

# Business Report for the 166th

## General Meeting of Shareholders

The Attached Documents to the Notice of  
the General Meeting of Shareholders

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



*For a Lively World*

## TAISEI CORPORATION

Securities Code: 1801

### IMPORTANT NOTE:

The documents are English translations of the “Business Report for the 166th General Meeting of Shareholders (*Dai-166-kai Jigyō Hokokusho*)” of Taisei Corporation, and are prepared solely for the convenience of shareholders who are non-Japanese speakers. In the event that any of the information contained in these English translations is inconsistent with the information contained in the Japanese original documents, the Japanese original texts shall prevail.

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<https://s.srdb.jp/1801/>



## 1 Current State of the Company and its Affiliated Companies

### (1) Progress and Results of Operations

The Japanese economy, while individual consumer spending and capital investments seem to come out of a slump, has generally maintained its gradual recovery.

In the construction industry, overall construction investments have continued to be steady, backed not only by the recovery of the private investments, but also by the strong public investments.

However, the outlook for the situation in the Middle East and for U.S. trade policies remains uncertain, and these developments require continued close monitoring.

Under these circumstances, the Company and its affiliated companies (collectively, the "Taisei Group") reported consolidated results of its operations as follows: orders received of ¥2,436.2 billion, a 0.1% decrease, net sales of ¥2,089.0 billion, a 3.0% decrease, operating income of ¥187.9 billion, a 56.4% increase, ordinary income of ¥195.7 billion, a 45.6% increase, and net income attributable to owners of parent (the Company's shareholders) for the year of ¥170.0 billion, a 37.3% increase, compared to the previous fiscal year.

The status for orders and sales in each segment is as follows:

|   |  |
|---|--|
| Orders received                             | ¥2,436.2 billion<br>Compared to the previous FY 0.1% ↓ |
| Net sales                                   | ¥2,089.0 billion<br>Compared to the previous FY 3.0% ↓ |
| Operating income                            | ¥187.9 billion<br>Compared to the previous FY 56.4% ↑  |
| Ordinary income                             | ¥195.7 billion<br>Compared to the previous FY 45.6% ↑  |
| Net income attributable to owners of parent | ¥170.0 billion<br>Compared to the previous FY 37.3% ↑  |

## CIVIL ENGINEERING BUSINESS

Sales Ratio  
within the Group  
**32.5%**

New orders for the Taisei Group were worth ¥720.0 billion, a 2.8% increase compared to the previous fiscal year, as there was an increase in new orders received by the Company's consolidated subsidiaries.

New orders for the Company were worth ¥425.7 billion, a 8.5% decrease compared to the previous fiscal year. The percentages of new orders from government agencies, private companies and overseas construction projects out of the total were 60.7%, 31.5% and 7.8%, respectively, and the percentage of orders received without competitive bidding out of the total was 32.2%.

Net sales for the Taisei Group were ¥679.7 billion, a 7.8% increase compared to the previous fiscal year, because an increase in net sales was observed in the Company's consolidated subsidiaries.

Net sales for the Company were ¥394.8 billion, a 2.2% decrease compared to the previous fiscal year.

|                  |                 |   |
|------------------|-----------------|---|
| The Taisei Group | Orders received | <b>¥720.0 billion</b><br>Compared to the previous FY 2.8% ↑ |
|                  | Net sales       | <b>¥679.7 billion</b><br>Compared to the previous FY 7.8% ↑ |
| The Company      | Orders received | <b>¥425.7 billion</b><br>Compared to the previous FY 8.5% ↓ |
|                  | Net sales       | <b>¥394.8 billion</b><br>Compared to the previous FY 2.2% ↓ |

## BUILDING CONSTRUCTION BUSINESS

Sales Ratio  
within the Group  
**59.8%**

New orders for the Taisei Group were worth ¥1,553.8 billion, a 1.2% decrease compared to the previous fiscal year, as there was a decrease in new orders received by the Company.

New orders for the Company were worth ¥1,318.8 billion, a 4.3% decrease compared to the previous fiscal year. The percentages of new orders from government agencies, private companies and overseas construction projects out of the total were 13.6%, 85.9% and 0.5%, respectively, and the percentage of orders received without competitive bidding out of the total was 41.6%.

Net sales for the Taisei Group were ¥1,248.5 billion, a 9.0% decrease compared to the previous fiscal year, because a decrease in net sales was observed in the Company.

Net sales for the Company were ¥1,021.4 billion, a 14.7% decrease compared to the previous fiscal year.

|                  |                 |  |
|------------------|-----------------|--|
| The Taisei Group | Orders received | <b>¥1,553.8 billion</b><br>Compared to the previous FY 1.2% ↓  |
|                  | Net sales       | <b>¥1,248.5 billion</b><br>Compared to the previous FY 9.0% ↓  |
| The Company      | Orders received | <b>¥1,318.8 billion</b><br>Compared to the previous FY 4.3% ↓  |
|                  | Net sales       | <b>¥1,021.4 billion</b><br>Compared to the previous FY 14.7% ↓ |

The major new orders received and the major projects completed by Civil Engineering and Building Construction Business Divisions during FY ended March 2025 are shown on page 4 to page 5.

## REAL ESTATE DEVELOPMENT BUSINESS



In the real estate industry, the movements of return to office have continued, the recent vacancy rate has been on a downward trend, and the rent has been on an upward trend in the building leasing market, and the real estate sales market continued to be steady by virtue of strong investors' demand.

Net sales of the Taisei Group in the real estate segment were ¥144.1 billion, a 4.8% increase compared to the previous fiscal year, because an increase in net sales was observed in the Company's consolidated subsidiaries.

## OTHER BUSINESSES



Net sales of the Taisei Group in this segment were ¥16.5 billion, a 23.3% increase compared to the previous fiscal year, because an increase in the net sales was observed in the Company.

The new orders received, net sales, and total balance of contract backlog for each segment of the Taisei Group are as follows:

(Unit: ¥ Billion)

|                                  | Backlog at the Beginning of This Period (April 1, 2025) | New Orders Received | Net Sales | Backlog Carried over Next Period |
|----------------------------------|---|---------------------|-----------|----------------------------------|
| CIVIL ENGINEERING                | 1,241.2   | 720.0               | 679.7     | 1,419.1                          |
| BUILDING CONSTRUCTION            | 2,184.8   | 1,553.8             | 1,248.5   | 2,630.6                          |
| REAL ESTATE DEVELOPMENT BUSINESS | 17.7  | 145.7               | 144.1     | 19.3                             |
| OTHER BUSINESSES                 | N/A   | 16.5                | 16.5      | N/A                              |
| TOTAL:                           | 3,443.9   | 2,436.2             | 2,089.0   | 4,069.2                          |

The new orders received, net sales, and total balance of contract backlog for each segment of the Company are as follows:

(Unit: ¥ Billion)

|                                  | Backlog at the Beginning of This Period (April 1, 2025) | New Orders Received | Net Sales | Backlog Carried over Next Period |
|----------------------------------|---|---------------------|-----------|----------------------------------|
| CIVIL ENGINEERING                | 1,023.3   | 425.7               | 394.8     | 1,054.2                          |
| BUILDING CONSTRUCTION            | 1,989.1   | 1,318.8             | 1,021.4   | 2,286.5                          |
| SUB TOTAL:                       | 3,012.4   | 1,744.5             | 1,416.2   | 3,340.8                          |
| REAL ESTATE DEVELOPMENT BUSINESS | 14.5  | 25.5                | 22.9      | 17.1                             |
| OTHER BUSINESSES                 | N/A   | 13.0                | 13.0      | N/A                              |
| TOTAL:                           | 3,027.0   | 1,783.2             | 1,452.2   | 3,357.9                          |

# Major new orders received during the fiscal year ended March 2026



Shakuji river upstream underground regulating reservoir works (Nishi-Tokyo-shi and Musashino-shi, Tokyo)  
Owner: Tokyo Metropolitan Government



Shinagawa Station West Exit Area, District A New Construction Plan (tentative name)  
(Minato-ku, Tokyo)  
Owner: Keikyu Corporation



Kabutoyama Water Treatment Plant Upgrade Project, Construction of New Water Treatment Plant  
(Himeji-shi, Hyogo)  
Owner: Himeji City



The plan for renovation, demolition and building construction work for the Osaka-Chuo Branch of Sumitomo Mitsui Banking Corporation (Osaka-shi, Osaka)  
Owner: Sumitomo Mitsui Banking Corporation



Odori-nishi 4 South, Type 1 District Redevelopment Project  
(Sapporo-shi, Hokkaido)  
Owner: Odori-nishi 4 South District Urban Redevelopment Association

## Major projects completed during the fiscal year ended March 2026



Construction of the Nanma Dam's Primary Structure  
(Kanuma-shi, Tochigi)  
Owner: Japan Water Agency



Shin-Meishin Expressway, Construction Work for Ujitawara No. 2 Viaduct (PC superstructure)  
(Tsuzuki-gun, Kyoto)  
Owner: West Nippon Expressway Company Limited



Tokyo Electron Miyagi Ltd. New Building Construction Work for Development R&D Building 3  
(Kurokawa-gun, Miyagi)  
Owner: Tokyo Electron Miyagi Ltd.



Minato-ku Mita 1-chome Project (tentative name)  
(Minato-ku, Tokyo)  
Owner: Mitsui Fudosan Residential Co., Ltd.  
Mitsubishi Estate Residence Co., Ltd.



Newly Building Construction Work for Akasaka 2-chome Project (tentative name)  
(Minato-ku, Tokyo)  
Owner: Mori Trust Co., Ltd.  
NTT Urban Development Corporation

## (2) Investments, etc. in Plant and Equipment

The Group's investment in plant and equipment during the fiscal year ended March 2026 (fiscal year 2025) was 78.2 billion yen in total. The major investment was for the acquisition of logistics facilities in the real estate development business.

## (3) Issues to Be Dealt with

In order to realize medium- to long-term vision of the Group, in May 2024, the Group formulated [TAISEI VISION 2030] Achievement Plan where the Group put together the policies and measures we should address in the next seven years, and the Medium-Term Business Plan (2024-2026) where the Group set numerical targets, etc. as milestones for the next three years.

Based on these plans, the Group will steadily implement investments required to acquire future growth and business profit opportunities, in addition to developing medium- to long-term business strategies and their supporting business foundations for each business segment.

[TAISEI VISION 2030] achievement plan and the Medium-Term Business Plan are posted on the Company's website. ▶ <https://www.taisei.co.jp/english/ir/policy/plan/>



## [TAISEI VISION 2030]

(Medium- to Long-Term Vision) ~Embodying Taisei Group Philosophy and Taisei Spirit~

The Ever-Evolving The CDE<sup>3 (cubed)</sup> Company  
[Construction, Development, Engineering, Energy, Environment]

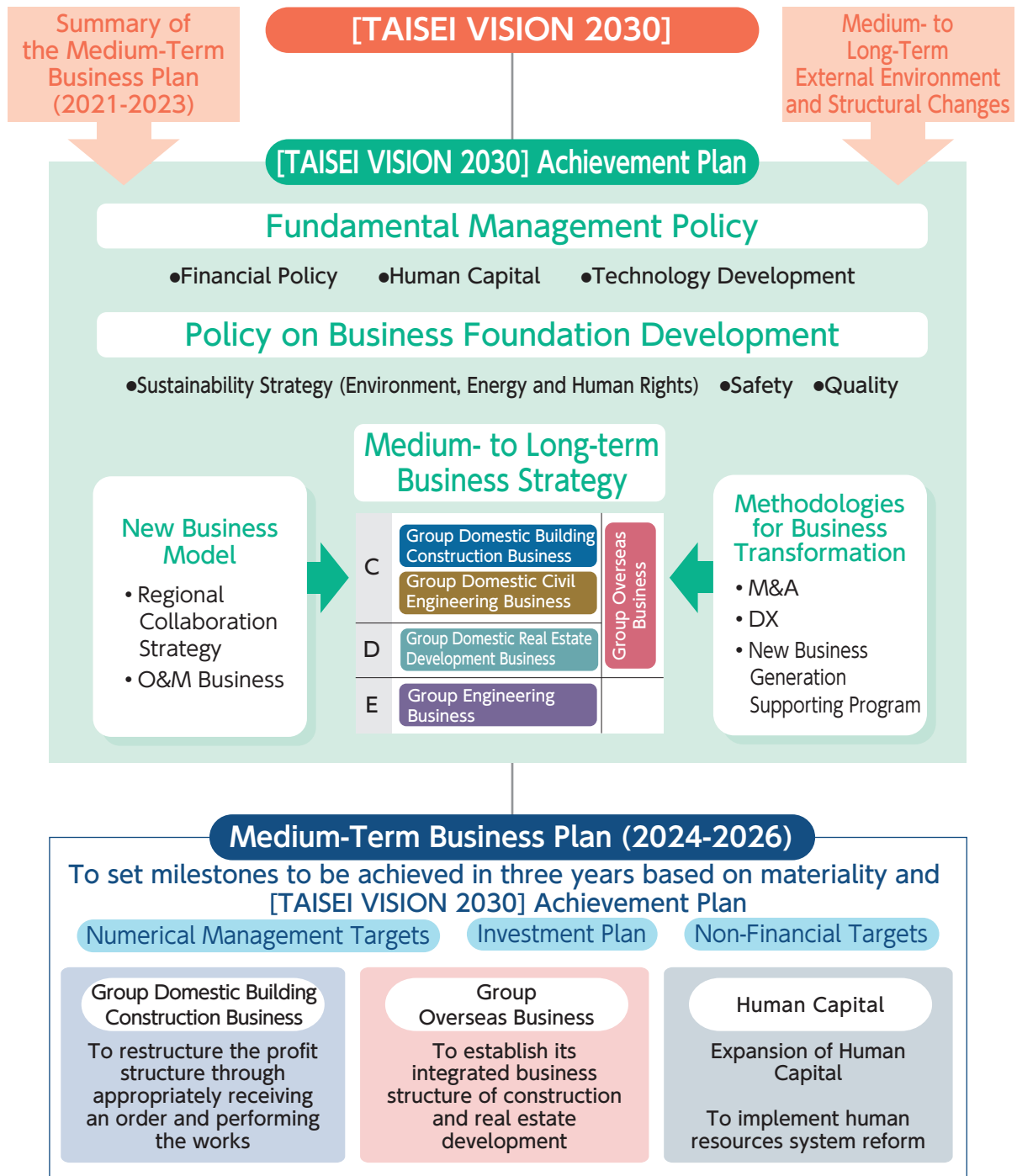
A pioneering corporate group "contributing to the development of a resilient society where people can live affluent and cultural lives"

| Basic stance |   | Numerical Outlook for Performance (Profit-oriented) |   |
|--------------|---|---|---|
| 1            | Achieving safety and security   | 1   | Group net income <b>Approx. ¥150.0 billion</b>          |
| 2            | Optimal utilization of "Human Capital", "Technology" and "Intelligence" | 2   | ROE <b>Approx. 10%</b>                                  |
|              |   |   | *Estimated Group net sales <b>Approx. ¥2.5 trillion</b> |

