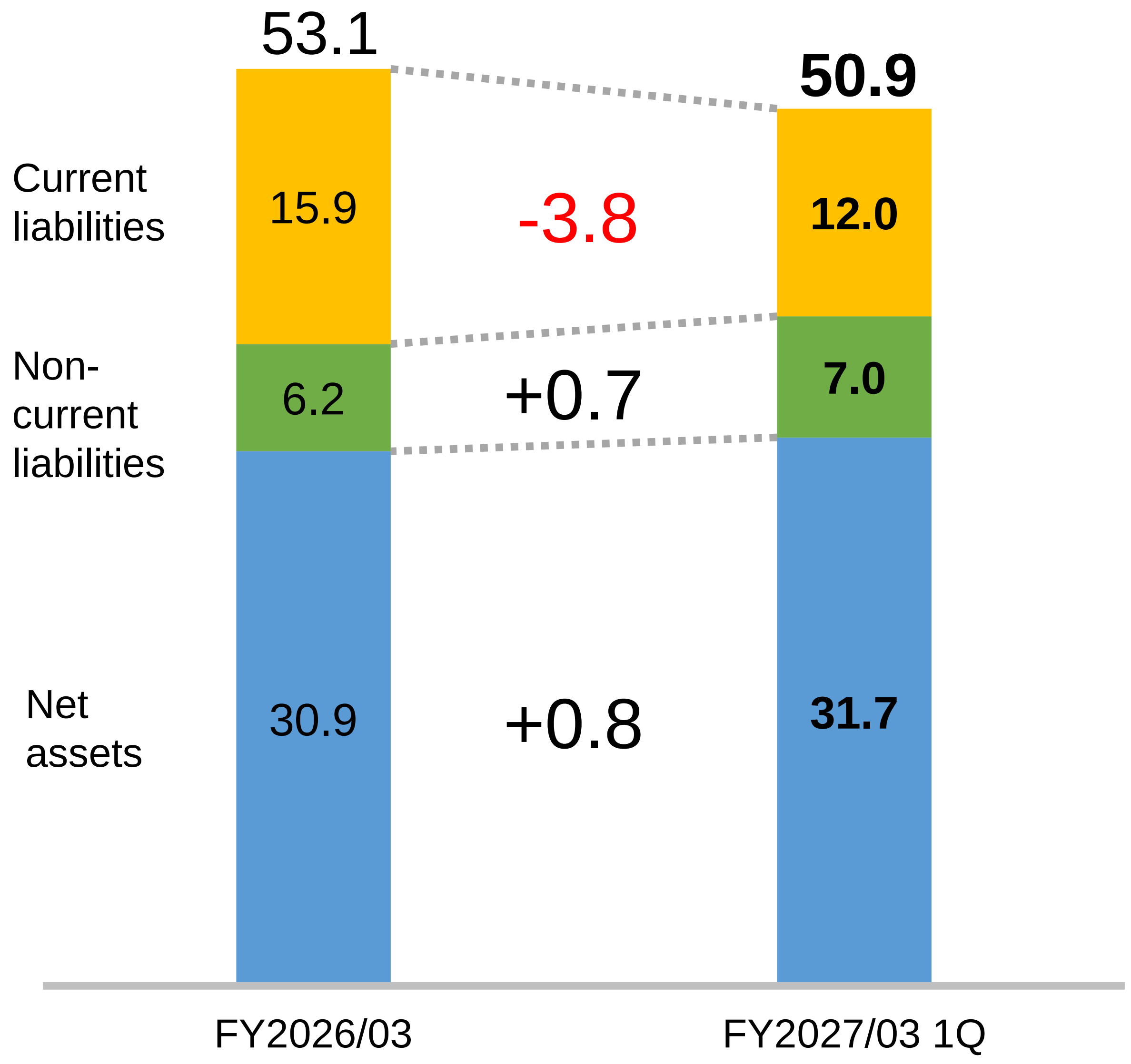
Investment securities: Up from 9.9 to 11.5 billion yen

▼

Increased due to an increase in market prices

Nippon Air Conditioning Services Co., Ltd.

