

Disclaimer: This financial information, a digest of Taisei Corporation's "Consolidated Financial Results for the Nine Months Ended December 31, 2025" ("Kessan Tanshin") disclosed at the Tokyo Stock Exchange on February 6, 2026 was translated into English and presented solely for the convenience of non-Japanese speaking users. If there is any discrepancy between Japanese "Kessan Tanshin" and this document, Japanese "Kessan Tanshin" will prevail.

February 6, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 [Japanese GAAP]

Listed company name:	Taisei Corporation
Stock exchange listings:	Tokyo Stock Exchange, Prime Market Nagoya Stock Exchange, Premier Market
Stock code:	1801
Location of headquarters:	Tokyo, Japan
Website:	https://www.taisei.co.jp/english/
Representative:	Yoshiro Aikawa, President and Chief Executive Officer
Contact:	Yuichi Nakano, General Manager of Accounting Department
TEL:	81-3-3348-1111 (from overseas) —
Scheduled date for dividend payment:	—
Supplementary materials for financial summaries:	Yes
Financial results briefing:	Yes (for analysts and institutional investors)

1. Consolidated financial results for the nine months ended December 31, 2025 (From April 1, 2025 to December 31, 2025)

(1) Operating results (cumulative total)

(Millions of yen, rounded down)

(Percentages indicate changes from the same period in the previous fiscal year.)

	Net sales	Operating income		Ordinary income		Net income attributable to owners of parent	
		%		%		%	%
FY2025 (Third quarter-end) As of December 31, 2025	1,427,758	(6.5)	122,356	53.0	130,499	41.0	102,568
FY2024 (Third quarter-end) As of December 31, 2024	1,527,540	33.3	79,958	356.6	92,573	268.9	83,770
(Note) Comprehensive income:	FY2025 (Third quarter-end) FY2024 (Third quarter-end)		121,831 million yen 24,769 million yen			391.9 % (60.5 %)	
	Net income per share yen		Diluted net income per share yen				
FY2025 (Third quarter-end) As of December 31, 2025	615.38		-				
FY2024 (Third quarter-end) As of December 31, 2024	457.17		-				

(2) Financial position

(Millions of yen, rounded down)

	Total assets	Net assets	Equity ratio
			%
As of December 31, 2025	2,612,734	902,305	33.0
As of March 31, 2025	2,428,837	900,699	35.7
(Reference) Shareholders' equity:	As of December 31, 2025 As of March 31, 2025	862,301 million yen 866,188 million yen	

2. Dividends

	Dividends per share (yen)				
	First quarter-end	Interim-end	Third quarter-end	Year-end	Total (Full year)
FY2024	-	65.00	-	145.00	210.00
FY2025	-	125.00	-		
FY2025 (forecast)				125.00	250.00

(Note) Revisions of projected dividends most recently announced: None

3. Consolidated results forecast for the fiscal year ending March 31, 2026 (FY2025)

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

	(Millions of yen, rounded down)				
	(Percentages indicate the rate of change from the same period of the previous fiscal year)				
	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
		%	%	%	% yen
Full fiscal year	2,090,000	(3.0)	148,000	23.2	152,000 13.0 137,000 10.6 826.44

(Note) Revisions of consolidated forecasts most recently announced: None

*Notes

(1) Changes in principal subsidiaries during the quarter under review

(Changes in specified subsidiaries accompanying changes in scope of consolidation): Yes

Newly included: One company: Toyo Construction Co., Ltd.

Excluded: None

(2) Adoption of specific accounting methods for the preparation of quarterly consolidated financial statements: Yes

(Note) For details, please refer to page 12 of the Attachments, "2. Quarterly Consolidated Financial Statements and Principal Notes

(3) Notes to quarterly consolidated financial statements (Adoption of specific accounting methods for the preparation of quarterly consolidated financial statements)."

(3) Changes in accounting principles, changes in accounting estimates and restatements

- (i) Changes in accounting principles due to revisions to accounting standards, etc.: None
- (ii) Changes due to accounting principles other than (i): None
- (iii) Changes in accounting estimates: None
- (iv) Restatements: None

(4) Number of shares outstanding (common stock)

- i. Number of shares outstanding at the end of period (including treasury stock)

As of December 31, 2025 163,185,872 shares

As of March 31, 2025 183,166,472 shares

- ii. Number of treasury shares at the end of period

As of December 31, 2025 175,525 shares

As of March 31, 2025 11,352,272 shares

- iii. Average number of shares during the period (quarterly cumulative period)

FY2025 (Third quarter-end) 166,675,641 shares

FY2024 (Third quarter-end) 183,237,176 shares

(Note) The number of treasury shares at the end of the period and number of treasury shares excluded for calculating average number of shares during the period include the Company's shares held by the Board Benefit Trust (BBT).

(As of December 31, 2025: 98,400 shares, As of March 31, 2025: 98,400 shares, As of December 31, 2024: 98,400 shares)

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No

* Proper use of forecasts of financial results, and other special matters

Forward-looking statements in this document, including the forecasts of financial results, etc., are based on information currently available to the Company and on certain assumptions that the Company deems reasonable and do not represent any promise by the Company. Actual results can be materially different from expectations due to a variety of factors.