### Returns to stakeholders

|   |                                   |   |
|---|-----------------------------------|---|
| 1 | Customers, Suppliers, and Society | Returns through CDE <sup>3</sup> , resolving issues, and new value creation   |
| 2 | Shareholders                      | Dividend payout ratio: 25-30%<br>*Planned change to a "Dividend payout ratio with minimum ratio: 40%" in FY 2026  |
| 3 | Employees                         | Creation of an attractive working environment that enables diverse employees to leverage their skills to the maximum possible extent; expansion of Human Capital Investment; physical, mental, and social health and feeling of happiness (well-being); and realization of diverse career paths |

# Overview of [TAISEI VISION 2030] Achievement Plan



## Medium-Term Business Plan (2024-2026)

### Progress of Business Performance

In FY2025, following FY2024, the Taisei Group achieved results that exceeded the numerical management targets set forth in the Medium-Term Business Plan (2024-2026), namely “Group operating income of ¥120.0 billion,” “Group net income of ¥80.0 billion,” and “ROE of approximately 8.5%.”

In FY2026, by promoting business operations with a clear emphasis on profit growth, the Taisei Group aims to further increase Group operating income, which represents the earning power of its core business, to a level significantly exceeding the results achieved in FY2025.

|                        | Progress of Medium-Term Business Plan (2024-2026): |                  |  |                  |
|------------------------|--|------------------|--|------------------|
|                        | FY2024   | FY2025           | FY2026                                     |                  |
|                        | Achievements                                       | Achievements     | Numerical management targets <sup>*1</sup> | Forecast         |
| Group operating income | ¥120.1 billion                                     | ¥187.9 billion   | ¥120.0 billion                             | ¥188.0 billion   |
| Group net income       | ¥123.8 billion                                     | ¥170.0 billion   | ¥80.0 billion                              | ¥151.0 billion   |
| ROE                    | 13.8%  | 18.7%            | Approx. 8.5% <sup>*2</sup>                 | 15.4%            |
| [Ref.] Group net sales | ¥2,154.2 billion                                   | ¥2,089.0 billion | Approx. ¥1,950.0 billion                   | ¥2,420.0 billion |

Notes:

1. At the time the Medium-Term Business Plan was formulated (May, 2024)

2. Approx. 10%, if the sale of cross-shareholdings progresses in line with the target

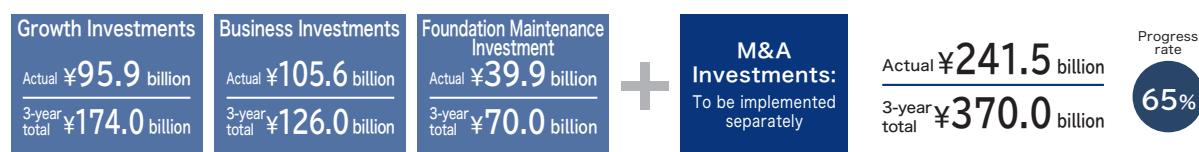
### Progress of Investments

In FY2025, progress has reached approximately 65% and is generally in line with the plan.

The investment plan for the period of the Medium-Term Business Plan has been revised from the initial ¥350.0 billion to ¥370.0 billion, reflecting increased investment in human capital and the incorporation of investment plans of companies newly added to the Group through M&A, among other factors.

With regard to M&A, the Company made Toyo Construction Co., Ltd., which has strengths in marine civil engineering works, a wholly-owned subsidiary of the Company in December 2025, and made NeoSphere Co., Ltd., which operates a telecommunications and infrastructure business as a subsidiary of LENDLEASE JAPAN, INC., a consolidated subsidiary of the Company in April 2026.

The Company will continue to promote such initiatives proactively, including those pursued outside the scope of the investment plan.



Note: The three-year total of ¥126.0 billion in business investments includes a ¥250.0 billion decrease from the recovery of development-related investments.

## (For your reference) Major Initiatives Related to Human Resource Systems and Human Capital Development

In order to realize its Medium- to Long-Term Vision [TAISEI VISION 2030], the Company implemented a significant revision of its human resource systems in FY2025, including the introduction of the role-based grading system, raising of the retirement age, introduction of the work location selection plan, establishment of the transfer allowance, and expansion of the separate-residence allowance.

Furthermore, the Company has been proactively working on human capital development based on the recognition that personnel cost is not a “cost” but an “investment.”

### Development of AI and Digital Talent (Development of DX Talent)

The Company has introduced “ChatGPT Enterprise” by OpenAI from FY2025 and is promoting expansion of the number of employees utilizing such tools, with the aim of developing digital talent and enhancing intellectual productivity.

#### 1. Overview of the initiative

This initiative goes beyond the mere introduction of tools and promotes company-wide digital talent development as well as development of the work environment in parallel. The Company is working to enhance its digital competitiveness and transform its intellectual productivity by utilizing generative AI to improve business processes and accelerate decision-making. The Company aims to develop a workforce of 5,000 digital talent.

#### 2. Progress of talent development

The Company has maintained an active usage rate of 85 to 90% since the early stage of implementation, and a culture of co-creation across divisions and generations, enabled by AI, is emerging through cross-functional knowledge sharing, workshops, and other measures. Utilizing generative AI has contributed not only to improving individual work efficiency but also to cross-functional knowledge sharing and enhancing collaboration.

#### 3. Development of the usage environment

To establish a secure and highly functional environment, the Company has implemented integration with its internal authentication infrastructure and developed extended functionalities, including connectors for integration with its internal tools. The Company has achieved business process automation and enhanced knowledge utilization through the integration of ChatGPT with tools including Teams, SharePoint, and Outlook. User surveys indicate a high level of user satisfaction, with 99% or more of respondents expressing a desire to continue using ChatGPT.

Launch of one of the largest generative AI projects  
in the construction industry Press release ▶

[https://www.taisei.co.jp/about\\_us/wn/2025/251117\\_10436.html](https://www.taisei.co.jp/about_us/wn/2025/251117_10436.html)



### Liberal arts training

- ◆ The Company has established educational opportunities to foster “human capabilities” and a “liberal arts perspective”, in addition to technological capabilities and expertise.
- ◆ The Company has implemented liberal arts programs, with the aim of broadening ways of thinking and fostering multi-dimensional perspectives through exposure to diverse knowledge.

The Company has provided the following three programs, which have been attended by approximately 6,000 employees:

- ① For newly appointed general managers: Liberal Arts Thinking Business Program  
By combining input from lecture videos with output through group discussions in a case-based learning format, participants enhance their conceptual thinking and insight;
- ② For newly appointed managers in charge of business lines: Liberal Arts Business Cafe  
Through watching lecture videos delivered by university professors and other experts, and sharing reflections and insights in group discussions, participants develop the ability to connect liberal arts to their daily work; and
- ③ For all managers in charge of business lines and other interested employees: Unlimited on-demand access to liberal arts lecture videos.

\*Definition of Liberal Arts Thinking: A way of thinking that draws on a broad range of liberal arts, including history, philosophy, the arts, and the natural sciences, to understand business challenges from multiple perspectives and foster flexible insight and creativity

## (For your reference) Promotion of Corporate Culture Reform and Engagement Survey Results

### ① Progress of the Corporate Culture Reform Activities

The Company has taken seriously the inappropriate incidents related to quality and construction process that have occurred in recent years, and has been continuously working on the Corporate Culture Reform since 2023.

The Company will encourage proactive behavioral change among executives and employees while valuing direct dialogues between management and employees, and foster an environment in which each employee can fully demonstrate their abilities while maintaining a sense of pride and ownership of their work.

With a view to the future of all those involved in the Taisei Group's business, the Company aims to achieve sustainable enhancement of corporate value and stable growth through the realization of a "Corporate Culture Where Lives of Employees Are Respected."

#### <Main Initiatives for the Corporate Culture Reform>

- Direct dialogues between employees and management: Conducted with approximately 2,000 employees per year
- Management meetings and communication of company policies in response to employee feedback
- Appointment of "person in charge of promoting the Corporate Culture Reform" in each organization and establishment of a promotion structure
- Corporate Culture Reform working group activities: Participation by 500 or more volunteer employees nationwide
- Relaxation of the dress code for executives and employees, and renovation of the employee cafeteria at the head office
- Information sharing through the in-house SNS and distribution of dialogue videos featuring members of the management



Discussion at a management meeting

### ② Engagement Survey Results and Identification of Current Challenges

The Company has conducted engagement surveys since June 2022, and worked to identify company-wide challenges, promptly respond to them, and promote continuous reform activities in each organization.

As a result, the engagement score in the latest survey improved to 59.6pt (A).

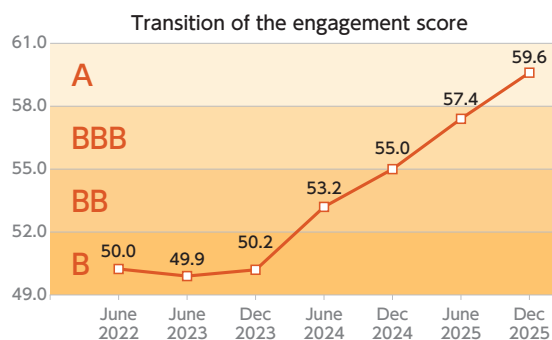
Particularly, scores related to the Company improved, indicating increased employee confidence in the stability and outlook of the Company's management, including management strategy, business performance, and external environment.

In addition, the Company and Taisei Setsubi Co., Ltd. received the "Motivation Company" award at the "Best Motivation Company Awards 2026" presented by Link and Motivation Inc.

#### <Identification of Current Challenges>

Although survey items such as company-wide solidarity and communication across organizational levels have improved through the Corporate Culture Reform initiatives, they remain relatively low compared with other items.

The Company will continue its initiatives, including promoting dialogues across organizational levels and strengthening cooperation across organizations, thereby contributing to the sustainable enhancement of corporate value.



## (For your reference) Initiatives to address sustainability challenges

In [TAISEI VISION 2030] Achievement Plan, the Taisei Group positions technology development as one of the Fundamental Management Policies and the sustainability strategy as one of the Policies on Business Foundation Development, respectively, and promotes initiatives to address sustainability challenges across each core business.

In particular, with regard to climate change, which is an urgent issue, the Taisei Group is advancing innovative technology development, including the realization of zero-carbon buildings that achieves a net-zero CO<sub>2</sub> balance throughout the entire building life cycle by utilizing “T-ZCB<sup>®\*</sup>”, an evaluation index for zero-carbon buildings, as well as the development and implementation of T-e Concrete<sup>®</sup>, which significantly reduces CO<sub>2</sub> emissions.

In February 2026, the Taisei Group commenced full-scale operations at the Taisei Group Next-Generation Technology Research Institute in Satte (Satte City, Saitama Prefecture) (“Institute”), whose core facility is Japan’s first zero-carbon building, serving as a hub for accelerating decarbonization in the construction and road infrastructure sectors. The Institute is the Taisei Group’s new research hub which enables the seamless development of innovative technologies and materials, from research and demonstration to practical implementation, to realize a decarbonized society, a circular economy, and a nature co-existing society.

By leveraging the Institute, the Taisei Group will accelerate research and demonstration of materials and construction technologies in the construction and road infrastructure sectors that contribute to decarbonization, as well as initiatives to address sustainability challenges.

\*Taisei’s proprietary index for systematically evaluating building decarbonization performance by visualizing CO<sub>2</sub> emissions and their reduction impact throughout the entire building life cycle (procurement, construction, operation and maintenance, renovation, and demolition)



Taisei Group Next-Generation Technology  
Research Institute in Satte Special Site  
<https://www.aisei-satelab.jp/index.html>



Taisei Group Next-Generation Technology  
Research Institute in Satte Press release  
[https://www.aisei.co.jp/about\\_us/wn/2026/260216\\_10936.html](https://www.aisei.co.jp/about_us/wn/2026/260216_10936.html)



## Actions to Realize Management that is Conscious of the Cost of Capital and Stock Price

In the Medium-Term Business Plan (2024-2026) publicly announced in May 2024, the Company has positioned financial policy as one of its fundamental management policies, and has organized policies on the optimal capital structure and fund allocation policy while maintaining financial discipline.