■Liabilities and Net assets (billion yen)



■Key variable factors (billion yen)

Current liabilities	-3.8
Notes payable, accounts payable for construction contracts and other	-2.7
Electronically recorded obligations - operating	-0.9
Non-current liabilities	+0.7
Long-term borrowings	+0.3
Other	+0.4
Net assets	+0.8
Retained earnings	-0.2
Valuation difference on available-for-sale securities	+1.0

Notes payable, accounts payable for construction contracts and other: Down from 6.0 to 3.3 billion yen

▼

Decreased as payables which had increased due to the concentration of project completions at the end of the fiscal year, were paid this term

Valuation difference on available-for-sale securities: Up from 6.0 to 7.0 billion yen

▼

Increased due to an increase in market prices

Nippon Air Conditioning Services Co., Ltd.

Although unstable geopolitical conditions, inflation, and other unfavorable factors are expected to continue, we aim to achieve a year-on-year increase in both sales and profits by uncovering latent customer needs for energy and cost savings.

(billion yen, %)

Consolidated (cumulative period)	FY2026/03 (results)			FY2027/03 (forecast)		
	Amount	Ratio to sales	Year-on-year growth ratio	Amount	Ratio to sales	Year-on-year growth ratio
Net sales	69.2	100.0	+7.5	**74.0**	**100.0**	**+6.9**
Maintenance service sales	41.6	60.1	+4.6	**44.0**	**59.5**	**+5.6**
Renovation work construction work volume	27.5	39.9	+12.1	**30.0**	**40.5**	**+8.7**
Gross profit on sales	14.9	21.5	+15.1	**16.5**	**22.3**	**+10.6**
SG&A expenses	10.1	14.7	+15.8	**11.2**	**15.1**	**+10.3**
Operating profit	4.7	6.9	+13.5	**5.3**	**7.2**	**+11.4**
Ordinary profit	5.1	7.4	+16.8	**5.6**	**7.6**	**+9.6**
Profit attributable to owners of parent	3.6	5.3	+19.1	**3.9**	**5.3**	**+5.5**

*Following the fiscal years ended March 31, 2024, 2025, and 2026, we raised salaries for regular employees in April 2026, with an average increase of 5.2%.

Profit growth through sustainable growth of core businesses

▼

Stable and sustainable returns

▼

During the period covered by the 2026 Four-Year Mid-term Management Plan, the Company Group will pay progressive dividends, with a target consolidated dividend payout ratio of 50%, an ROE target of 15%, and a DOE target of 7.5%.The goal is to provide sustainable returns.

Progressive dividends

Consolidated dividend payout ratio of 50%

Sustained returns

ROE 15%

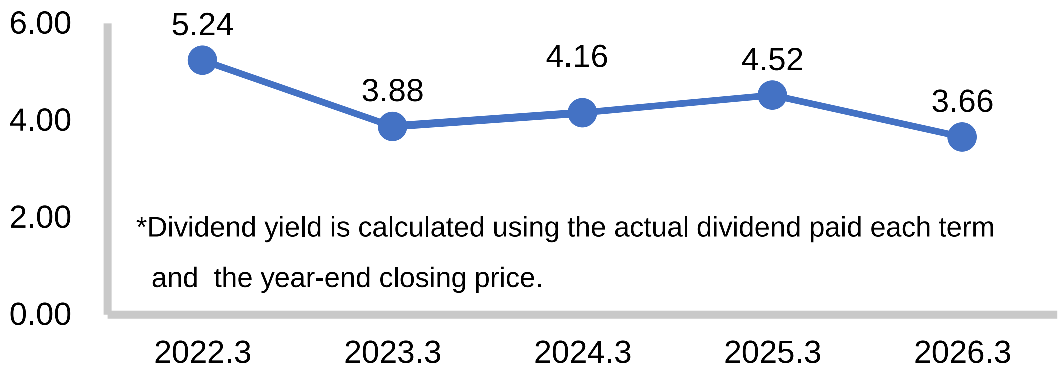
DOE 7.5%

Nippon Air Conditioning Services Co., Ltd.

