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Consolidated Financial Results for the Nine Months Ended September 30, 2026 [Japanese GAAP]

November 12, 2026

Company name: CTI Engineering Co., Ltd.
Stock exchange listing: Tokyo Stock Exchange
Code number: 9621
URL: https://www.ctie.co.jp/
Representative: Tatsuya Nishimura, Representative Director and President, CEO
Contact: Toshikazu Matsuoka, Director, Managing Executive Officer, serving as the Chief, Administration Headquarters
Phone: +81-3-3668-4125
Scheduled date of commencing dividend payments: —
Availability of supplementary explanatory materials on financial results: Available
Schedule of financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended September 30, 2026 (January 1, 2026 – September 30, 2026)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Sales		Operating income		Ordinary profit		Net income attributable to owners of the parent	
Nine months ended	million yen	%	million yen	%	million yen	%	million yen	%
September 30, 2026	79,502	8.5	7,722	19.0	7,717	16.9	5,518	28.0
September 30, 2025	73,270	1.5	6,489	(12.5)	6,602	(11.0)	4,311	(18.1)

(Note) Comprehensive income: Nine months ended September 30, 2026: 4,535 million yen [15.0%]
Nine months ended September 30, 2025: 3,943 million yen [(33.3)%]

	Net income per share	Net income per share after adjustment of potential shares
Nine months ended	yen	yen
September 30, 2026	202.09	–
September 30, 2025	155.20	–

(2) Consolidated Financial Position

	Total assets	Net assets	Net worth ratio
	million yen	million yen	%
As of September 30, 2026	97,109	67,651	69.4
As of December 31, 2025	96,344	66,815	69.1

(Reference) Net worth: As of September 30, 2026: 67,412 million yen
As of December 31, 2025: 66,529 million yen

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended December 31, 2025	–	0.00	–	75.00	75.00
Fiscal year ending December 31, 2026	–	0.00	–		
Fiscal year ending December 31, 2026 (Forecast)				110.00	110.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026 (January 1, 2026 – December 31, 2026)

(% indicates changes from the previous corresponding period.)

	Sales		Operating income		Ordinary profit		Net income attributable to owners of the parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	105,000	3.9	10,500	14.9	10,500	12.3	7,000	17.6	257.41

(Note) Revision to the financial results forecast announced most recently: None

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: None
Newly included: – ( ), Excluded: – ( )

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: None
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(4) Total number of issued and outstanding shares (common shares)
1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

September 30, 2026:	28,318,172 shares
December 31, 2025:	28,318,172 shares

2) Total number of treasury shares at the end of the period:

September 30, 2026:	1,206,601 shares
December 31, 2025:	740,575 shares

3) Average number of shares during the period (cumulative from the beginning of the fiscal year):

Nine months ended September 30, 2026:	27,306,044 shares
Nine months ended September 30, 2025:	27,777,459 shares

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

* Explanation of the proper use of financial results forecast and other notes
Consolidated financial results forecast made in this document contains forward-looking statements about the future performance of the Company, which are based on the information available to the Company as of the date of release of this document. As such, various factors could cause actual results to differ materially from those discussed in the forward-looking statements.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the nine months ended September 30, 2026, the Japanese economy has recovered moderately. Looking ahead, its moderate recovery is expected to be supported by improvements in the employment and income environment and the effects of various policies. However, continued attention should be paid to the effects of the situation in the Middle East, natural disasters, and changes in financial and capital markets.

With regard to the business environment surrounding the CTI Group, in the Domestic Business, the Cabinet approved in June 2025 the 1st Mid-term Plan for the Implementation of National Land Resilience, covering five years from FY2026 with a budget of more than 20 trillion yen. The fiscal 2026 national budget for public works, including disaster prevention, disaster mitigation and building national resilience, is greater than that in the previous fiscal year. Accordingly, disaster prevention and mitigation measures such as climate change countermeasures, as well as measures to address aging infrastructure such as rivers and roads are expected to continue progressing.