In addition, based on these policies, the Company will strive to realize [TAISEI VISION 2030], which will lead to enhancement of corporate value, by promoting “measures to strengthen profitability,” “measures to develop growth foundations such as human capital and technology development,” and “shareholder return measures.”

From the next fiscal year, the Company will increase the dividend payout ratio from 30% to 40% and adopt a “dividend payout ratio of 40% with a minimum ratio,” with the aim to further enhance shareholder returns.

Based on the policy above, the Company will set the annual dividend at a minimum of ¥380.00 per share (including an interim dividend of ¥190.00, corresponding to a dividend payout ratio of 41.0%), which corresponds to a dividend payout ratio of 40% of the initial forecast of consolidated net income, and if the Company’s performance exceeds the forecast, the Company will revise the dividend forecast upward in line with a dividend payout ratio of 40%.

With regard to the acquisition of treasury shares, the Company will implement it continuously and flexibly, while giving the top priority to growth investments.

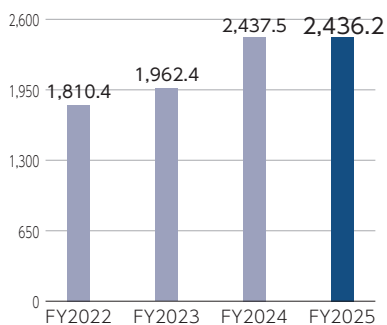
The Company will also continue its efforts to disclose the progress of various measures and to engage in dialogues with stakeholders.

## (4) Transition of Assets and Income

(Transition of Assets and Income of the Taisei Group)

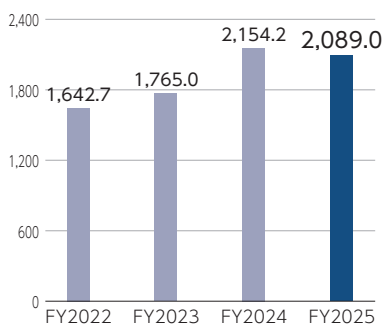
### Order Received

(Billions of yen)



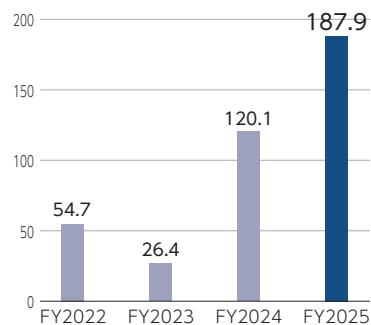
### Net Sales

(Billions of yen)



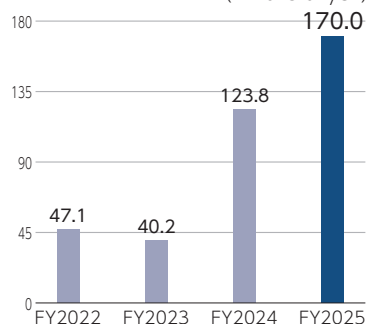
### Operating Income

(Billions of yen)



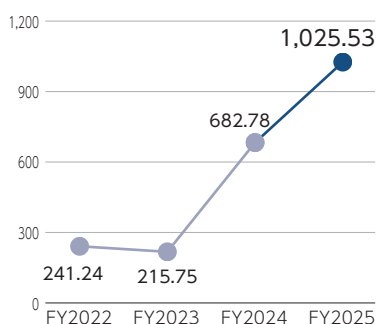
### Net Income Attributable to Owners of Parent

(Billions of yen)



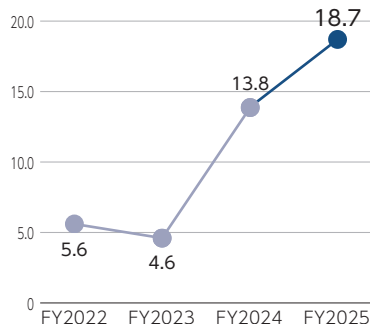
### Net Income per Share

(yen)



### ROE (Return on Equity)

(%)

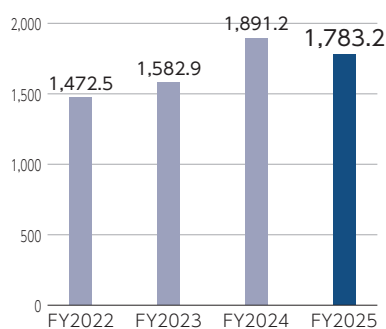


| (Unit: Billions of yen)                     | FY 2022 | FY 2023 | FY 2024 | FY 2025<br>(Current FY) |
|---|---------|---------|---------|-------------------------|
| Order Received                              | 1,810.4 | 1,962.4 | 2,437.5 | 2,436.2                 |
| Net Sales                                   | 1,642.7 | 1,765.0 | 2,154.2 | 2,089.0                 |
| Operating Income                            | 54.7    | 26.4    | 120.1   | 187.9                   |
| Net Income Attributable to Owners of Parent | 47.1    | 40.2    | 123.8   | 170.0                   |
| Net Income per Share<br>(Unit: Yen)         | 241.24  | 215.75  | 682.78  | 1,025.53                |
| Total Assets                                | 2,016.7 | 2,583.6 | 2,428.8 | 2,714.5                 |
| Net Assets                                  | 833.9   | 961.0   | 900.6   | 989.9                   |
| ROE (Return on Equity)                      | 5.6%    | 4.6%    | 13.8%   | 18.7%                   |

(Transition of Assets and Income of the Company)

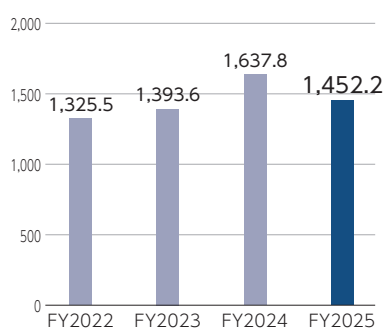
Order Received

(Billions of yen)



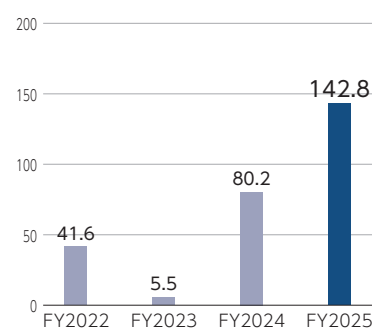
Net Sales

(Billions of yen)



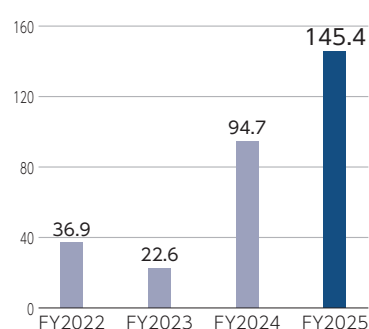
Operating Income

(Billions of yen)



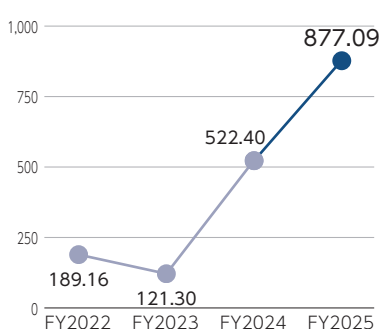
Net Income

(Billions of yen)



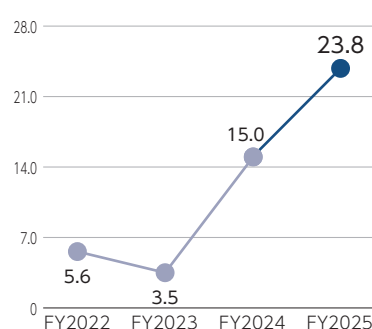
Net Income per Share

(yen)



Return on Equity

(%)



| (Unit: Billions of yen)             | FY 2022 | FY 2023 | FY 2024 | FY 2025<br>(Current FY) |
|-------------------------------------|---------|---------|---------|-------------------------|
| Order Received                      | 1,472.5 | 1,582.9 | 1,891.2 | 1,783.2                 |
| Net Sales                           | 1,325.5 | 1,393.6 | 1,637.8 | 1,452.2                 |
| Operating Income                    | 41.6    | 5.5     | 80.2    | 142.8                   |
| Net Income                          | 36.9    | 22.6    | 94.7    | 145.4                   |
| Net Income per Share<br>(Unit: Yen) | 189.16  | 121.30  | 522.40  | 877.09                  |
| Total Assets                        | 1,756.2 | 2,057.7 | 1,948.6 | 2,036.1                 |
| Net Assets                          | 635.8   | 669.6   | 593.4   | 628.5                   |
| ROE (Return on Equity)              | 5.6%    | 3.5%    | 15.0%   | 23.8%                   |

## (5) Principal Content of Business Undertakings

The Taisei Group's principal content of business undertakings consists of the following segments:

|                                  |   |
|----------------------------------|---|
| Civil engineering business       | The business relating to the construction works of all kinds of the civil engineering structures  |
| Building construction business   | The business relating to the construction works of all kinds of the building  |
| Real estate development business | Sale & purchase, lease, management, brokerage and all the other businesses related to real estate   |
| Other businesses                 | The business incidental or relating to construction business such as research undertaking, provision of technology and environmental measurements, leisure-related businesses, and other services |

The Company as the main operating company is licensed by the Ministry of Land, Infrastructure, Transport and Tourism as an Ordinary and Special Construction Contractor (license (HAN/TOKU-3) No. 300) under the Construction Business Act, and as a Licensed Real-Estate Transaction Agent (license (15) No. 607) under the Building Lots and Building Transaction Business Act, and is mainly engaged in the following business:

- (a) Planning, surveying, design, supervision, construction, engineering and consulting, relating to building works, civil engineering works, and other construction works of all kinds;
- (b) Sale & purchase, lease, brokerage and management of real estate; and
- (c) Urban development, regional development, etc.

## (6) Major Subsidiaries

| Name of Company                     | Common Stock<br>(Unit: Billions of yen) | Investment Ratio<br>of the Company<br>(%) | Principal Content of Business Undertakings  |
|-------------------------------------|---|---|---|
| Toyo Construction Co., Ltd.         | 14.0                                    | 100.0                                     | Contract, planning, design and construction of marine and land civil engineering works and building works, and real estate business   |
| Taisei Rotec Corporation            | 11.3                                    | 100.0                                     | Design, construction and supervision of pavement works and other civil engineering works as well as the manufacture and sale of asphalt mixture for pavement and other construction materials |
| Taisei-Yuraku Real Estate Co., Ltd. | 10.0                                    | 100.0                                     | Development, lease, sub-lease, brokerage, and appraisal of real estate; maintenance, operation, management and renewal of building; and, insurance agent business                             |
| Taisei U-Lec Co., Ltd.              | 4.5                                     | 100.0                                     | Research, surveying, planning, design, supervision, construction and technical assistance relating to building works, civil engineering works, and other construction works of all kinds      |
| PS Construction Co., Ltd.           | 4.2                                     | 50.2                                      | Contract, planning, design and construction management of prestressed concrete works, civil engineering works and building construction works   |
| Taisei Setsubi Co., Ltd.            | 0.6                                     | 99.9                                      | Air-conditioning facilities works, sanitary engineering works, electrical engineering works, interior works and other businesses relating to building facilities of all kinds                 |

## **(7) Major Offices, etc.**

### **(a) The Company**

#### **Head Office:**

25-1, Nishi-Shinjuku 1-chome, Shinjuku-ku, Tokyo, Japan

#### **Branch Offices:**

Tokyo Branch (Shinjuku-ku, Tokyo)  
Kansai Branch (Osaka-shi, Osaka)  
Chubu Branch (Nagoya-shi, Aichi)  
Kyushu Branch (Fukuoka-shi, Fukuoka)  
Sapporo Branch (Sapporo-shi, Hokkaido)  
Tohoku Branch (Sendai-shi, Miyagi)  
Chugoku Branch (Hiroshima-shi, Hiroshima)  
Yokohama Branch (Yokohama-shi, Kanagawa)  
Hokushinetsu Branch (Niigata-shi, Niigata)  
Shikoku Branch (Takamatsu-shi, Kagawa)  
Chiba Branch (Chiba-shi, Chiba)  
Kanto Branch (Saitama-shi, Saitama)  
Kobe Branch (Kobe-shi, Hyogo)  
Kyoto Branch (Kyoto-shi, Kyoto)  
Kanazawa Branch (Kanazawa-shi, Ishikawa)

#### **Business Division:**

International Operations Headquarters (Shinjuku-ku, Tokyo)

#### **Overseas Offices:**

Philippine Office (Manila)  
Singapore Office  
Kuala Lumpur Office  
Jakarta Office  
India Office (Gurugram)  
Middle East Office (Doha)  
Bangladesh Office (Dhaka)

Taisei Advanced Center of Technology (Yokohama-shi, Kanagawa)

#### **Note:**

The Company established Tokyo Civil Engineering Branch on April 1, 2026 and integrated the Civil Engineering Departments of Tokyo Branch, Chiba Branch and Kanto Branch.