For matters related to the forecasts of financial results, please refer to "1. Overview of Operating Results, etc. (3) Explanation of consolidated financial results forecast and other forward-looking information" on page 6 of the Attachments.

Overview of Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2026

(Unit: 100 million yen)

	First three quarters			Full fiscal year		
	Previous fiscal year (From Apr. 1, 2024 to Dec. 31, 2024)	Current fiscal year (From Apr. 1, 2025 to Dec. 31, 2025)	Result	Previous fiscal year (From Apr. 1, 2024 to Mar. 31, 2025)	Current fiscal year (From Apr. 1, 2025 to Mar. 31, 2026)	
	Result	Result	Over previous fiscal year	Result	Forecast	Over previous fiscal year
Amount of orders received	16,442	17,938	1,496	24,375	21,900	(2,475)
Civil engineering	4,720	4,792	71	7,002	6,500	(502)
Building construction	10,617	12,033	1,416	15,731	13,900	(1,831)
Real estate development	1,023	1,025	2	1,507	1,400	(107)
Other	81	86	5	134	100	(34)
Net sales	15,275	14,277	(997)	21,542	20,900	(642)
Civil engineering	4,314	4,633	319	6,306	7,000	693
Building construction	9,838	8,528	(1,309)	13,725	12,400	(1,325)
Real estate development	1,042	1,030	(11)	1,375	1,400	24
Other	81	85	4	134	100	(34)
Gross profit	% 10.3	15.3	5.0	10.7	14.1	3.4
	1,567	2,179	611	2,311	2,940	628
Civil engineering	% 775	18.0 953	20.6 177	19.4 1,220	18.6 1,300	(0.8) 79
Building construction	% 539	5.5 985	11.6 446	5.4 744	10.7 1,330	5.3 585
Real estate development	% 232	22.3 219	21.3 (12)	22.8 313	20.7 290	(2.1) (23)
Other	% 20	25.1 20	24.5 0	23.9 32	20.0 20	(3.9) (12)
SG&A expenses	% (768)	(5.0) (955)	(6.7) (187)	(5.2) (1,109)	(7.0) (1,460)	(1.8) (350)
Operating income	% 5.2	8.6	3.4	5.6	7.1	1.5
	799	1,223	423	1,201	1,480	278
Non-operating income (expenses)		126	81	143	40	(103)
(Net financial revenue)		45	34	49	22	(27)
Ordinary income	% 6.1	9.1	3.0	6.2	7.3	1.1
	925	1,304	379	1,345	1,520	174
Extraordinary gains (losses)		329	263	437	500	62
Income before income taxes	% 8.2	11.0	2.8	8.3	9.7	1.4
	1,255	1,568	313	1,782	2,020	237
Income taxes		(379)	(500)	(503)	(610)	(106)
Net income	% 5.7	7.5	1.8	5.9	6.7	0.8
	875	1,068	192	1,279	1,410	130
Net income attributable to non-controlling interests		(38)	(42)	(41)	(40)	1
Net income attributable to owners of parent	% 5.5	7.2	1.7	5.7	6.6	0.9
	837	1,025	187	1,238	1,370	131

* The forecast for the current fiscal year shows the figures in earnings forecasts released on November 11, 2025.

Overview of Non-consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2026

(Unit: 100 million yen)

	First three quarters		Full fiscal year			
	Previous fiscal year (From Apr. 1, 2024 to Dec. 31, 2024)	Current fiscal year (From Apr. 1, 2025 to Dec. 31, 2025)	Previous fiscal year (From Apr. 1, 2025 to Mar. 31, 2025)	Current fiscal year (From Apr. 1, 2025 to Mar. 31, 2026)		
	Result	Result	Over previous fiscal year	Result	Forecast	Over previous fiscal year
Amount of orders received	12,309	13,452	1,142	18,912	15,200	(3,712)
Civil engineering	2,913	2,722	(191)	4,651	3,500	(1,151)
Domestic	2,889	2,661	(227)	4,650	3,100	(1,550)
Overseas	24	61	36	1	400	398
Building construction	9,180	10,493	1,312	13,774	11,400	(2,374)
Domestic	9,094	10,419	1,325	13,662	11,150	(2,512)
Overseas	86	73	(12)	111	250	138
Total	12,093	13,215	1,121	18,425	14,900	(3,525)
Real estate development	159	178	18	382	204	(178)
Other	56	58	1	104	96	(8)
Net sales	11,531	9,983	(1,548)	16,378	14,300	(2,078)
Civil engineering	2,701	2,765	63	4,037	4,000	(37)
Domestic	2,527	2,592	65	3,822	3,750	(72)
Overseas	174	172	(2)	214	250	35
Building construction	8,584	6,982	(1,602)	11,969	10,000	(1,969)
Domestic	8,385	6,738	(1,647)	11,704	9,560	(2,144)
Overseas	199	243	44	264	440	175
Total	11,286	9,747	(1,539)	16,007	14,000	(2,007)
Real estate development	188	178	(10)	266	204	(62)
Other	56	58	1	104	96	(8)
Gross profit	%	8.4	14.8	6.4	9.2	13.7
		971	1,479	508	1,514	1,960
	%	18.5	21.9	3.4	20.7	21.0
Civil engineering		500	604	104	835	840
	%	4.4	10.9	6.5	4.4	10.0
Building construction		376	759	382	521	1,000
	%	7.8	14.0	6.2	8.5	13.1
Total		877	1,364	487	1,356	1,840
	%	42.5	56.2	13.7	49.8	51.0
Real estate development		80	100	19	132	104
	%	24.3	25.6	1.3	23.9	16.7
Other		13	14	1	25	16
	%	(4.2)	(5.9)	(1.7)	(4.3)	(6.1)
SG&A expenses		(487)	(593)	(106)	(711)	(870)
Operating income	%	4.2	8.9	4.7	4.9	7.6
		484	885	401	802	1,090
Non-operating income (expenses)		70	72	1	68	30
(Net financial revenue)		65	68	2	71	56
Ordinary income	%	4.8	9.6	4.8	5.3	7.8
		554	957	402	871	1,120
Extraordinary gains (losses)		314	275	(38)	437	500
Income before income taxes	%	7.5	12.4	4.9	8.0	11.3
		869	1,233	363	1,308	1,620
Income taxes		(264)	(365)	(100)	(361)	(480)
Net income	%	5.2	8.7	3.5	5.8	8.0
		604	867	262	947	1,140
						192