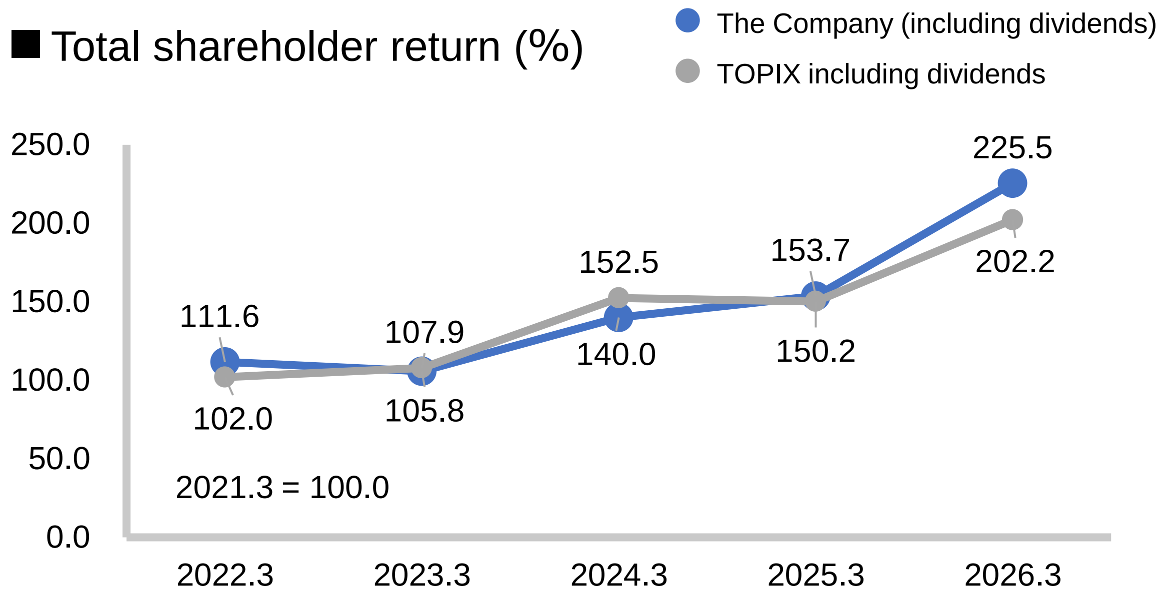
Stock-related information	
Stock price	¥1,535
Total market capitalization	¥54.9 billion
Dividends	¥57.00 per share
Dividend payout ratio	50.7%
Dividend yield	3.71%
Number of shareholders	20,293
PER	13.64x (EPS：¥112.52)
PBR	1.74x (BPS：¥883.78)
ROE	13.1%

*For stock price, closing price as of August 6, 2026 is used.
*For dividends and EPS, predicted numbers in the fiscal year ending March 31, 2027 are used.
*For number of shareholder, as of the end of March 2026 is used.
*For BPS and ROE, actual numbers in the fiscal year ended March 31, 2026 are used.
*Total market capitalization is based on total shares issued and outstanding (including treasury stock) as of March 31, 2026.

■ Dividend yield (%)



■ Total shareholder return (%)



We paid an annual dividend of 54 yen per share (interim dividend of 23 yen and year-end dividend of 31 yen) for FY2026/03.
We plan to pay an annual dividend of 57 yen per share (interim dividend of 28.5 yen and year-end dividend of 28.5 yen) for FY2027/03.

■ Dividend per share and dividend payout ratio (yen, %)

*Dividend per share…Adjusted for the 2-for-1 stock splits of treasury stock executed in April 2014 and April 2016.
*Special or commemorative dividends…2004.3 (1.00 yen), 2007.3 (0.50 yen), 2008.3 (0.50 yen), 2014.3 (1.25 yen), 2022.3 (13.50 yen).

Disclaimer

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