### **(b) Major Subsidiaries**

#### **Domestic**

Toyo Construction Co., Ltd. (Osaka-shi, Osaka)  
Taisei Rotec Corporation (Shinjuku-ku, Tokyo)  
Taisei-Yuraku Real Estate Co., Ltd. (Chuo-ku, Tokyo)  
Taisei U-Lec Co., Ltd. (Minato-ku, Tokyo)  
PS Construction Co., Ltd. (Minato-ku, Tokyo)  
Taisei Setsubi Co., Ltd. (Shinjuku-ku, Tokyo)  
Seiwa Renewal Works Co., Ltd. (Minato-ku, Tokyo)  
Taisei Housing Corporation (Shinjuku-ku, Tokyo)  
Satohide Corporation (Shibuya-ku, Tokyo)

#### **Overseas**

Vinata International Company Limited (Vietnam)  
Taisei Philippine Construction Incorporated (Philippines)  
Taisei (Thailand) Co., Ltd. (Thailand)  
PT. Taisei Pulauintan Construction International (Indonesia)  
Taisei India Private Limited (India)  
Taisei Corporation (subsidiary in Taiwan) (Taiwan)  
Taisei USA LLC (USA)

## (8) Status of Employees

### (a) The Taisei Group

| Business Segments                | Number of Employees (Unit: Persons) |  |
|----------------------------------|-------------------------------------|--|
|                                  | At the Fiscal Year-End              | Change from Previous Fiscal Year End<br>[△: decrease ] |
| CIVIL ENGINEERING BUSINESS       | 6,648 [1,322]                       | 1,230 [274]  |
| BUILDING CONSTRUCTION BUSINESS   | 9,898 [1,930]                       | 897 [340]  |
| REAL ESTATE DEVELOPMENT BUSINESS | 1,772 [1,741]                       | △23 [△10]  |
| OTHER BUSINESSES                 | 185 [92]                            | 17 [△3]  |
| TOTAL:                           | 18,503 [5,085]                      | 2,121 [601]  |

Note:

The "Number of Employees" shows the number of permanent employees working at the Taisei Group, and the number shown in square brackets [ ] shows the yearly average of temporary employees, which is not included in the "Number of Employees".

### (b) The Company

| Number of Employees (Unit: Persons) |                                      | Average Age | Average Years of Employment |
|-------------------------------------|--------------------------------------|-------------|-----------------------------|
| At the Fiscal Year-End              | Change from Previous Fiscal Year-End |             |                             |
| 9,518                               | 524                                  | 42.3        | 17.0                        |

Notes:

1. The "Number of Employees" shows the number of permanent employees working at the Company.
2. The number of permanent employees who belong to the Company (including the employees on loan working in other companies and excluding the workers on loan from other companies) is 9,652.

## (9) Major Lenders

| Name of Lender                      | Loaned Amount<br>(Unit: Billions of yen) |
|-------------------------------------|--|
| Mizuho Bank, Ltd.                   | 101.2                                    |
| MUFG Bank, Ltd.                     | 47.6                                     |
| Sumitomo Mitsui Banking Corporation | 37.1                                     |
| Sumitomo Mitsui Trust Bank, Limited | 32.9                                     |
| Resona Bank, Limited                | 27.9                                     |

## (10) Other Important Particulars regarding the Current Status of the Group Companies

- ① The Company received a cease and desist order from the Japan Fair Trade Commission (the “Commission”) in December 2020, which alleged that the Company had violated the Antimonopoly Act in relation to the construction of new terminal stations (Shinagawa and Nagoya Stations) for the Linear Chuo Shinkansen using the open-cut excavation method. The Company, however, expressed its dissatisfaction with such order and filed a lawsuit to request the Commission to revoke such order in March 2021. Nevertheless, the Company received a decision to dismiss the Company’s claim from the Tokyo District Court in June 2024 and received a decision to dismiss its appeal from the Tokyo High Court in May 2025. In response to this, the Company has filed a final appeal and a petition for acceptance of a final appeal to the Supreme Court on this case in May 2025.
- ② As announced on September 25, 2025, the Company acquired 58,305,532 shares (Voting Rights Ownership Ratio: 61.8%) as a result of the tender offer for shares of Toyo Construction Co., Ltd. (“Toyo”), and made Toyo the Company’s consolidated subsidiary as of September 30, 2025. Thereafter, upon completion of a series of squeeze-out procedures and other related transactions, the Company made Toyo a wholly-owned subsidiary as of December 19, 2025.
- ③ As announced on February 6, 2026, the Company acquired 80% of the shares of NeoSphere Co., Ltd. (“NeoSphere”), which operates a telecommunications and infrastructure business as a subsidiary of LENDLEASE JAPAN, INC., and made NeoSphere the Company’s consolidated subsidiary as of April 1, 2026.

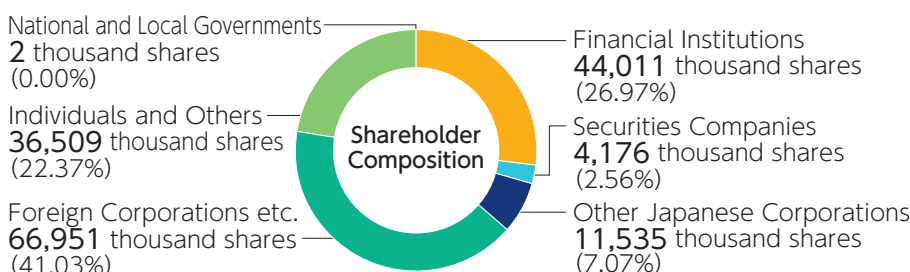
## 2 Matters Related to the Company's Shares

(1) Number of Shares Authorized: 440,000,000-

(2) Number of Shares Issued: 163,185,872-

The Number of shares issued includes the Company's treasury shares, the number of which is 47,872-.

(3) Number of Shareholders: 53,377-



(4) Major Shareholders (Top 10):

| Name of Shareholder  | Number of Shares Held<br>(Unit: Thousand Shares) | Ratio of Shares Held (%) |
|--|--|--------------------------|
| The Master Trust Bank of Japan, Ltd. (Trust Account)               | 25,245   | 15.47                    |
| Custody Bank of Japan, Ltd. (Trust Account)                        | 9,827  | 6.02                     |
| Taisei Associates' Shareholding Plan                               | 6,185  | 3.79                     |
| THE CHASE MANHATTAN BANK, N.A. LONDON SECS LENDING OMNIBUS ACCOUNT | 4,990  | 3.06                     |
| State Street Bank and Trust Company 505001                         | 4,444  | 2.72                     |
| State Street Bank and Trust Company 505223                         | 3,734  | 2.29                     |
| Taisei Employees' Shareholding Plan                                | 3,598  | 2.21                     |
| Meiji Yasuda Life Insurance Company                                | 2,847  | 1.75                     |
| MITSUBISHI ESTATE CO., LTD.  | 2,426  | 1.49                     |
| JP MORGAN CHASE BANK 385781  | 2,136  | 1.31                     |

Note 1: The Company's treasury shares (47,872-) are excluded in calculating the Ratio of Shares Held.

Note 2: The shares owned by the Board Benefit Trust (BBT) (98,400-) are not included in the Company's treasury shares (47,872-).

(5) Other Important Matters Related to the Company's Shares

- ① The Company acquired 19,980,600 ordinary shares of the Company during the period from November 8, 2024 to November 7, 2025 (on a trade-date basis), pursuant to a resolution of the Board meeting held on November 7, 2024. In addition, pursuant to a resolution of the Board meeting held on November 11, 2025, the Company cancelled, as of November 28, 2025, the 19,980,600 treasury shares acquired through market purchases during the period from November 8, 2024 to November 7, 2025 (on a trade-date basis).
- ② At the Board meeting held on May 13, 2025, the Company resolved to dispose of treasury shares as restricted stock under the restricted stock incentive plan for the employee shareholding association, with the Taisei Employees' Shareholding Plan as the allottee, and disposed of 260,940 ordinary shares of the Company held as treasury shares on July 25, 2025.

### 3 Matters Related to the Company Officers

#### (1) Name, etc. of Members of the Board and Audit & Supervisory Board Members

| Name              | Position<br><i>Business in Charge</i>  | Important Concurrent Position  |
|-------------------|--|--|
| Shigeyoshi TANAKA | Chairman<br>Member of the Board (Representative Director)  |  |
| Yoshiro AIKAWA    | President and Chief Executive Officer<br>Member of the Board (Representative Director)   |  |
| Masahiko OKADA    | Member of the Board (Representative Director)<br><i>Chief of Business Administration Division</i>  |  |
| Kenji SHIRAKAWA   | Member of the Board<br><i>Chief of Civil Engineering Division</i>  |  |
| Junichi KASAHARA  | Member of the Board<br><i>In Charge of Human Resources System Reform;</i><br><i>In Charge of Corporate Culture Reform;</i><br><i>Deputy Chief of Business Administration Division</i>  |  |
| Mayuki YAMAURA    | Member of the Board<br><i>Chief of Architecture &amp; Engineering Division (Integrated);</i><br><i>Chief of Building Construction Division</i>   |  |
| Yuichiro YOSHINO  | Member of the Board<br><i>In Charge of Building Construction Business Strategy;</i><br><i>In Charge of Corporate Culture Reform;</i><br><i>Deputy Chief of Corporate Planning Office;</i><br><i>Deputy Chief of Architecture &amp; Engineering Division (Integrated);</i><br><i>Deputy Chief of Engineering Division</i> |  |
| Norio OTSUKA      | Member of the Board<br><b>External Member</b> <b>Independent Executive</b>   | Outside Director of WORLD TRADE CENTER BUILDING, INC.  |
| Fumiya KOKUBU     | Member of the Board<br><b>External Member</b> <b>Independent Executive</b>   | Outside Director of Honda Motor Co., Ltd.  |
| Tsutomu KAMIJO    | Member of the Board<br><b>External Member</b> <b>Independent Executive</b>   | External Member of the Board of OKAMURA CORPORATION  |
| Hiroko KOIDE      | Member of the Board<br><b>External Member</b> <b>Independent Executive</b>   | Outside Director of J. FRONT RETAILING Co., Ltd.   |
| Takashi HAYASHI   | Audit & Supervisory Board Member (full-time)   |  |
| Shuichi OKUDA     | Audit & Supervisory Board Member (full-time)   |  |
| Yasuhiro SATO     | Audit & Supervisory Board Member<br><b>External Member</b> <b>Independent Executive</b>  |  |
| Keiko OHARA       | Audit & Supervisory Board Member<br><b>External Member</b> <b>Independent Executive</b>  | Partner, Kamiyacho International Law Office<br>Director, Member of the board (Independent) of Financial Products Group Co., Ltd.<br>Outside Director of FUJI KYUKO CO., LTD. |
| Kazuhiro MIYAUCHI | Audit & Supervisory Board Member<br><b>External Member</b> <b>Independent Executive</b>  |  |

Notes:

- Ms. Atsuko NISHIMURA resigned from her position as an External Member of the Board on February 28, 2026. She was also an Outside Director of INPEX CORPORATION.
- Mr. Yoshimi OGATA resigned from his position as an External Audit & Supervisory Board Member on December 15, 2025.
- Out of the Members of the Board, Messrs. Norio OTSUKA, Fumiya KOKUBU and Tsutomu KAMIJO, and Ms. Hiroko KOIDE, are External Members of the Board. All of them meet the criteria of independency prescribed by Tokyo Stock Exchange, Inc. and are registered as independent directors according to Rule 436-2 of Securities Listing Regulations of Tokyo Stock Exchange, Inc.
- Out of Audit & Supervisory Board Members, Mr. Yasuhiro SATO, Ms. Keiko OHARA, and Mr. Kazuhiro MIYAUCHI, are External Audit & Supervisory Board Members. All of them meet the criteria of independency prescribed by Tokyo Stock Exchange, Inc. and are registered as independent auditors according to Rule 436-2 of Securities Listing Regulations of Tokyo Stock Exchange, Inc.
- Mr. Takashi HAYASHI, as an Audit & Supervisory Board Member, has been engaged in management of the Company and its subsidiaries for over the years and has considerable knowledge and insight about finance and accounting.
- Mr. Shuichi OKUDA, as an Audit & Supervisory Board Member, has served as the general manager of Accounting Department of the Company and Chief of Sustainability Management Promotion Division thereof and has considerable knowledge and insight about finance and accounting.
- Mr. Yasuhiro SATO, as an Audit & Supervisory Board Member, has been engaged in banking and management of financial institutions for over the years and has considerable knowledge and insight about finance and accounting.
- Mr. Kazuhiro MIYAUCHI, as an Audit & Supervisory Board Member, has been engaged in affairs of the Board of Audit of Japan for over the years and has considerable knowledge and insight about finance and accounting.
- During this fiscal year, changes of important concurrent positions are as follows.

| Classification      | Name          | Important concurrent position               | Details of change | Date of change |
|---------------------|---------------|---|-------------------|----------------|
| Member of the Board | Fumiya KOKUBU | Member of the Board of Marubeni Corporation | Left the position | June 20, 2025  |

## (2) Summary of the Contract to Limit the Liability

In order for a Member of the Board (other than an executive Member of the Board, etc.) and an Audit & Supervisory Board Member to fulfill their expected roles, the Articles of Incorporation of the Company stipulates that the Company may enter into a contract with a Member of the Board (other than an executive Member of the Board, etc.) and an Audit & Supervisory Board Member to limit their maximum liability for the damages to the Company within a certain range.

The summary of the contracts to limit the liability that the Company has entered into with Ms. Atsuko NISHIMURA, Mr. Norio OTSUKA, Mr. Fumiya KOKUBU, Mr. Tsutomu KAMIJO and Ms. Hiroko KOIDE, as the Members of the Board, and all the Audit & Supervisory Board Members in accordance with the relevant provisions of the Articles of Incorporation of the Company is as follows.

### (Contract to Limit the Liability with a Member of the Board)

With regard to the liability specified in Paragraph 1 of Article 423 of the Companies Act, a Member of the Board shall be liable for the damages up to an amount of 10 million yen or the total amount specified in Items 1 and 2 of Paragraph 1 of Article 425 of the Companies Act, whichever is higher, provided that the Member of the Board has performed his/her duties in good faith and without gross negligence.