* The forecast for the current fiscal year shows the figures in earnings forecasts released on November 11, 2025.

Attachments - Contents

1. Overview of Operating Results, etc.	
(1) Overview of operating results for the nine months ended December 31, 2025	6
(2) Overview of financial position for the nine months ended December 31, 2025	6
(3) Explanation of consolidated financial results forecast and other forward-looking information	6
(4) Policy related to cross-shareholdings	7
2. Quarterly Consolidated Financial Statements and Principal Notes	
(1) Quarterly consolidated balance sheet	8
(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income First three quarters of FY2025 (April 1, 2025 to December 31, 2025)	10
(3) Notes to quarterly consolidated financial statements.....	12
3. (Reference) Quarterly Non-consolidated Financial Statements	
(1) (Summary) Quarterly non-consolidated balance sheet	16
(2) (Summary) Quarterly non-consolidated statement of income First three quarters of FY2025 (April 1, 2025 to December 31, 2025)	18
4. Supplementary Information	
(1) (Non-consolidated) Amount of orders received, net sales and balance carried forward	19

1. Overview of Operating Results, etc.

(1) Overview of operating results for the nine months ended December 31, 2025

The Japanese economy has continued a moderate recovery trend, supported by a rebound in personal consumption and capital investment and solid demand from inbound tourism. However, there remains a risk of downward pressure on the economy due to the impact of U.S. trade policies and other factors.

In the construction market, overall construction investment has been steady due to a recovery in private investment and strong public investment. However, manufacturing companies in particular have seen a deterioration in the earnings environment, and therefore, the situation requires even closer monitoring of corporate capital investment trends.

Under these circumstances, the Group's operating results for the nine months ended December 31, 2025 showed that net sales decreased 6.5% year on year to ¥1,427.7 billion due to decreases in the building construction and real estate development businesses, resulting in a progress rate of 68.3% for the full-year forecast.

In terms of profits, gross profit increased 39.0% year on year to ¥217.9 billion (progress rate of 74.1%) due to a turnaround in profit margins in the civil engineering and building construction businesses. Although selling, general and administrative expenses increased 24.4% year on year to ¥95.5 billion (progress rate of 65.5%), operating income increased 53.0% year on year to ¥122.3 billion (progress rate of 82.7%). Ordinary income increased 41.0% year on year to ¥130.4 billion (progress rate of 85.9%) due to an increase in operating income, despite a deterioration in non-operating income (expenses) due in part to a decrease in investment gain on equity method. Net income attributable to owners of parent increased 22.4% year on year to ¥102.5 billion (progress rate of 74.9%) due to an increase in ordinary income, despite a deterioration in extraordinary gains (losses) mainly because of the recognition of impairment losses on assets for business use.

Results by reportable segment are as follows (results by reportable segment include internal transactions between segments).

Civil engineering

Net sales increased 7.5% year on year to ¥489.2 billion due to increases in sales by the Company and its consolidated subsidiaries. Operating income increased 20.3% year on year to ¥64.2 billion due not only to larger revenue but to an increase in gross profit from construction business reflecting the turnaround in profit margins for the Company and its consolidated subsidiaries.

Building construction

Although net sales decreased 13.1% year on year to ¥870.7 billion due to a decrease in sales by the Company, operating income increased 314.1% year on year to ¥45.6 billion due to an increase in gross profit from construction business reflecting the turnaround in profit margins for the Company and its consolidated subsidiaries.

Real estate development

Net sales increased 2.1% year on year to ¥110.8 billion due to an increase in sales by the consolidated subsidiaries. Operating income increased 10.9% year on year to ¥17.7 billion due not only to larger revenue but to an increase in gross profit from real estate development operations reflecting the turnaround in profit margins for the Company.

Others

Net sales increased 3.8% year on year to ¥11.6 billion, and operating income increased 5.0% to ¥1.4 billion.

(2) Overview of financial position for the nine months ended December 31, 2025

Total assets increased by 7.6% or ¥183.8 billion from the end of the previous fiscal year to ¥2,612.7 billion due in part to the consolidation of Toyo Construction Co., Ltd. as a subsidiary during the nine months ended December 31, 2025.