In the Overseas Business, in the Asian and African markets where CTI Engineering International Co., Ltd. operates, the JICA budget has shown signs of bottoming out. Meanwhile, demand for various infrastructure development, including climate change countermeasures, transport, and energy, is rising further. In the UK, where Waterman Group Plc operates, progress began to be made in the execution of public work-related expenditures that had been delayed due to a change of government, and the economic growth remained moderate. However, the outlook for the economy remains highly uncertain, with interest rates and inflation forecast to rise in the future.

Within this business environment, the Group has set forth the following priority agenda items in the business plan for 2026 (64th term), the second year of the Mid-Term Management Plan 2027: 1) Accelerating Business Portfolio Transformation; 2) Increasing Employee Engagement Ranking; 3) Improving Productivity Through Quality and Production System Reforms; and 4) Strengthening Group Governance for both offensive and defensive perspectives. Through steady implementation of these initiatives, the Group aims to make great strides forward as a "Global Infrastructure Solutions Group" that contributes to the development of a sustainable society.

With regard to business performance, orders received by the Group during the period under review amounted to 88,692 million yen (88,964 million yen for the corresponding period of the previous year, down 0.3% YoY). Sales amounted to 79,502 million yen (73,270 million yen for the corresponding period of the previous year), which is equivalent to 75.7% of the sales forecast for the fiscal year ending December 31, 2026. Ordinary profit amounted to 7,717 million yen (6,602 million yen for the corresponding period of the previous year), which is equivalent to 73.5% of the full-year forecast for ordinary profit. Net income attributable to owners of the parent was 5,518 million yen (4,311 million yen for the corresponding period of the previous year), which is equivalent to 78.8% of the full-year forecast for net income attributable to owners of the parent.

(2) Explanation of Financial Position

(Assets)

At the end of the period under review, the Group's total assets amounted to 97,109 million yen, an increase of 765 million yen compared to the end of the previous fiscal year. This was mainly due to increases in "cash and bank deposits" and "other current assets," despite a decrease in "notes receivable, completed work receivables and contract assets."

(Liabilities)

Total liabilities at the end of the period under review were 29,458 million yen, a decrease of 70 million yen compared to the end of the previous fiscal year. This was mainly due to a decrease in "accounts payable," despite an increase in "reserve for bonuses."

(Net assets)

Net assets at the end of the period under review totalled 67,651 million yen, an increase of 836 million yen compared to the end of the previous fiscal year. This was mainly due to an increase in "profit surplus" resulting from the posting of "net income attributable to owners of the parent," despite a decrease due to payment of dividends and purchase of treasury shares.

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

The Company has not revised its consolidated financial results forecast released on February 13, 2026.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheet

(million yen)

	Previous Consolidated Fiscal Year (as of December 31, 2025)	Nine Months Ended September 30, 2026 (as of September 30, 2026)
Assets		
Current assets		
Cash and bank deposits	15,988	22,634
Notes receivable, completed work receivables and contract assets	44,144	37,453
Prepaid expenses for uncompleted services	155	291
Other	2,830	4,400
Allowance for doubtful accounts	-600	-642
Total current assets	62,519	64,137
Fixed assets		
Tangible fixed assets		
Land	4,601	4,083
Other, net	8,948	9,484
Total tangible fixed assets	13,549	13,567
Intangible fixed assets		
Goodwill	6,607	6,141
Other	367	470
Total intangible fixed assets	6,974	6,612
Investments and other assets		
Other	13,434	12,898
Allowance for doubtful accounts	-133	-106
Total investments and other assets	13,300	12,791
Total fixed assets	33,825	32,972
Total assets	96,344	97,109
Liabilities		
Current liabilities		
Accounts payable	3,545	2,219
Short-term borrowings	1,380	2,003
Accrued income taxes	1,823	1,691
Contract liabilities	4,169	4,839
Reserve for bonuses	3,042	4,317
Reserve for bonuses to directors	213	188
Allowance for losses in operations	121	105
Other	8,415	7,444
Total current liabilities	22,712	22,810
Fixed liabilities		
Long-term borrowings	78	55
Provision for warranties for completed operation	543	555
Net defined benefit liability	914	1,022
Provision for loss on guarantees	142	126
Asset retirement obligations	849	852
Other	4,287	4,036
Total fixed liabilities	6,816	6,647
Total liabilities	29,529	29,458