### (Contract to Limit the Liability with an Audit & Supervisory Board Member)

With regard to the liability specified in Paragraph 1 of Article 423 of the Companies Act, an Audit & Supervisory Board Member shall be liable for the damages up to an amount of 10 million yen or the total amount specified in Items 1 and 2 of Paragraph 1 of Article 425 of the Companies Act, whichever is higher, provided that the Audit & Supervisory Board Member has performed his/her duties in good faith and without gross negligence.

### **(3) Outline of the Company's Indemnity Agreements**

The Company executes an indemnity agreement with each of the Members of the Board and Audit & Supervisory Board Members as stipulated in paragraph 1 of Article 430-2 of the Companies Act to compensate him/her for expenses as stipulated in item 1 of the same paragraph and losses as stipulated in item 2 of the same paragraph respectively within the range stipulated in the relevant laws and regulations.

However, whether actual compensation needs to be made shall be decided in accordance with a resolution of the Board. In addition, where a Member of the Board or an Audit & Supervisory Board Member is held liable for the expenses or losses incurred, we do not in principle compensate him/her for such expenses or losses, and where the Member of the Board or the Audit & Supervisory Board Member has performed his/her duties in bad faith or with gross negligence, we let him/her return the expenses or the losses compensated for. Thus, we have taken certain measures so as not to impair the proper performance of duties by the Member of the Board or the Audit & Supervisory Board Member to be compensated.

### **(4) Outline of the Directors and Officers Liability Insurance Agreement**

The Company has entered into a directors and officers liability insurance agreement with an insurance company in which each Member of the Board and each Audit & Supervisory Board Member is to be covered as the insured. The details of the insurance agreement are outlined as follows:

① Premiums to substantially be incurred by each insured

All insurance premiums are to be incurred by the Company, and each insured is not to incur any premium.

② Outline of incidents to be covered by the insurance

Damage is to be covered by the insurance that each insured is liable for when he or she performs his or her duty or that is caused when his or her liability is questioned and claims are made (excluding cases falling under any of the reasons for exemption of liability as exclusions, such as the case that the insured intentionally performed the act recognizing the violation of the laws and regulations, as stipulated in the insurance agreement). In addition, each Company's executive officers are also to be covered as the insured.

### **(5) Remuneration, etc. for Members of the Board and Audit & Supervisory Board Members in the Current Business Year**

① Matters concerning policies on determination of the remuneration, etc. for each Member of the Board

Based on the deliberation at the Remuneration Committee, which is authorized to deliberate the details of remuneration, etc. before the Board's decision, the Board decided on a policy on determination of the content of compensation, etc. for each Member of the Board at the Board meeting held on February 25, 2021. The details are as follows:

1. Fundamental policy on the determination of the details of remuneration, etc. for each Member of the Board

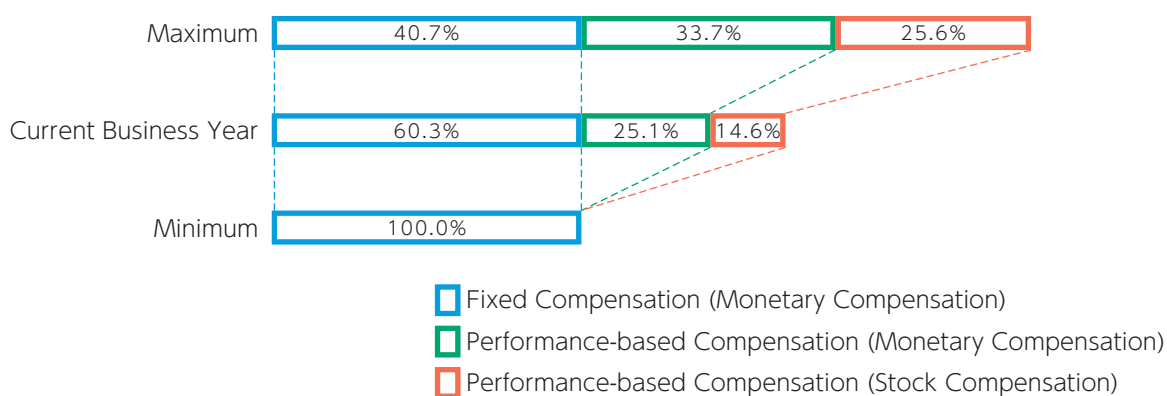
The remuneration, etc. for Members of the Board of the Company consists of fixed compensation and performance-based compensation, both of which are monetary compensation, as well as non-monetary performance-based compensation (stock compensation).

The above policy of remuneration was decided comprehensively considering the matters such as the business scale, content, and performance of both the Company and the Taisei Group, as well as the duties and responsibilities of each Member of the Board.

When determining the details of remuneration, etc. for each Member of the Board, the Board will decide the details of remuneration for each Member of the Board, taking account of the responsibilities and positions of each Member of the Board (including the concurrent positions as an Executive Officer, if applicable; the same applies hereafter), based on deliberation at the Remuneration Committee, which is authorized to deliberate the details of remuneration, etc. before the Board's decision.

At the Remuneration Committee, the Chairperson and the majority of the members of the Committee are independent External Members of the Board, where an independent External Audit & Supervisory Board Member serves as an observer of the Committee. Thus, the Remuneration Committee establishes the system to properly study the details of remuneration, etc. for each Member of the Board.

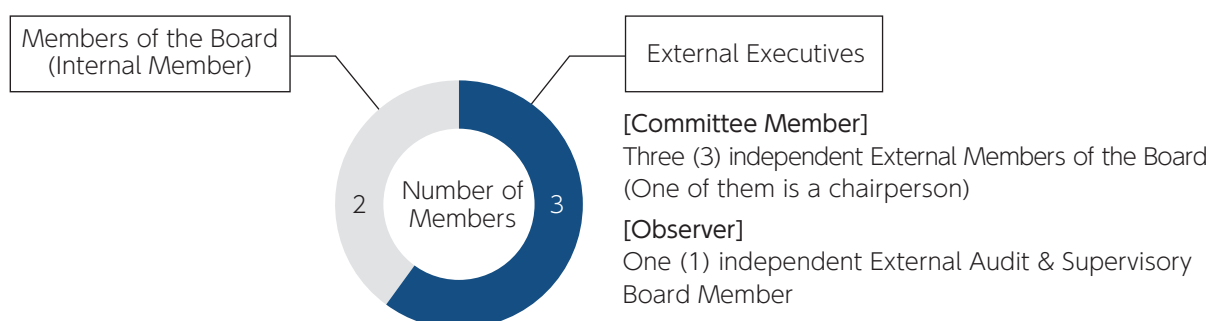
### [Schematic diagram of remuneration of Members of the Board of the Company]



Notes:

1. The above ratio is the remuneration for President and Chief Executive Officer, Representative Director calculated as an example.
2. Remuneration for External Members of the Board is the Fixed Compensation only, and the Performance-based Compensations are not applicable to the remuneration.

### [Composition of the Remuneration Committee]



### 2. Policy on determination of the amount and the calculation methods of fixed compensation

The fixed compensation shall be paid to each Member of the Board on a fixed date every month during his or her term of office, and shall be determined according to the responsibilities of each Member of the Board, comprehensively taking account of the

Company's business scale, content, and the duties and responsibilities of each Member of the Board, and the fixed compensation to each Member of the Board other than External Members of the Board, shall be progressively increased according to his or her position.

3. Policy on determination of: the contents of performance indicators for performance-based compensation, and the calculation methods, etc. of the amount or the number of such indicators; and policy on determination of: the contents of non-monetary compensation, and the calculation methods, etc. of the amount or the number of such compensation

The performance-based compensation is established for the purpose of raising the awareness of each Member of the Board to contribute to business performance improvement and enhancement of corporate value. However, External Members of the Board are not eligible for the performance-based compensation.

(a) Performance-based compensation (monetary compensation)

The performance-based compensation (monetary compensation) shall be paid to each Member of the Board on a fixed date of every month during his or her term of office, and comprised of the Group's overall business performance-based portion and the individual performance-based portion, for the purpose of clarifying the linkage between the Members of the Board's responsibility for the group management and the amount of remuneration for them. It is designed that the Group's overall business performance-based portion shall be the contents and the amounts based on the Group's short term business performance and individual performance-based portion shall be those based on the achievement ratio of performance goal predetermined for each Member of the Board.

The Company uses operating income in the consolidated statements of income for the most recent consolidated fiscal year as the performance indicator concerning the Group's overall performance-based portion, because such income is an indicator showing his or her direct results of the Group's overall business activities. An amount of such indicator is designed to progressively increase according to his or her positional ranks.

(b) Performance-based compensation (stock compensation)

The performance-based compensation (stock compensation) is designed to raise the awareness of Members of the Board to contribute to improving medium- to long-term business results and enhancing corporate value by clarifying linkage between the remuneration of Members of the Board and the Group's business results with the value of shares, and by sharing with shareholders not only the benefits of a rise in share prices but also the risk of a decline in share prices, and shall be the contents and amounts linked with medium- to long-term business results.

The Company adopts the stock benefit trust (= Board Benefit Trust) method, and accumulates points during his or her term of office by granting the point on the date of the annual General Meeting of Shareholders for every financial term, in accordance with the "Officers' Share Benefit Regulations" established by the Board. In the event that a Member of the Board resigns from his or her position and satisfies the beneficiary requirements specified in the "Officers' Share Benefit Regulations", the Company provides the Company's shares equivalent to the cumulative number of points as one (1) share per one (1) point after the resignation of such Member of the Board, when such Member of the Board complete the prescribed procedures to determine the beneficiary. The Company may make a cash payment equivalent to the market value of the Company's shares instead of providing the Company's shares.

The Company uses net income attributable to owners of the parent in the consolidated statements of income for the most recent consolidated fiscal year as the performance indicator, because such income is an indicator showing his or her final results of the Group's overall business activities.

The points to be granted to each Member of the Board are determined separately for Representative Directors and other Members of the Board respectively, considering the status of achievement of business performance, contents of his or her duties and responsibilities, and other factors.

4. Policy on determination of the ratio of each type of compensation to be applied to the amount of remuneration, etc. for each Member of the Board

With regard to performance-based compensation, the Company has set performance values that serve as criteria for monetary compensation and stock compensation and has established a rule that the ratio of performance-based compensation will increase when performance is favorable compared to the criteria.

From a medium- to long-term perspective, the Company has a plan to review for reducing the proportion of fixed compensation and increasing the proportion of performance-based compensation.

However, the remuneration for External Members of the Board shall be fixed compensation only.

② Matters related to the policy on determination of the amount and the calculation methods of remuneration, etc. for Audit & Supervisory Board Members

The remuneration, etc. for Audit & Supervisory Board Members consists only of fixed compensation, and the amount for each Audit & Supervisory Board Member is determined by the Audit & Supervisory Board through consultation.

③ Matters concerning the resolution of the General Meeting of Shareholders on the remuneration, etc. for Members of the Board and Audit & Supervisory Board Members

| Category                         | Type of Remuneration, etc.                             | Compensation Limit   | Date of Resolution at the General Meeting of Shareholders | Number of the Members Applicable for payment at the Time of Resolution |
|----------------------------------|--|--|---|--|
| Member of the Board              | Fixed Compensation                                     | Up to 70 million yen Per Month   | June 27, 2006 (The 146th General Meeting of Shareholders) | 14 (Including Two (2) External Members of the Board)                   |
|                                  | Performance-based Compensation (Monetary Compensation) |  |   | 12   |
|                                  | Performance-based Compensation (Stock Compensation)    | Maximum number/ amount per one fiscal year: Points to be granted: 35,000 points in total (1 point = 1 share of stock) Contribution amount: Up to 100 million yen | June 24, 2020 (The 160th General Meeting of Shareholders) | 8  |
| Audit & Supervisory Board Member | Fixed Compensation                                     | Up to 12 Million Yen Per Month   | June 29, 1994 (The 134th General Meeting of Shareholders) | 5 (Including Two (2) External Audit & Supervisory Board Members)       |

④ The total amount, etc. of remuneration, etc. for Members of the Board and Audit & Supervisory Board Members

(Unit: Million yen)

| Category   | Total Amount of Remuneration, etc.  | Total Amount of Remuneration, etc. in kind |                                |              |                           | Number of the Members applicable |
|--|-------------------------------------|--|--------------------------------|--------------|---------------------------|----------------------------------|
|  |                                     | Monetary Compensation                      |                                |              | Non-monetary Compensation |                                  |
|  |                                     | Fixed Compensation                         | Performance-based Compensation |              | Stock Compensation        |                                  |
| For business performance in FY 2024  | For business performance in FY 2025 |  |                                |              |                           |                                  |
| Members of the Board (External Members of the Board)                           | 954<br>(86)                         | 525<br>(86)                                | 123<br>(N/A)                   | 250<br>(N/A) | 55<br>(N/A)               | 12<br>(5)                        |
| Audit & Supervisory Board Members (External Audit & Supervisory Board Members) | 137<br>(58)                         | 137<br>(58)                                | N/A<br>(N/A)                   | N/A<br>(N/A) | N/A<br>(N/A)              | 7<br>(5)                         |

Notes:

- 1: Regarding the performance indicator for the Group's overall business performance among the types of monetary compensation, the Company has adopted the operating income in the consolidated statements of income for the most recent fiscal year, as such operating income shows the direct results of the Group's business activities. The total sum of the operating income in the consolidated statements of income for this fiscal year is 187,973 million yen.
- 2: Regarding stock compensation which is non-monetary compensation, the Company has adopted the method of the Board Benefit Trust (BBT), set the date of the annual General Meeting of Shareholders as the grant date, granted the points every fiscal year and accumulated them during his or her term of office, in accordance with the "Officers' Share Benefit Regulations" established by the Board. In the event that a Member of the Board resigns from his or her position and satisfies the beneficiary requirements specified in the "Officers' Share Benefit Regulations," the Company will distribute the Company's shares equivalent to the cumulative number of points after the resignation of such Member of the Board, whereby one point shall be recognized as one share, by such Member of the Board conducting the procedure for determining the beneficiary. In addition, a part of the distribution may be made in cash equivalent to the market value of the Company's shares instead of by the Company's shares. Regarding the performance indicator of the stock compensation which is also categorized as performance-based compensation, the Company has adopted the net income attributable to owners of the parent in the consolidated statements of income for the most recent fiscal year, as such net income shows the final results of the Group's business activities. The total sum of the net income attributable to owners of the parent in the consolidated statements of income for this fiscal year is 170,004 million yen.
- 3: Performance-based compensation and stock compensation stated above are the amounts recorded as expenses.
- 4: In connection with the review of the payment methods of performance-based compensation, the recorded amount of performance-based compensation in this fiscal year includes compensation for business performance in financial years 2024 and 2025, and the compensation for business performance in financial year 2025 was not paid during this fiscal year.
- 5: The total amount of remuneration paid to the Members of the Board during this fiscal year are within the compensation limit approved at the General Meeting of Shareholders subject to the basic policy determined by the Board on the determination of the details of remuneration, etc. for each Member of the Board. In addition, the total amount of remuneration was determined at the Board based on deliberations at the Remuneration Committee, which is authorized to deliberate the details of remuneration, etc. before the Board's decision.