Total liabilities increased by 11.9% or ¥182.2 billion from the end of the previous fiscal year to ¥1,710.4 billion due in part to an increase in interest-bearing debt for fund-raising purposes. The balance of interest-bearing debt for fund-raising purposes increased by 92.7% or ¥292.3 billion from the end of the previous fiscal year to ¥607.8 billion (of which non-recourse debt was ¥22.2 billion).

Net assets increased by 0.2% or ¥1.6 billion from the end of the previous fiscal year to ¥902.3 billion due in part to an increase in unrealized gains on available-for-sale securities, net of taxes due to a rise in the stock market, as well as the recording of net income attributable to owners of parent, despite repurchases of treasury stock. The equity ratio decreased by 2.7 points from the end of the previous fiscal year to 33.0%.

(3) Explanation of consolidated financial results forecast and other forward-looking information

There are no changes to the full year consolidated results forecast announced on November 11, 2025.

(4) Policy related to cross-shareholdings

- Target for reduction: We aim to reduce the amounts of cross-shareholdings to those equivalent to less than 20% of our consolidated net assets by the end of FY2026.



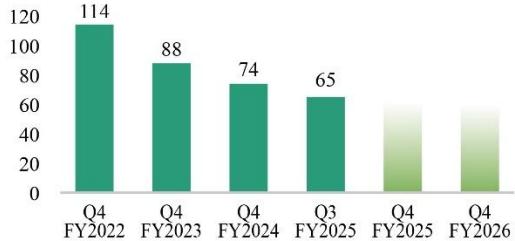
Changes in holding amount and ratio to consolidated net assets



Balance breakdown as of Q3 FY2025

Listed stocks	232.2
Deemed holdings of shares	50.4
Unlisted stocks	13.1
Total	295.8

Number of issues Listed + Deemed holdings



Moving forward, we will consider and implement additional sales, etc. in order to steadily achieve the reduction target, even in the event of fluctuations of the stock price and our consolidated net assets.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and time deposits	240,689	264,401
Notes and accounts receivable trade	939,160	953,212
Cost on uncompleted contracts	69,013	127,956
Real estate for sale and development projects in progress	188,677	211,357
Other inventories	6,992	14,958
Other current assets	15,518	67,502
Allowance for doubtful accounts	(353)	(416)
Total current assets	<u>1,599,698</u>	<u>1,638,973</u>
Fixed assets		
Tangible fixed assets	246,745	302,345
Intangible fixed assets		
Goodwill	8,054	64,540
Other intangible fixed assets	19,484	19,708
Total intangible fixed assets	<u>27,538</u>	<u>84,249</u>
Investments and other assets		
Investment securities	428,326	464,219
Net defined benefit asset	58,171	59,112
Other fixed assets	70,512	66,138
Allowance for doubtful accounts	(2,155)	(2,304)
Total investments and other assets	<u>554,854</u>	<u>587,165</u>
Total fixed assets	<u>829,139</u>	<u>973,760</u>
Total assets	<u>2,428,837</u>	<u>2,612,734</u>

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable trade	553,376	453,049
Short-term borrowings	115,212	216,179
Short-term non-recourse loans payable	208	15
Commercial papers	-	109,924
Straight bonds due within one year	10,000	10,000
Advances received and progress billings on uncompleted contracts	211,132	256,463
Provision for warranties on completed contracts	4,129	3,417
Provision for losses on construction contracts	102,678	84,073
Allowance for losses on orders received	31	7
Other current liabilities	296,155	254,511
Total current liabilities	<u>1,292,924</u>	<u>1,387,641</u>
Long-term liabilities		
Straight bonds	50,000	40,000
Non-recourse bonds payable	100	100
Long-term borrowings	127,799	209,549
Long-term non-recourse loans payable	12,201	22,115
Retirement benefits for directors and corporate auditors	933	906
Provision for share-based remuneration for directors	348	377
Allowance for losses on investments in subsidiaries and affiliates	3,033	1,377
Net defined benefit liability	17,418	21,471
Other long-term liabilities	23,377	26,889
Total long-term liabilities	<u>235,213</u>	<u>322,787</u>
Total liabilities	<u>1,528,137</u>	<u>1,710,429</u>
Net assets		
Shareholders' equity		
Common stock	122,742	122,742
Capital surplus	30,461	30,439
Retained earnings	649,200	558,117
Treasury stock	(73,168)	(915)
Total shareholders' equity	<u>729,234</u>	<u>710,383</u>
Accumulated other comprehensive income		
Unrealized gains on available-for-sale securities, net of taxes	87,254	110,320
Unrealized gains (losses) on hedging derivatives, net of taxes	4	240
Revaluation reserve for land	1,062	1,066
Foreign currency translation adjustments	8,040	3,455
Remeasurements of defined benefit plans	40,592	36,835
Total accumulated other comprehensive income	<u>136,953</u>	<u>151,917</u>
Non-controlling interests	<u>34,511</u>	<u>40,003</u>
Total net assets	<u>900,699</u>	<u>902,305</u>
Total liabilities and net assets	<u>2,428,837</u>	<u>2,612,734</u>