(million yen)

	Previous Consolidated Fiscal Year (as of December 31, 2025)	Nine Months Ended September 30, 2026 (as of September 30, 2026)
Net assets		
Shareholders' equity		
Capital	3,025	3,025
Capital surplus	3,830	3,833
Profit surplus	53,188	56,638
Treasury stock	-1,478	-3,011
Total shareholders' equity	58,566	60,486
Accumulated other comprehensive income		
Other valuation difference on available-for-sale securities	1,841	1,558
Foreign currency translation adjustment	3,199	3,039
Remeasurements of defined benefit plans	2,921	2,327
Total accumulated other comprehensive income	7,962	6,925
Non-controlling interests	285	239
Total net assets	66,815	67,651
Total liabilities and net assets	96,344	97,109

(2) Quarterly Consolidated Profit and Loss Account and Quarterly Consolidated Statements of Comprehensive Income

Quarterly Consolidated Profit and Loss Account

Nine Months Ended September 30, 2026

(million yen)

	Nine Months Ended September 30, 2025 (from January 1, 2025 to September 30, 2025)	Nine Months Ended September 30, 2026 (from January 1, 2026 to September 30, 2026)
Sales	73,270	79,502
Cost of sales	51,652	55,706
Gross profit	21,617	23,795
Selling, general and administrative expenses	15,128	16,073
Operating income	6,489	7,722
Non-operating revenues		
Interest earned	77	91
Dividend earned	85	155
House rent earned	29	28
Other	110	61
Total non-operating revenues	303	336
Non-operating expenses		
Interest expense	71	184
Foreign exchange losses	78	67
Other	40	89
Total non-operating expenses	191	341
Ordinary profit	6,602	7,717
Extraordinary gain		
Gain on sale of investment securities	590	701
Other	0	0
Total extraordinary gain	590	701
Extraordinary loss		
Loss from fixed assets disposal	17	15
Impairment losses	432	61
Loss on liquidation of subsidiaries and associates	88	-
Unrealized loss on investment securities	42	-
Other	0	10
Total extraordinary loss	581	88
Net income before income tax	6,611	8,330
Income taxes	2,286	2,776
Net income	4,324	5,553
Net income attributable to non-controlling interests	13	35
Net income attributable to owners of the parent	4,311	5,518

Quarterly Consolidated Statements of Comprehensive Income
Nine Months Ended September 30, 2026

(million yen)

	Nine Months Ended September 30, 2025 (from January 1, 2025 to September 30, 2025)	Nine Months Ended September 30, 2026 (from January 1, 2026 to September 30, 2026)
Net income	4,324	5,553
Other comprehensive income		
Other valuation difference on available-for-sale securities	-23	-282
Foreign currency translation adjustment	54	-141
Remeasurements of defined benefit plans, net of tax	-412	-593
Total other comprehensive income	-381	-1,018
Comprehensive income	3,943	4,535
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	3,930	4,481
Comprehensive income attributable to non-controlling interests	12	54

(3) Notes to Quarterly Consolidated Financial Statements

(Basic important matters for preparation of quarterly consolidated financial statements)

The quarterly consolidated financial statements are prepared in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. as well as the accounting standards for quarterly financial statements generally accepted as fair and appropriate in Japan (however, the omission of descriptions applies, as prescribed in Article 4, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements, etc.).

(Notes on going concern assumption)

Not applicable.

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

Not applicable.

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

The Company calculates tax expenses by multiplying net income before income tax for the period under review by a reasonably estimated effective tax rate for net income before income tax for the fiscal year ending December 31, 2026 after the application of tax effect accounting.

(Notes to Quarterly Consolidated Profit and Loss Account)

Nine Months Ended September 30, 2025 (from January 1, 2025 to September 30, 2025)

The Group recognised impairment losses on the following asset groups.

Company	Location	Use	Type	Impairment losses (million yen)
CTI Engineering Co., Ltd.	Saitama City, Saitama	Idle assets (employee dormitory)	Land Buildings and structures	432

The Group classifies asset groups based on management accounting categories. Operating assets are grouped by independent accounting units such as the head office and branches of each company, while idle assets are grouped on a property-by-property basis.