**(6) Matters concerning External Members of the Board and External Audit & Supervisory Board Members**

**(i) Status, etc. of concurrent positions of External Members of the Board and External Audit & Supervisory Board Members**

The status is as described in "(1) Name, etc. of Members of the Board and Audit & Supervisory Board Members."

There are no relationships to be mentioned between the Company and the organizations at which each External Member of the Board and External Audit & Supervisory Board Member concurrently holds a position.

## (ii) Major activities of External Members of the Board and External Audit & Supervisory Board Members

| Classification      | Name             | Major activities  |
|---------------------|------------------|---|
| Member of the Board | Atsuko NISHIMURA | <p>Ms. Atsuko NISHIMURA attended eleven (11) out of fourteen (14) meetings of the Board held before her resignation on February 28, 2026 and supervised the Company's business management and provided recommendation and advice on business execution from her objective and neutral standpoint as an External Member of the Board based on her global perspective and specialized knowledge backed by her experience as a diplomat.</p> <p>In addition, she attended all the two (2) meetings of the Governance System Review Committee (which is one of the committees for prior consultation before the Board meetings) held before her resignation on February 28, 2026 as the Chairperson of the Committee, and led discussions regarding the measures, etc. to enhance deliberations at the Board.</p> <p>Thus, as expected, she contributed to the sustainable development and further enhancement of the corporate value of the Group through her provision of recommendation and advice on important matters such as the strengthening of corporate governance and compliance promotion systems, the promotion of diversity, the election and dismissal of executives, and the implementation of international business.</p>  |
| Member of the Board | Norio OTSUKA     | <p>Mr. Norio OTSUKA attended thirteen (13) out of fifteen (15) meetings of the Board held during the current fiscal year and supervised the Company's business management and provided recommendation and advice on business execution from his objective and neutral standpoint as an External Member of the Board based on his profound knowledge backed by his experience as a business executive.</p> <p>In addition, as the Chairperson of the Executive Personnel Committee and Remuneration Committee (which are the committees for prior consultation before the Board meetings), he attended all the nine (9) meetings of the Executive Personnel Committee held during the current fiscal year, and led discussions regarding the composition of the Board, nomination for Members of the Board, and succession plans, etc. for the President, and attended all the nine (9) meetings of the Remuneration Committee held during the current fiscal year, and led discussions on the ideal way, etc. of remuneration for executives to realize medium- to long-term strategies, including the examination and reorganization of the whole remuneration system.</p> <p>Thus, as expected, he contributed to the sustainable development and further enhancement of the corporate value of the Group through his provision of recommendation and advice on important matters such as the strengthening of corporate governance and compliance promotion systems, the election and dismissal of executives, and the formulation of management strategies.</p> |
| Member of the Board | Fumiya KOKUBU    | <p>Mr. Fumiya KOKUBU attended all the meetings of the Board held during the current fiscal year and supervised the Company's business management and provided recommendation and advice on business execution from his objective and neutral standpoint as an External Member of the Board based on his profound knowledge backed by his experience as a business executive.</p> <p>In addition, he attended the meetings of the Sustainability Committee (which is one of the committees for prior consultation before the Board meetings) held during the current fiscal year as the Chairperson of the Sustainability Committee, and led discussions on the ideal way of sustainability management.</p> <p>Furthermore, he attended the meeting of the Governance System Review Committee (which is one of the committees for prior consultation before the Board meetings) held after assuming the position of the Chairperson of such Committee on March 1, 2026, and led discussions regarding the measures, etc. to enhance deliberations at the Board.</p> <p>Thus, as expected, he contributed to the sustainable development and further enhancement of the corporate value of the Group through his provision of recommendation and advice on important matters such as the strengthening of corporate governance and compliance promotion systems, the election and dismissal of executives, and the formulation of management strategies.</p>  |
| Member of the Board | Tsutomu KAMIJO   | <p>Mr. Tsutomu KAMIJO attended all the meetings of the Board held during the current fiscal year and supervised the Company's business management and provided recommendation and advice on business execution from his objective and neutral standpoint as an External Member of the Board based on his profound knowledge backed by his experience as a business executive.</p> <p>In addition, he attended the meetings of the Executive Personnel Committee, the Remuneration Committee and the Sustainability Committee (which are the committees for prior consultation before the Board meetings), and offered useful opinions from an objective and neutral standpoint as an External Member of the Board.</p> <p>Thus, as expected, he contributed to the sustainable development and further enhancement of the corporate value of the Group through his provision of recommendation and advice on important matters such as the enhancement of corporate governance and compliance promotion systems, the election and dismissal of executives, and the formulation of management strategies.</p>  |
| Member of the Board | Hiroko KOIDE     | <p>Ms. Hiroko KOIDE attended all the meetings of the Board held during the current fiscal year and supervised the Company's business management and provided recommendation and advice on business execution from her objective and neutral standpoint as an External Member of the Board based on her profound knowledge backed by her experience as a business executive.</p> <p>In addition, she attended the meetings of the Executive Personnel Committee, the Remuneration Committee and the Governance System Review Committee (which are the committees for prior consultation before the Board meetings), and offered useful opinions from an objective and neutral standpoint as an External Member of the Board.</p> <p>Thus, as expected, she contributed to the sustainable development and further enhancement of the corporate value of the Group through her provision of recommendation and advice on important matters such as the enhancement of corporate governance and compliance promotion systems, the promotion of diversity, the election and dismissal of executives, and the formulation of management strategies.</p>  |

Note: Ms. Atsuko NISHIMURA resigned from her position as External Member of the Board on February 28, 2026.

| Classification                   | Name              | Major activities  |
|----------------------------------|-------------------|---|
| Audit & Supervisory Board Member | Yasuhiro SATO     | He attended all the meetings of the Board and all the meetings of Audit & Supervisory Board held during the current fiscal year. He offered his opinions as and when appropriate based on his ample experience, a broad range of insights and profound knowledge of finance and accounting, fostered as the executive of a financial institution.   |
| Audit & Supervisory Board Member | Keiko OHARA       | She attended all the meetings of the Board and all the meetings of Audit & Supervisory Board held during the current fiscal year. She offered her opinions as and when appropriate based on her professional and advanced knowledge, plenty of international experience and insight into diversity, as a lawyer.  |
| Audit & Supervisory Board Member | Kazuhiro MIYAUCHI | He attended all the meetings of the Board and all the meetings of Audit & Supervisory Board held during the current fiscal year. He offered his opinions as and when appropriate based on his wealth of experience and a broad range of insights obtained from his experience at the Board of Audit of Japan, and his profound knowledge of finance, accounting, and audit.   |
| Audit & Supervisory Board Member | Yoshimi OGATA     | After assuming the position of External Audit & Supervisory Board Member at the 165th General Meeting of Shareholders held on June 24, 2025, he attended all the meetings of the Board and all the meetings of Audit & Supervisory Board held before his resignation on December 15, 2025. He offered his opinions as and when appropriate based on his ample experience and a broad range of insights obtained from his experience in police administration. |

Note: Mr. Yoshimi OGATA resigned from his position as External Audit & Supervisory Board Member on December 15, 2025.

## [For Your Reference]

### Executive Officers as of April 1, 2026

| Title<br>Business in Charge   | Name               |
|---|--------------------|
| President and Chief Executive Officer   | Yoshiro AIKAWA     |
| Executive Vice President<br><i>Deputy Chief of Marketing &amp; Sales Division (Integrated),<br/>Supervising Marketing &amp; Sales (Civil Engineering) Division</i>  | Hiroshi KIMURA     |
| Executive Vice President<br><i>Chief of Marketing &amp; Sales Division (Integrated);<br/>In Charge of International Operations</i>  | Yuichi KITAGUCHI   |
| Executive Vice President<br><i>Chief of Civil Engineering Division</i>  | Kenji SHIRAKAWA    |
| Senior Managing Executive Officer<br><i>In Charge of Shinjuku Station Development Project,<br/>Tokyo Branch</i>   | Akira EJIMA        |
| Senior Managing Executive Officer<br><i>Chief of Business Administration Division;<br/>In Charge of Corporate Culture Reform</i>  | Junichi KASAHARA   |
| Senior Managing Executive Officer<br><i>In Charge of Design (Civil Engineering), Civil Engineering Division</i>   | Yasushi KAMEZAWA   |
| Senior Managing Executive Officer<br><i>Chief of Tokyo Branch</i>   | Yuko NAKAMURA      |
| Senior Managing Executive Officer<br><i>Chief of Chubu Branch</i>   | Atsushi SUZUKI     |
| Senior Managing Executive Officer<br><i>Chief of Taisei Advanced Center of Technology</i>   | Ichiro NAGASHIMA   |
| Senior Managing Executive Officer<br><i>Chief of Building Renovation Division</i>   | Tohru UEMATSU      |
| Senior Managing Executive Officer<br><i>Chief of Mechanical &amp; Electrical Division</i>   | Yuji TANIGAWA      |
| Senior Managing Executive Officer<br><i>Chief of Sustainability Division (Integrated);<br/>In Charge of GREEN×EXPO 2027</i>   | Hiroki FUKASAWA    |
| Senior Managing Executive Officer<br><i>Chief of Architecture &amp; Engineering Division (Integrated);<br/>Chief of Building Construction Division</i>  | Mayuki YAMAURA     |
| Senior Managing Executive Officer<br><i>Chief of Marketing &amp; Sales (Civil Engineering) Division</i>   | Hideki NISHIYAMA   |
| Managing Executive Officer<br><i>In Charge of Technology</i>  | Shigeo OCHI        |
| Managing Executive Officer<br><i>In Charge of Technology</i>  | Kazuhiro SAWADA    |
| Managing Executive Officer<br><i>In Charge of Technology</i>  | Akio TAKASE        |
| Managing Executive Officer<br><i>Chief of International Operations Headquarters</i>   | Tatsuya SUGAWARA   |
| Managing Executive Officer<br><i>Chief of Design Division</i>   | Masato MATSUMURA   |
| Managing Executive Officer<br><i>In Charge of Building Construction Business Strategy;<br/>In Charge of Corporate Culture Reform;<br/>Deputy Chief of Corporate Planning Office;<br/>Deputy Chief of Architecture &amp; Engineering Division (Integrated)</i> | Yuichiro YOSHINO   |
| Managing Executive Officer<br><i>Chief of Marketing &amp; Sales Promotion / Proposal &amp; Solution Division</i>  | Toshiyuki TSUJI    |
| Managing Executive Officer<br><i>In Charge of Marketing &amp; Sales (Building Construction),<br/>Marketing &amp; Sales Division (Integrated)</i>  | Shinya MATAKE      |
| Managing Executive Officer<br><i>In Charge of Marketing &amp; Sales (Building Construction),<br/>Marketing &amp; Sales Division (Integrated)</i>  | Katsuhiko KITAGAWA |
| Managing Executive Officer<br><i>Chief of Urban Development Division;<br/>In Charge of International Development Business</i>   | Takashi YAMAZAKI   |
| Managing Executive Officer<br><i>Chief of Corporate Planning Office;<br/>General Manager of New Business Planning Department</i>  | Yukio HABA         |
| Managing Executive Officer<br><i>In Charge of Technology;<br/>In Charge of Energy &amp; Environment</i>   | Yoji UEDA          |
| Managing Executive Officer<br><i>Deputy Chief of Marketing &amp; Sales Division (Integrated),<br/>Supervising Marketing &amp; Sales (Building Construction) Division</i>  | Shin SUZUKI        |
| Managing Executive Officer<br><i>Chief of Quality Control Division;<br/>General Manager of Building Construction Quality Control Department</i>   | Kunihiko KAWAI     |
| Managing Executive Officer<br><i>In Charge of Marketing &amp; Sales (Building Construction),<br/>Marketing &amp; Sales Division (Integrated)</i>  | Isao NAKAMURA      |
| Managing Executive Officer<br><i>Chief of Kansai Branch</i>   | Kenji ADACHI       |
| Managing Executive Officer<br><i>Chief of Kyushu Branch</i>   | Makoto NISHIKAWA   |
| Managing Executive Officer<br><i>Chief of Intelligent Estimation/Procurement Division</i>   | Kozo MORITA        |
| Managing Executive Officer<br><i>Chief of Chiba Branch</i>  | Junichi HIROSE     |
| Managing Executive Officer<br><i>Chief of Tokyo Civil Engineering Branch</i>  | Hiroto MIKI        |