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income

First three quarters of FY2025 (April 1, 2025 to December 31, 2025)

(Millions of yen)

	From April 1, 2024 to December 31, 2024	From April 1, 2025 to December 31, 2025
Net sales		
Construction business	1,394,037	1,290,060
Development projects	133,502	137,698
Total net sales	1,527,540	1,427,758
Cost of sales		
Construction business	1,265,417	1,099,838
Development projects	105,334	109,976
Total cost of sales	1,370,752	1,209,814
Gross profit		
Construction business	128,620	190,222
Development projects	28,167	27,722
Total gross profit	156,788	217,944
Selling, general and administrative expenses	76,829	95,587
Operating income	79,958	122,356
Non-operating income		
Interest income	963	1,161
Dividend income	5,351	4,898
Investment gain on equity method	8,349	4,498
Other non-operating income	1,263	1,716
Total non-operating income	15,928	12,274
Non-operating expenses		
Interest expenses	1,760	2,581
Financing expenses	816	380
Other non-operating expenses	736	1,170
Total non-operating expenses	3,313	4,132
Ordinary income	92,573	130,499
Extraordinary gains		
Gain on sales of investment securities	32,989	30,574
Other extraordinary gains	139	193
Total extraordinary gains	33,129	30,768
Extraordinary losses		
Loss on sales of fixed assets	41	471
Impairment losses on fixed assets	15	3,368
Loss on retirement of fixed assets	40	193
Loss on sales of investment securities	62	175
Other extraordinary losses	34	193
Total extraordinary losses	195	4,403
Income before income taxes	125,506	156,864
Income taxes	37,911	50,035
Net income	87,595	106,829
Net income attributable to non-controlling interests	3,824	4,260
Net income attributable to owners of parent	83,770	102,568

**Quarterly consolidated statement of comprehensive income
First three quarters of FY2025 (April 1, 2025 to December 31, 2025)**

(Millions of yen)

	From April 1, 2024 to December 31, 2024	From April 1, 2025 to December 31, 2025
Net income	87,595	106,829
Other comprehensive income		
Unrealized gains on available-for-sale securities, net of taxes	(57,230)	23,030
Unrealized gains (losses) on hedging derivatives, net of taxes	-	286
Foreign currency translation adjustments	460	(2,262)
Remeasurements of defined benefit plans	(5,186)	(4,291)
Share of other comprehensive income of entities accounted for using equity method	(868)	(1,760)
Total other comprehensive income	(62,825)	15,002
Comprehensive income	24,769	121,831
Comprehensive income attributable to		
Owners of parent	20,998	117,423
Non-controlling interests	3,771	4,408

(3) Notes to quarterly consolidated financial statements

(Notes regarding going concern assumption)

Not applicable.

(Notes regarding substantial changes in the amount of shareholders' equity)

The Company, at the Board of Directors meeting held on November 7, 2024, resolved to repurchase its own shares under Article 156 of the Companies Act, as applied mutatis mutandis pursuant to paragraph 3, Article 165 thereof. As such, the Company acquired 9,062,900 shares of common stock for ¥77,941 million between April 1, 2025 and November 7, 2025 (on a trade basis) through purchases on the Tokyo Stock Exchange.

The 19,980,600 shares of common stock repurchased between November 8, 2024 and November 7, 2025 (on a trade basis) were cancelled effective November 28, 2025, pursuant to the resolution adopted at the Board of Directors meeting held on November 11, 2025.

(Adoption of specific accounting methods for the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax-effect accounting to income before income taxes for the fiscal year, including the third quarter of the fiscal year ending March 31, 2026, and multiplying income before income taxes by said estimated effective tax rate.

However, in cases where the Company records loss before income taxes, the amount is multiplied by the statutory effective tax rate.

(Segment information, etc.)

1. Reporting segment information (net sales and income (loss))

First three quarters of FY2024 (April 1, 2024 – December 31, 2024)

(Millions of yen)

	Reporting segments				Others (Note 1)	Total	Adjustments (Note 2)	Book value in quarterly consolidated statement of income (Note 3)
	Civil engineering	Building construction	Real estate development	Subtotal				
Net sales								
Sales on third party customers	431,423	983,805	104,211	1,519,440	8,100	1,527,540	-	1,527,540
Intersegment transactions or transfers	23,942	17,640	4,341	45,924	3,101	49,025	(49,025)	-
Total	455,365	1,001,445	108,553	1,565,364	11,201	1,576,566	(49,025)	1,527,540
Segment operating income	53,455	11,015	15,973	80,445	1,363	81,808	(1,850)	79,958

Notes 1. Businesses that cannot be classified into the Company's reporting segments are shown as "Others."

This includes the incidental business of construction business such as cooperative research, technical service, and environmental measurement, and logistics business, and also, leisure-related business and other service business.

2. The adjustments of segment operating income of ¥(1,850) million includes elimination of intersegment transaction amounting to ¥(1,452) million and amortization of goodwill amounting to ¥(397) million.

3. Segment operating income is adjusted in accordance with operating income of the quarterly consolidated statement of income.