During the nine months ended September 30, 2025, the book value of the above idle assets, which are no longer expected to be utilised, was written down to the recoverable amount, and the resulting decrease in book value was recognised as impairment losses under extraordinary loss.

Nine Months Ended September 30, 2026 (from January 1, 2026 to September 30, 2026)

The Group recognised impairment losses on the following asset groups.

Company	Location	Use	Type	Impairment losses (million yen)
CTI Engineering Co., Ltd.	Saitama City, Saitama	Idle assets (employee dormitory)	Land	61

The Group classifies asset groups based on management accounting categories. Operating assets are grouped by independent accounting units such as the head office and branches of each company, while idle assets are grouped on a property-by-property basis.

During the nine months ended September 30, 2026, the recoverable amount of the above assets was revised following the finalisation of the expected sale price. As a result, the book value of the above assets was written down to the recoverable amount, and the resulting decrease in book value was recognised as impairment losses under extraordinary loss.

(Notes on segment information, etc.)

[Segment Information]

Nine Months Ended September 30, 2025 (from January 1, 2025 to September 30, 2025)

1. Information on the amounts of sales and profit (loss) by reportable segment

(million yen)

	Reportable segments			Adjustments (Note 1)	Book value on the Quarterly Consolidated Profit and Loss Account (Note 2)
	Domestic consulting engineering business	Overseas consulting engineering business	Total		
Sales					
Sales to outside customers	50,333	22,936	73,270	–	73,270
Inter-segment sales or transfers	33	14	48	-48	–
Total	50,366	22,951	73,318	-48	73,270
Segment income (loss)	6,322	170	6,493	-3	6,489

(Notes) 1. Adjustments to inter-segment sales or transfers (-48 million yen) and adjustments to segment income (loss) (-3 million yen) are attributable to inter-segment eliminations.

2. Segment income (loss) is reconciled with operating income in the Quarterly Consolidated Profit and Loss Account.

2. Information on impairment losses on fixed assets or goodwill by reportable segment

(Significant impairment losses on fixed assets)

In the domestic consulting engineering business segment, impairment losses were recognised on idle assets (employee dormitory).

The amount of impairment losses recorded for the nine months ended September 30, 2025 was 432 million yen.

Nine Months Ended September 30, 2026 (from January 1, 2026 to September 30, 2026)

1. Information on the amounts of sales and profit (loss) by reportable segment

(million yen)

	Reportable segments			Adjustments (Note 1)	Book value on the Quarterly Consolidated Profit and Loss Account (Note 2)
	Domestic consulting engineering business	Overseas consulting engineering business	Total		
Sales					
Sales to outside customers	53,416	26,085	79,502	–	79,502
Inter-segment sales or transfers	70	10	80	-80	–
Total	53,486	26,096	79,582	-80	79,502
Segment income (loss)	7,129	595	7,724	-2	7,722

(Notes) 1. Adjustments to inter-segment sales or transfers (-80 million yen) and adjustments to segment income (loss) (-2 million yen) are attributable to inter-segment eliminations.

2. Segment income (loss) is reconciled with operating income in the Quarterly Consolidated Profit and Loss Account.

2. Information on impairment losses on fixed assets or goodwill by reportable segment

(Significant impairment losses on fixed assets)

In the domestic consulting engineering business segment, impairment losses were recognised on idle assets (employee dormitory).

The amount of impairment losses recorded for the nine months ended September 30, 2026 was 61 million yen.

(Notes on cash flow statement)

No quarterly consolidated cash flow statement is prepared for the nine months ended September 30, 2026.

The depreciation and amortization (including amortization related to intangible fixed assets) and the amortization of goodwill in the nine months ended September 30 are as follows.

	Nine Months Ended September 30, 2025 (from January 1, 2025 to September 30, 2025)	Nine Months Ended September 30, 2026 (from January 1, 2026 to September 30, 2026)
Depreciation and amortization	1,361 million yen	1,564 million yen
Amortization of goodwill	381 million yen	405 million yen