| Title<br>Business in Charge  | Name              |
|--|-------------------|
| <b>Executive Officer</b><br><i>In Charge of Marketing &amp; Sales,<br/>Marketing &amp; Sales Division (Integrated)</i>   | Masahiro YOSHIDA  |
| <b>Executive Officer</b><br><i>Chief of Safety Administration Division</i>   | Yusuke HATAE      |
| <b>Executive Officer</b><br><i>Chief of Shikoku Branch</i>   | Motoyuki MAKITA   |
| <b>Executive Officer</b><br><i>Chief of Marketing &amp; Sales (Building Construction) Division II</i>  | Masaki ADO        |
| <b>Executive Officer</b><br><i>Chief of Marketing &amp; Sales (Building Construction) Division III</i>   | Shigehisa KOYAMA  |
| <b>Executive Officer</b><br><i>Chief of Chugoku Branch</i>   | Kohei TAMAMURA    |
| <b>Executive Officer</b><br><i>Chief of Yokohama Branch</i>  | Shinichi SHIMA    |
| <b>Executive Officer</b><br><i>Chief of Marketing &amp; Sales (Engineering) Division</i>   | Hiromi YAMANOUCHI |
| <b>Executive Officer</b><br><i>Chief of Hokushinetsu Branch</i>  | Tadashi TOMINAGA  |
| <b>Executive Officer</b><br><i>General Manager of Human Resources Department, Business Administration<br/>Division</i>   | Hiroshi OTSUKA    |
| <b>Executive Officer</b><br><i>Chief of Clean Energy &amp; Environment Business Promotion Division</i>   | Akihiko DENO      |
| <b>Executive Officer</b><br><i>Deputy Chief of Architecture &amp; Engineering Division (Integrated);<br/>Deputy Chief of Engineering Division</i>  | Shigeaki WADA     |
| <b>Executive Officer</b><br><i>Chief of Tohoku Branch</i>  | Shingo YOSHIDA    |
| <b>Executive Officer</b><br><i>Deputy Chief of Marketing &amp; Sales (Civil Engineering) Division</i>  | Koki OKADA        |
| <b>Executive Officer</b><br><i>Deputy Chief of Civil Engineering Division;<br/>General Manager of Civil Engineering Department;<br/>General Manager of Construction Engineering Department</i> | Akinobu SAKAMOTO  |
| <b>Executive Officer</b><br><i>In Charge of Technology</i>   | Kaoru MATSUSAKI   |
| <b>Executive Officer</b><br><i>Chief of Sapporo Branch</i>   | Yusuke YAMAGUCHI  |
| <b>Executive Officer</b><br><i>Deputy Chief of International Operations Headquarters</i>   | Kazuhito TANI     |
| <b>Executive Officer</b><br><i>Chief of Marketing &amp; Sales (West Japan) Division</i>  | Toshihiro MIIKE   |
| <b>Executive Officer</b><br><i>Chief of Engineering Division</i>   | Hitoshi FURUYA    |
| <b>Executive Officer</b><br><i>Deputy Chief of Marketing &amp; Sales (Civil Engineering) Division;<br/>General Manager of Marketing &amp; Sales Department</i>                                 | Taisuke NAKAMURA  |
| <b>Executive Officer</b><br><i>General Manager of General Affairs Department, Business Administration Division</i>   | Susumu UNNO       |
| <b>Executive Officer</b><br><i>Chief of Kanto Branch</i>   | Takeshi ISHIKUBO  |

## 4 Accounting Auditor

### (1) Name of Accounting Auditor

KPMG AZSA LLC

### (2) Outline of the Contract to Limit the Liability

The Articles of Incorporation of the Company stipulates that the Company may enter into a contract with an Accounting Auditor to limit its maximum liability for the damages to the Company within a certain range.

The outline of the contract to limit the liability that the Company has entered into with an Accounting Auditor in accordance with the relevant provisions of the Articles of Incorporation of the Company is as follows.

With regard to the liability specified in Paragraph 1 of Article 423 of the Companies Act, an Accounting Auditor shall be liable for the damages up to the higher of an amount of 100 million yen or the total amount specified in Items 1 and 2 of Paragraph 1 of Article 425 of the Companies Act, provided that the Accounting Auditor has performed its duty in good faith and without gross negligence.

### (3) The Amount of the Remuneration, etc. for Accounting Auditor for this Fiscal Year

| Section   | The amount of the remuneration |
|---|--------------------------------|
| (1) The amount of the remuneration, etc. for the services specified in Paragraph 1 of Article 2 of the Certified Public Accountants Act to be paid by the Company | 114 million yen                |
| (2) The total amount of money and any other type of financial benefits to be paid by the Company and its subsidiaries   | 385 million yen                |

#### Notes:

- Under the audit contract between the Company and the Accounting Auditor, we do not divide the remuneration into that for the audit under the Companies Act and that for the audit under the Financial Instruments and Exchange Act and we are not technically able to divide the remuneration into those two parts. Therefore, we have stated the sum of those remunerations in the column 1 above.
- The Company and its subsidiaries have paid the Accounting Auditor a consideration for conducting a due diligence, that is not within the services specified in Paragraph 1 of Article 2 of the Certified Public Accountants Act.
- The Audit & Supervisory Board of the Company gives its consent specified in Paragraph 1 of Article 399 of the Companies Act to the amounts stipulated above after its confirmation and review of the contents of the Accounting Auditor's audit plan, progress status of its services and history of its auditor's remuneration, etc.

### (4) The Policy to Decide on Dismissal or Non-reappointment of Accounting Auditor

The Audit & Supervisory Board of the Company will determine the content of agenda to be submitted to the General Meetings of Shareholders for dismissal or non-reappointment of the Accounting Auditor if the Audit & Supervisory Board considers it is necessary to do so in such case that Accounting Auditor is unable to perform its duty.

In addition, if Accounting Auditor is found to fall under any of the items of Paragraph 1 of Article 340 of the Companies Act, the Audit & Supervisory Board will dismiss Accounting Auditor based on unanimous consent of the Audit & Supervisory Board Members. Furthermore, at the following General Meetings of Shareholders held after dismissal of Accounting Auditor, the abstract and reason of dismissal will be reported from the Audit & Supervisory Board Member.

end

# Consolidated Financial Statements

## CONSOLIDATED BALANCE SHEET (March 31, 2026)

|   | Millions of Yen  |  | Millions of Yen  |
|---|------------------|--|------------------|
| <b>ASSETS</b>   |                  | <b>LIABILITIES</b>   |                  |
| <b>Current assets:</b>                                    |                  | <b>Current liabilities:</b>                                      |                  |
| Cash and time deposits                                    | 278,336          | Notes and accounts payable trade                                 | 501,553          |
| Notes and accounts receivable trade                       | 961,838          | Short-term borrowings  | 161,986          |
| Cost on uncompleted contracts                             | 89,410           | Short-term non-recourse loans payable                            | 15               |
| Real estate for sale and development projects in progress | 218,781          | Straight bonds due within one year                               | 10,000           |
| Other inventories   | 10,900           | Lease obligations  | 714              |
| Other current assets                                      | 78,955           | Income taxes payable   | 36,107           |
| Allowance for doubtful accounts                           | (511)            | Advances received and progress billings on uncompleted contracts | 283,340          |
| <b>Total current assets</b>                               | <b>1,637,711</b> | Deposit received   | 223,751          |
| <b>Fixed assets:</b>                                      |                  | Provision for warranties on completed contracts                  | 3,525            |
| <b>Tangible fixed assets:</b>                             |                  | Provision for losses on construction contracts                   | 76,400           |
| Buildings and structures                                  | 92,310           | Other current liabilities  | 82,352           |
| Machinery, vehicles and equipment                         | 19,731           | <b>Total current liabilities</b>                                 | <b>1,379,747</b> |
| Land  | 188,028          | <b>Long-term liabilities:</b>                                    |                  |
| Construction in progress                                  | 47,740           | Straight bonds   | 40,000           |
| <b>Total tangible fixed assets</b>                        | <b>347,811</b>   | Non-recourse bonds payable                                       | 200              |
| <b>Intangible fixed assets:</b>                           |                  | Long-term borrowings   | 205,428          |
| Goodwill  | 75,945           | Long-term non-recourse loans payable                             | 45,851           |
| Other intangible fixed assets                             | 40,255           | Lease obligations  | 1,863            |
| <b>Total intangible fixed assets</b>                      | <b>116,200</b>   | Deferred income tax liabilities                                  | 3,965            |
| <b>Investments and other assets:</b>                      |                  | Deferred income tax liabilities for revaluation of land          | 6,805            |
| Investment securities                                     | 466,292          | Retirement benefits for directors and corporate auditors         | 938              |
| Net defined benefit asset                                 | 94,801           | Provision for share-based remuneration for directors             | 371              |
| Deferred income tax assets                                | 16,533           | Allowance for losses on business in subsidiaries and affiliates  | 1,154            |
| Other fixed assets  | 37,530           | Net defined benefit liability                                    | 19,875           |
| Allowance for doubtful accounts                           | (2,332)          | Other long-term liabilities                                      | 18,416           |
| <b>Total investments and other assets</b>                 | <b>612,826</b>   | <b>Total long-term liabilities</b>                               | <b>344,871</b>   |
| <b>Total fixed assets</b>                                 | <b>1,076,838</b> | <b>Total liabilities</b>   | <b>1,724,619</b> |
|   |                  |  | Millions of Yen  |
|   |                  | <b>NET ASSETS</b>  |                  |
|   |                  | <b>Shareholders' equity:</b>                                     |                  |
|   |                  | Common stock   | 122,742          |
|   |                  | Capital surplus  | 30,439           |
|   |                  | Retained earnings  | 625,553          |
|   |                  | Treasury stock   | (927)            |
|   |                  | <b>Total shareholders' equity</b>                                | <b>777,806</b>   |
|   |                  | <b>Accumulated other comprehensive income:</b>                   |                  |
|   |                  | Unrealized gains on available-for-sale securities, net of taxes  | 100,604          |
|   |                  | Unrealized losses on hedging derivatives, net of taxes           | 409              |
|   |                  | Revaluation reserve for land                                     | 1,079            |
|   |                  | Foreign currency translation adjustments                         | 7,452            |
|   |                  | Remeasurements of defined benefit plans                          | 60,722           |
|   |                  | <b>Total accumulated other comprehensive income</b>              | <b>170,268</b>   |
|   |                  | <b>Non-controlling interests</b>                                 | <b>41,855</b>    |
|   |                  | <b>Total net assets</b>  | <b>989,931</b>   |
| <b>Total assets</b>                                       | <b>2,714,550</b> | <b>Total liabilities and net assets</b>                          | <b>2,714,550</b> |

## CONSOLIDATED STATEMENT OF INCOME (Year ended March 31, 2026)

|  | Millions of Yen |                |
|--|-----------------|----------------|
| <b>Net sales:</b>                                    |                 |                |
| Construction business                                | 1,895,789       |                |
| Development projects                                 | 193,301         | 2,089,091      |
| <b>Cost of Sales:</b>                                |                 |                |
| Construction business                                | 1,604,411       |                |
| Development projects                                 | 154,624         | 1,759,035      |
| <b>Gross profit:</b>                                 |                 |                |
| Construction business                                | 291,378         |                |
| Development projects                                 | 38,677          | 330,055        |
| <b>Selling, general and administrative expenses</b>  |                 | 142,081        |
| <b>Operating income</b>                              |                 | <b>187,973</b> |
| <b>Non-operating income:</b>                         |                 |                |
| Interest and dividends                               | 7,212           |                |
| Investment gain on equity method                     | 5,729           |                |
| Other non-operating income                           | 1,622           | 14,564         |
| <b>Non-operating expenses:</b>                       |                 |                |
| Interest expenses                                    | 4,237           |                |
| Taxes and dues                                       | 1,035           |                |
| Other non-operating expenses                         | 1,487           | 6,760          |
| <b>Ordinary income</b>                               |                 | <b>195,777</b> |
| <b>Extraordinary gains:</b>                          |                 |                |
| Gains on sales of investment securities              | 54,656          |                |
| Other extraordinary gains                            | 568             | 55,225         |
| <b>Extraordinary losses:</b>                         |                 | 4,586          |
| <b>Income before income taxes</b>                    |                 | <b>246,417</b> |
| <b>Income taxes:</b>                                 |                 |                |
| Current  | 65,626          |                |
| Deferred   | 5,966           | 71,592         |
| <b>Net income</b>                                    |                 | <b>174,824</b> |
| Net income attributable to non-controlling interests |                 | 4,819          |
| <b>Net income attributable to owners of parent</b>   |                 | <b>170,004</b> |