1. Reporting segment information (net sales and income (loss))

First three quarters of FY2025 (April 1, 2025 – December 31, 2025)

(Millions of yen)

	Reporting segments				Others (Note 1)	Total	Adjustments (Note 2)	Book value in quarterly consolidated statement of income (Note 3)
	Civil engineering	Building construction	Real estate development	Subtotal				
Net sales								
Sales on third party customers	463,398	852,810	103,023	1,419,233	8,525	1,427,758	-	1,427,758
Intersegment transactions or transfers	25,898	17,932	7,848	51,679	3,099	54,778	(54,778)	-
Total	489,296	870,743	110,872	1,470,913	11,624	1,482,537	(54,778)	1,427,758
Segment operating income	64,293	45,611	17,714	127,619	1,432	129,051	(6,694)	122,356

Notes 1. Businesses that cannot be classified into the Company's reporting segments are shown as "Others."

This includes the incidental business of construction business such as cooperative research, technical service, and environmental measurement, and logistics business, and also, leisure-related business and other service business.

2. The adjustments of segment operating income of ¥(6,694) million includes elimination of intersegment transaction amounting to ¥(4,195) million and amortization of goodwill amounting to ¥(2,499) million.

3. Segment operating income is adjusted in accordance with operating income of the quarterly consolidated statement of income.

2. Reporting segment information (impairment losses on fixed assets or goodwill, etc.)

(Significant impairment losses on fixed assets)

During the third quarter of the fiscal year ending March 31, 2026, an impairment loss of ¥2,775 million was recorded on assets for business use in the Others segment.

The impairment loss recorded in the quarterly consolidated statement of income for the nine months ended December 31, 2025

amounted to ¥3,368 million (¥61 million in total for the Civil engineering and Building construction segments, ¥532 million in the Real estate development segment, and ¥2,775 million in Others).

(Significant change in amount of goodwill)

The Company has acquired shares of Toyo Construction Co., Ltd. in the Civil engineering and Building construction segments, making it a consolidated subsidiary. The increase in goodwill resulting from such transaction amounted to ¥58,856 million for the nine months ended December 31, 2025.

The amount of goodwill was provisionally calculated since the allocation of the acquisition cost had not been completed as of December 31, 2025.

(Notes on the statement of cash flows)

The Company does not prepare quarterly consolidated statement of cash flows for the nine months ended December 31, 2025.

Depreciation (including amortization of intangible assets aside from goodwill) and amortization of goodwill for the nine months ended December 31 2025 are as follows.

	From April 1, 2024 to December 31, 2024	From April 1, 2025 to December 31, 2025	(Millions of yen)
Depreciation	11,703	11,873	
Amortization of goodwill	397	2,499	

(Business combination, etc.)

Business combination through acquisition

1. Overview of business combination

(1) Name and business description of acquiree

Name of acquiree Toyo Construction Co., Ltd.

Business description General construction business (marine and land civil engineering, building construction), real estate business, etc.

(2) Main reasons for business combination

Under the [TAISEI VISION 2030] Achievement Plan, the Company focused more than ever on the healthy development of the construction industry through industry transformation (IX) to steadily implement transforming businesses utilizing M&A. At the same time, it explored every opportunity to build a new growth foundation specifying the following targets: vertical integration targeting to secure appropriate workforce and labor-saving, integration of value chains aimed at new value creation, and overseas business development aiming at business expansion. Amid this situation, the Company recognized the potential for various synergies by closely collaborating with the acquiree and mutually leveraging their respective strengths. The Company's expertise lies in onshore construction, while the acquiree has outstanding technology and an extensive track record in offshore construction. Based on this, the Company implemented a tender offer for the shares of the acquiree. Furthermore, as part of the procedures to make the Company and Maeda Corporation the only shareholders of the acquiree, the acquiree conducted a share consolidation effective December 18, 2025, and acquired treasury shares targeting the acquiree's shares held by Maeda Corporation on December 19, 2025, thereby becoming a wholly owned subsidiary of the Company.

(3) Date of business combination

September 30, 2025

(4) Legal form of business combination

Acquisition of shares for cash consideration

(5) Name of entity after business combination

There is no change.

(6) Percentage of voting rights of acquired shares

Before the acquisition	- %
------------------------	-----

After the tender offer	61.81%
------------------------	--------

After the treasury share acquisition	100.00%
--------------------------------------	---------

(7) Main reason for deciding to acquire the entity

The shares were acquired for cash consideration.

2. Period of the acquiree's financial results included in the quarterly consolidated statement of income

From October 1, 2025 to December 31, 2025

3. Breakdown of the acquisition cost for the acquiree by type of consideration

Consideration for the acquisition	Cash and deposits	¥102,034 million
-----------------------------------	-------------------	------------------

Acquisition cost		¥102,034 million
------------------	--	------------------

4. Details and amount of major acquisition-related expenses
Advisory fees, etc. ￥917 million

5. Amount of goodwill recognized, reason for recognition, and method and period of amortization

(1) Amount of goodwill recognized

￥58,856 million

The amount of goodwill was provisionally calculated since the allocation of the acquisition cost had not been completed as of December 31, 2025.

As a result of the Company's acquisition of all fractional shares arising from the share consolidation, the consideration for acquisition is expected to increase by ￥29.6 billion, with goodwill amounting to ￥88.5 billion.

(2) Reason for recognition

Since the acquisition cost exceeded the fair value of net assets at the time of the business combination, the difference was recorded as goodwill.

(3) Method and period of amortization

Amortization on the straight-line method over a period of seven years

3. (Reference) Quarterly Non-consolidated Financial Statements

(1) (Summary) Quarterly non-consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and time deposits	147,069	147,272
Notes and accounts receivable trade	755,966	694,536
Securities	60,000	-
Real estate for sale	32,672	31,162
Cost on uncompleted contracts	64,781	108,941
Cost on development projects in progress	11,690	15,761
Other current assets	83,788	51,269
Allowance for doubtful accounts	(115)	(117)
Total current assets	<u>1,155,852</u>	<u>1,048,826</u>
Fixed assets		
Tangible fixed assets	165,424	175,707
Intangible fixed assets	15,337	14,376
Investments and other assets		
Investment securities	540,611	691,638
Other fixed assets	78,612	97,600
Allowance for doubtful accounts	(7,199)	(7,536)
Total investments and other assets	<u>612,024</u>	<u>781,702</u>
Total fixed assets	<u>792,787</u>	<u>971,787</u>
Total assets	<u>1,948,640</u>	<u>2,020,613</u>

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable trade	479,148	352,999
Short-term borrowings	79,752	157,104
Commercial papers	-	109,924
Straight bonds due within one year	10,000	10,000
Advances received and progress billings on uncompleted contracts	174,578	210,060
Deposit received	268,204	245,948
Provision for warranties on completed contracts	3,236	2,170
Provision for losses on construction contracts	102,279	82,903
Other current liabilities	75,357	57,818
Total current liabilities	<u>1,192,555</u>	<u>1,228,928</u>
Long-term liabilities		
Straight bonds	50,000	40,000
Long-term borrowings	94,699	156,954
Provision for retirement benefits	13,092	9,402
Provision for share-based remuneration for directors	72	114
Allowance for losses on investments in subsidiaries and affiliates	-	420
Other long-term liabilities	4,737	4,935
Total long-term liabilities	<u>162,602</u>	<u>211,827</u>
Total liabilities	<u>1,355,158</u>	<u>1,440,756</u>
Net assets		
Shareholders' equity		
Common stock	122,742	122,742
Capital surplus	30,686	30,686
Additional paid-in-capital	30,686	30,686
Retained earnings	427,989	321,132
Other retained earnings	427,989	321,132
Reserve for tax deferment on replacement of fixed assets	1,395	1,395
Reserve for purchase of specified shares	250	250
Other reserve	319,500	226,500
Retained earnings carried forward	106,843	92,986
Treasury stock	(72,966)	(713)
Total shareholders' equity	<u>508,451</u>	<u>473,847</u>
Accumulated gains from valuation		
Unrealized gains on available-for-sale securities, net of taxes	85,030	106,009
Total accumulated gains from valuation	<u>85,030</u>	<u>106,009</u>
Total net assets	<u>593,481</u>	<u>579,857</u>
Total liabilities and net assets	<u>1,948,640</u>	<u>2,020,613</u>

(2) (Summary) Quarterly non-consolidated statement of income
First three quarters of FY2025 (April 1, 2025 to December 31, 2025)

(Millions of yen)

	From April 1, 2024 to December 31, 2024	From April 1, 2025 to December 31, 2025
Net sales		
Construction business	1,128,643	974,715
Development projects	24,552	23,649
Total net sales	1,153,195	998,365
Cost of sales		
Construction business	1,040,923	838,282
Development projects	15,136	12,143
Total cost of sales	1,056,060	850,426
Gross profit		
Construction business	87,719	136,433
Development projects	9,415	11,506
Total gross profit	97,134	147,939
Selling, general and administrative expenses	48,711	59,396
Operating income	48,423	88,542
Non-operating income	8,467	10,480
Non-operating expenses	1,406	3,275
Ordinary income	55,485	95,747
Extraordinary gains	31,550	30,555
Extraordinary losses	93	2,986
Income before income taxes	86,942	123,316
Income taxes	26,460	36,538
Net income	60,482	86,778

(Reference) Net income per share FY2025 (Third quarter-end): 520.55 yen
 FY2024 (Third quarter-end): 330.07 yen

(Notes)

1. The Company's quarterly non-consolidated financial statements are prepared in accordance with the "Ordinance on the Terminology, Forms, and Preparation Methods of Quarterly Financial Statements, etc." and the "Construction Industry Law's enforcement regulations."
2. Classifications of categories are noted in summary.