# Non-Consolidated Financial Statements

## NON-CONSOLIDATED BALANCE SHEET (March 31, 2026)

|  | Millions of Yen  |  | Millions of Yen  |
|--|------------------|--|------------------|
| <b>ASSETS</b>                              |                  | <b>LIABILITIES</b>   |                  |
| <b>Current assets:</b>                     |                  | <b>Current liabilities:</b>                                      |                  |
| Cash and time deposits                     | 166,080          | Notes payable trade  | 1,094            |
| Notes receivable trade                     | 37,402           | Electronically recorded obligations                              | 77,932           |
| Accounts receivable trade                  | 638,201          | Accounts payable trade   | 303,569          |
| Real estate for sale                       | 34,325           | Short-term borrowings  | 98,696           |
| Cost on uncompleted contracts              | 70,778           | Straight bonds due within one year                               | 10,000           |
| Cost on development projects in progress   | 12,145           | Lease obligations  | 267              |
| Other current assets                       | 59,146           | Income taxes payable   | 25,974           |
| Allowance for doubtful accounts            | (185)            | Advances received and progress billings on uncompleted contracts | 232,691          |
| <b>Total current assets</b>                | <b>1,017,893</b> | Deposits received  | 316,767          |
| <b>Fixed assets:</b>                       |                  | Provision for warranties on completed contracts                  | 2,121            |
| <b>Tangible fixed assets:</b>              |                  | Provision for losses on construction contracts                   | 75,362           |
| Buildings and structures                   | 53,746           | Other current liabilities  | 60,904           |
| Machinery and vehicles                     | 4,028            | <b>Total current liabilities</b>                                 | <b>1,205,381</b> |
| Tools, furniture and fixtures              | 2,040            | <b>Long-term liabilities:</b>                                    |                  |
| Land                                       | 101,847          | Straight bonds   | 40,000           |
| Construction in progress                   | 22,970           | Long-term borrowings   | 148,668          |
| <b>Total tangible fixed assets</b>         | <b>184,632</b>   | Lease obligations  | 529              |
| <b>Intangible fixed assets:</b>            | <b>14,559</b>    | Provision for retirement benefits                                | 8,007            |
| <b>Investments and other assets:</b>       |                  | Provision for share-based remuneration for directors             | 128              |
| Investment securities                      | 252,658          | Allowance for losses on business in subsidiaries and affiliates  | 437              |
| Investments in subsidiaries and affiliates | 474,429          | Other long-term liabilities                                      | 4,424            |
| Long-term loans receivable                 | 36,674           | <b>Total long-term liabilities</b>                               | <b>202,194</b>   |
| Long-term prepaid expenses                 | 5,522            | <b>Total liabilities</b>   | <b>1,407,576</b> |
| Prepaid pension costs                      | 8,793            |  |                  |
| Deferred income tax assets                 | 28,531           |  |                  |
| Other fixed assets                         | 20,391           |  |                  |
| Allowance for doubtful accounts            | (7,919)          |  |                  |
| <b>Total investments and other assets</b>  | <b>819,082</b>   |  |                  |
| <b>Total fixed assets</b>                  | <b>1,018,274</b> |  |                  |
|  |                  |  | Millions of Yen  |
|  |                  | <b>NET ASSETS</b>  |                  |
|  |                  | <b>Shareholders' equity:</b>                                     |                  |
|  |                  | Common stock   | 122,742          |
|  |                  | <b>Capital surplus:</b>  |                  |
|  |                  | Additional paid-in-capital                                       | 30,686           |
|  |                  | <b>Total capital surplus</b>                                     | <b>30,686</b>    |
|  |                  | <b>Retained earnings:</b>  |                  |
|  |                  | <b>Other retained earnings:</b>                                  |                  |
|  |                  | Reserve for tax deferral on replacement of fixed assets          | 1,395            |
|  |                  | Reserve for specific stocks                                      | 250              |
|  |                  | Other reserve  | 226,500          |
|  |                  | Retained earnings carried forward                                | 151,632          |
|  |                  | <b>Total retained earnings</b>                                   | <b>379,778</b>   |
|  |                  | Treasury stock   | (724)            |
|  |                  | <b>Total shareholders' equity</b>                                | <b>532,482</b>   |
|  |                  | <b>Accumulated gains from valuation:</b>                         |                  |
|  |                  | Unrealized gains on available-for-sale securities, net of taxes  | 96,109           |
|  |                  | <b>Total accumulated gains from valuation</b>                    | <b>96,109</b>    |
|  |                  | <b>Total net assets</b>  | <b>628,592</b>   |
| <b>Total assets</b>                        | <b>2,036,168</b> | <b>Total liabilities and net assets</b>                          | <b>2,036,168</b> |

## NON-CONSOLIDATED STATEMENT OF INCOME (Year ended March 31, 2026)

|   | Millions of Yen |                |
|---|-----------------|----------------|
| <b>Net sales:</b>                                   |                 |                |
| Construction business                               | 1,416,270       |                |
| Development projects                                | 36,023          | 1,452,294      |
| <b>Cost of sales:</b>                               |                 |                |
| Construction business                               | 1,203,439       |                |
| Development projects                                | 20,080          | 1,223,519      |
| <b>Gross profit:</b>                                |                 |                |
| Construction business                               | 212,831         |                |
| Development projects                                | 15,943          | 228,774        |
| <b>Selling, general and administrative expenses</b> |                 | 85,884         |
| <b>Operating income</b>                             |                 | <b>142,890</b> |
| <b>Non-operating income:</b>                        |                 |                |
| Interest and dividends                              | 10,043          |                |
| Other non-operating income                          | 1,080           | 11,124         |
| <b>Non-operating expenses:</b>                      |                 |                |
| Interest expenses                                   | 3,659           |                |
| Provision for allowance for doubtful accounts       | 41              |                |
| Taxes and dues                                      | 953             |                |
| Other non-operating expenses                        | 279             | 4,934          |
| <b>Ordinary income</b>                              |                 | <b>149,080</b> |
| <b>Extraordinary gains:</b>                         |                 |                |
| Gains on sales of investment securities             | 54,321          |                |
| Other extraordinary gains                           | 40              | 54,362         |
| <b>Extraordinary losses:</b>                        |                 | 3,257          |
| <b>Income before income taxes</b>                   |                 | <b>200,185</b> |
| <b>Income taxes:</b>                                |                 |                |
| Current   | 47,939          |                |
| Deferred  | (6,822)         | 54,761         |
| <b>Net income</b>                                   |                 | <b>145,423</b> |

# Independent Auditor's Report

May 11, 2026

Yoshiro Aikawa  
President and Chief Executive Officer,  
Representative Director  
Taisei Corporation

KPMG AZSA LLC  
Tokyo Office, Japan

Tomoyasu Sugizaki  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Takafumi Maeda  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Tadashi Shibata  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

## Opinion

We have audited the consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of Taisei Corporation ("the Company") and its consolidated subsidiaries (collectively referred to as "the Group"), as at March 31, 2025 and for the year from April 1, 2025 to March 31, 2026 in accordance with Article 444-4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and the results of operations of the Group for the period, for which the consolidated financial statements were prepared, in accordance with accounting principles generally accepted in Japan.

## Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of Management and Corporate auditors and the board of corporate auditors for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the consolidated financial statements are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

## **Interest required to be disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

## **Notes to the Reader of Independent Auditor's Report:**

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

# Independent Auditor's Report

May 11, 2026

Yoshiro Aikawa  
President and Chief Executive Officer,  
Representative Director  
Taisei Corporation

KPMG AZSA LLC  
Tokyo Office, Japan

Tomoyasu Sugizaki  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Takafumi Maeda  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

Tadashi Shibata  
Designated Limited Liability Partner  
Engagement Partner  
Certified Public Accountant

## Opinion

We have audited the financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the supplementary schedules of Taisei Corporation ("the Company") as at March 31, 2026 and for the year from April 1, 2025 to March 31, 2026 in accordance with Article 436-2-1 of the Companies Act.

In our opinion, the financial statements and the supplementary schedules referred to above present fairly, in all material respects, the financial position and the results of operations of the Company for the period, for which the financial statements and the supplementary schedules were prepared, in accordance with accounting principles generally accepted in Japan.

## Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements and Others* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for the preparation and presentation of the other information. Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties with regard to the design, implementation and maintenance of the reporting process for the other information.

Our opinion on the financial statements and the accompanying supplementary schedules does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements and the accompanying supplementary schedules, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the accompanying supplementary schedules or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of Management and Corporate Auditors and the Board of Corporate Auditors for the Financial Statements and Others**

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary schedules in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements and the supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the supplementary schedules, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Corporate auditors and the board of corporate auditors are responsible for overseeing the directors' performance of their duties including the design, implementation and maintenance of the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements and Others**

Our objectives are to obtain reasonable assurance about whether the financial statements and the supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements and the supplementary schedules.

As part of our audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements and the supplementary schedules, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not to express an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the supplementary schedules or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the presentation and disclosures in the financial statements and the supplementary schedules are in accordance with accounting standards generally accepted in Japan, the overall presentation, structure and content of the financial statements and the supplementary schedules, including the disclosures, and whether the financial statements and the supplementary schedules represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with corporate auditors and the board of corporate auditors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide corporate auditors and the board of corporate auditors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

## **Interest required to be disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company which are required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

## **Notes to the Reader of Independent Auditor's Report:**

This is an English translation of the Independent Auditor's Report as required by the Companies Act of Japan for the conveniences of the reader.

# Copy of the Audit Report by the Audit & Supervisory Board

## Audit Report

With respect to performance of the duties of the Members of the Board during the 166th fiscal year from April 1, 2025 to March 31, 2026, the Audit & Supervisory Board prepared this Audit Report after deliberations based on the audit reports submitted by each Audit & Supervisory Board Member, and hereby reports as follows.

### 1. Methods and Contents of Audit by Audit & Supervisory Board Members and the Audit & Supervisory Board

(1) The Audit & Supervisory Board established the audit policy and audit plan, etc. and received a report from each Audit & Supervisory Board Member regarding the status of implementation of their audits and results thereof. In addition, the Audit & Supervisory Board received reports from the Members of the Board, etc. and the Independent Auditors regarding the status of performance of their duties, and requested their explanations as necessary.

(2) In accordance with the audit standards established by the Audit & Supervisory Board, and in conformity with the audit policies and the audit plan, etc., each Audit & Supervisory Board Member endeavored to facilitate a mutual understanding with the Members of the Board, Executive Officers, the Auditing Department and other employees, etc., endeavored to collect information and maintain and improve the audit environment, and implemented the audit by the following methods.

(i) Each Audit & Supervisory Board Member attended the Board and other important meetings, received reports from the Members of the Board, etc. regarding the status of performance of their duties, and requested their explanations as necessary, examined important approval/decision documents, and inspected the status of the businesses and assets of the head office and other major offices. In addition, with respect to the subsidiaries of the Company, each Audit & Supervisory Board Member endeavored to facilitate a mutual understanding and exchange information with members of the boards and audit & supervisory board members of each subsidiary, and received the business reports from the subsidiaries as necessary.

(ii) Each Audit & Supervisory Board Member received regular reports from the Members of the Board and employees, etc., and requested further explanation and expressed his opinion as necessary concerning the status of structure and implementation of (i) the resolutions of the Board regarding the development and maintenance of the system to ensure that performance of duties by the Members of the Board as stated in the Business Report, complied with all laws and regulations, and the Articles of Incorporation of the Company and other systems set forth in Paragraphs 1 and 3 of Article 100 of the Ordinance for Enforcement of the Companies Act as being necessary for ensuring appropriateness of the business operation of a stock company (*kabushiki kaisha*), and (ii) the systems (internal control systems) based on such resolutions. With respect to the internal control over financial reporting, the Audit & Supervisory Board received reports from the Members of the Board and KPMG AZSA LLC regarding the status of assessment and audit of the internal control, and requested their explanations as necessary.

(iii) Each Audit & Supervisory Board Member inspected whether the Independent Auditors maintained their independence and properly conducted their audit, and received reports from the Independent Auditors regarding the status of performance of their duties, and requested their explanations as necessary. Furthermore, each Audit & Supervisory Board Member was notified by the Independent Auditors that they had established a "system to ensure that performance of the duties of the Independent Auditors was properly conducted" (the matters set forth in Article 131 of the Ordinance on Accounting of Companies) in accordance with the "Quality Control Standards for Audit" (the Business Accounting Council) and other standards, and requested explanations as necessary.

By these methods described above, we examined the Business Report and the accompanying supplemental schedules for this fiscal year, the non-consolidated financial statements (the balance sheet, the statement of income, the statement of changes in net assets and the related notes) and the accompanying supplemental schedules as well as the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes) for this fiscal year.

### 2. Results of Audit

(1) Audit Results of the Business Report, etc.

(i) We acknowledge that the Business Report and the accompanied supplemental schedules fairly present the status of the Company in conformity with laws and regulations, and the Articles of Incorporation of the Company.

(ii) We acknowledge that no misconduct or material fact constituting a violation of any laws and regulations, or the Articles of Incorporation of the Company was found with respect to performance of the duties of the Members of the Board.

(iii) We acknowledge that the resolutions by the Board concerning the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the information provided in the Business Report, or performance of the duties of the Members of the Board concerning the internal control systems.

(2) Audit Results of the Financial Statements and their Accompanying Supplemental Schedules

We acknowledge that the methods and results of the audit conducted by the Independent Auditors, KPMG AZSA LLC, are appropriate.

(3) Results of Audit of the Consolidated Financial Statements

We acknowledge that the methods and results of the audit conducted by the Independent Auditors, KPMG AZSA LLC, are appropriate.

May 11, 2026

TAISEI CORPORATION

The Audit & Supervisory Board

Audit & Supervisory Board Member (Full-time): Takashi HAYASHI (seal)

Audit & Supervisory Board Member (Full-time): Shuichi OKUDA (seal)

Audit & Supervisory Board Member (External Member): Yasuhiro SATO (seal)

Audit & Supervisory Board Member (External Member): Keiko OHARA (seal)

Audit & Supervisory Board Member (External Member): Kazuhiro MIYAUCHI (seal)

### Notes to the Reader of the Audit Report:

The Audit Report herein is the English translation of the Audit Report as required by the Companies Act.