4. Supplementary Information

(1) (Non-consolidated) Amount of orders received, net sales and balance carried forward

(i) Amount of orders received

	First three quarters of FY2024 April 1, 2024 to December 31, 2024 (Note)	%	First three quarters of FY2025 April 1, 2025 to December 31, 2025 (Note)	%	Change over previous year	Rate of change	FY2024 (Full year) April 1, 2024 to March 31, 2025 (Note)	(Millions of yen)
Civil engineering (1)								
Domestic public sector	217,722	17.7	190,974	14.2	(26,748)	(12.3)	328,529	17.4
Domestic private sector	71,182	5.8	75,157	5.5	3,975	5.6	136,481	7.2
Overseas	2,450	0.2	6,116	0.5	3,665	149.6	117	0.0
Total	291,355	23.7	272,248	20.2	(19,107)	(6.6)	465,127	24.6
Building construction (2)								
Domestic public sector	72,975	5.9	106,318	7.9	33,343	45.7	140,196	7.4
Domestic private sector	836,428	67.9	935,597	69.6	99,169	11.9	1,226,030	64.8
Overseas	8,602	0.7	7,386	0.5	(1,215)	(14.1)	11,185	0.6
Total	918,005	74.5	1,049,302	78.0	131,297	14.3	1,377,412	72.8
Total (1) + (2)								
Domestic public sector	290,698	23.6	297,293	22.1	6,595	2.3	468,726	24.8
Domestic private sector	907,610	73.7	1,010,754	75.1	103,144	11.4	1,362,511	72.0
Overseas	11,052	0.9	13,503	1.0	2,450	22.2	11,302	0.6
Subtotal	1,209,361	98.2	1,321,551	98.2	112,189	9.3	1,842,540	97.4
Real estate development	15,958	1.3	17,830	1.3	1,872	11.7	38,224	2.0
Other	5,655	0.5	5,830	0.5	175	3.1	10,491	0.6
Total	1,230,975	100.0	1,345,213	100.0	114,237	9.3	1,891,256	100.0

Note: The percentages indicate the proportion.

(ii) Net sales

	First three quarters of FY2024 April 1, 2024 to December 31, 2024 (Note)	%	First three quarters of FY2025 April 1, 2025 to December 31, 2025 (Note)	%	Change over previous year	Rate of change	FY2024 (Full year) April 1, 2024 to March 31, 2025 (Note)	(Millions of yen)
Civil engineering (1)								
Domestic public sector	179,808	15.6	177,633	17.8	(2,174)	(1.2)	270,553	16.5
Domestic private sector	72,901	6.3	81,651	8.2	8,749	12.0	111,688	6.8
Overseas	17,438	1.5	17,228	1.7	(210)	(1.2)	21,488	1.3
Total	270,149	23.4	276,514	27.7	6,364	2.4	403,730	24.6
Building construction (2)								
Domestic public sector	116,153	10.1	82,524	8.3	(33,628)	(29.0)	160,925	9.8
Domestic private sector	722,376	62.7	591,287	59.2	(131,089)	(18.1)	1,009,559	61.7
Overseas	19,963	1.7	24,389	2.4	4,426	22.2	26,489	1.6
Total	858,493	74.5	698,201	69.9	(160,292)	(18.7)	1,196,974	73.1
Total (1) + (2)								
Domestic public sector	295,962	25.7	260,158	26.1	(35,803)	(12.1)	431,478	26.3
Domestic private sector	795,278	69.0	672,939	67.4	(122,339)	(15.4)	1,121,248	68.5
Overseas	37,402	3.2	41,618	4.1	4,215	11.3	47,977	2.9
Subtotal	1,128,643	97.9	974,715	97.6	(153,927)	(13.6)	1,600,704	97.7
Real estate development	18,897	1.6	17,818	1.8	(1,078)	(5.7)	26,627	1.6
Other	5,655	0.5	5,830	0.6	175	3.1	10,491	0.7
Total	1,153,195	100.0	998,365	100.0	(154,830)	(13.4)	1,637,823	100.0

Note: The percentages indicate the proportion.

(iii) Balance carried forward

(Millions of yen)

	First three quarters of FY2024 As of December 31, 2024 (Note)	%	First three quarters of FY2025 As of December 31, 2025 (Note)	%	Change over previous year	Rate of change	FY2024 (Full year) As of March 31, 2025	(Note)	%
Civil engineering (1)									
Domestic public sector	615,294	21.6	648,697	19.2	33,403	5.4	635,356	21.0	
Domestic private sector	299,636	10.5	319,653	9.5	20,017	6.7	326,147	10.8	
Overseas	68,180	2.4	50,685	1.5	(17,495)	(25.7)	61,797	2.0	
Total	983,110	34.5	1,019,035	30.2	35,925	3.7	1,023,301	33.8	
Building construction (2)									
Domestic public sector	262,261	9.2	308,504	9.2	46,243	17.6	284,710	9.4	
Domestic private sector	1,530,750	53.7	1,977,479	58.6	446,729	29.2	1,633,170	53.9	
Overseas	75,254	2.6	54,309	1.6	(20,945)	(27.8)	71,312	2.4	
Total	1,868,266	65.5	2,340,294	69.4	472,027	25.3	1,989,193	65.7	
Total (1) + (2)									
Domestic public sector	877,555	30.8	957,202	28.4	79,646	9.1	920,067	30.4	
Domestic private sector	1,830,386	64.2	2,297,133	68.1	466,746	25.5	1,959,317	64.7	
Overseas	143,435	5.0	104,995	3.1	(38,440)	(26.8)	133,109	4.4	
Subtotal	2,851,377	100.0	3,359,330	99.6	507,953	17.8	3,012,494	99.5	
Real estate development	-	-	14,548	0.4	14,548	0.0	14,536	0.5	
Other	-	-	-	-	-	-	-	-	-
Total	2,851,377	100.0	3,373,879	100.0	522,502	18.3	3,027,031	100.0	

Note: The percentages indicate the proportion.