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November 5, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: OBAYASHI CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 1802
 URL: <https://www.obayashi.co.jp/en/>
 Representative: Toshimi Sato, Representative Director, President and CEO
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 Scheduled date to file semi-annual securities report: November 6, 2025
 Scheduled date to commence dividend payments: December 1, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for analysts and institutional investors)

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

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	1,161,287	(5.0)	80,077	78.0	84,547	72.2	77,967	42.9
September 30, 2024	1,222,854	13.1	44,989	45.9	49,107	29.2	54,579	83.5

Note: Comprehensive income For the six months ended September 30, 2025: 76,958 Millions of yen [247.7%]
 For the six months ended September 30, 2024: 22,132 Millions of yen [(76.3)%]

	Profit attributable to owners of parent per share (EPS)	Diluted profit per share
Six months ended	Yen	Yen
September 30, 2025	110.84	—
September 30, 2024	76.12	—

Note: Due to a change in accounting policy, results for six months ended September 30, 2024, have been re-presented retrospectively.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share (BPS)
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2025	2,883,408	1,225,594	40.7	1,686.44
March 31, 2025	3,042,778	1,210,201	38.1	1,628.88

Reference: Equity

As of September 30, 2025: 1,174,797 Millions of yen

As of March 31, 2025: 1,158,245 Millions of yen

Note: Due to a change in accounting policy, results for the fiscal year ended March 31, 2025, have been re-presented retrospectively.

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	—	40.00	—	41.00	81.00	57,911	39.9	5.0
Fiscal year ending March 31, 2026	—	41.00						
Fiscal year ending March 31, 2026 (Forecast)			—	41.00	82.00		38.3	

Note: Revisions to the forecast of cash dividends most recently announced: None

Due to a change in accounting policy, dividend payout ratio (consolidated) and ratio of dividends to net assets (consolidated) for the fiscal year ended March 31, 2025, have been re-presented retrospectively.

3. Consolidated forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit attributable to owners of parent per share (EPS)
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	2,570,000	(0.8)	165,000	15.8	172,000	13.0	149,000	2.5	214.01

Note: Revisions to the consolidated forecast for the fiscal year ending March 31, 2026, most recently announced: Yes

Refer to page 2 of the appendix and “Notice Concerning Revision to Full-Year Financial Results Forecasts” (disclosed on November 5, 2025) for consolidated forecast for the fiscal year ending March 31, 2026.

Year-on-year percentage changes are comparisons with the previous fiscal year’s figures, which reflect retrospective application of a change in accounting policy.

Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: Yes

(iii) Changes in accounting estimates: None

(iv) Restatement: None

Refer to page 19 of the appendix, (4) Notes to the Consolidated Financial Statements “Notes Regarding Changes in Accounting Policies” for details.

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

September 30, 2025	706,951,046 shares
March 31, 2025	721,509,646 shares

(ii) Number of treasury shares at the end of the period

September 30, 2025	10,338,250 shares
March 31, 2025	10,439,266 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	703,434,916 shares
Six months ended September 30, 2024	717,002,262 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

1. Refer to page 2 of the appendix and “Notice Concerning Revision to Full-Year Financial Results Forecasts” (disclosed on November 5, 2025) for consolidated forecasts.
2. The Company has resolved the matters concerning the acquisition of own shares pursuant to the provisions of Article 156 of the Companies Act of Japan, as applied by replacing the relevant terms pursuant to the provisions of Article 165, paragraph (3) of the same Act, at a meeting of Board of Directors held on August 8, 2025. The result of acquisition of own shares is reflected on the forecasts of profit attributable to owners of parent per share (EPS) for the fiscal year ending March 31, 2026.
3. Forward-looking statements and figures in this document are based on the information that the Company is able to obtain at the present point. Actual results may be different due to various factors.
4. The Company will hold a financial results briefing for analysts and institutional investors on Thursday, November 6, 2025. Presentation document is on the Company’s website.

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1. Overview of Operating Results and Financial Position

(1) Overview of operating results

During the first six months of the fiscal year (from April 1 to September 30, 2025), the Japanese economy continued its gradual recovery, given the upturn in consumer spending and improvement in corporate profits. It is expected that the improvement in employment and personal income will support the gradual recovery in the economy, however, the risk of downturn in the economic fluctuations remains high due to the impact of US trade policy. In addition, the impact of soaring raw material and energy prices, as well as fluctuations in financial and capital markets require continued close monitoring.

In the domestic construction market, although there are concerns about a decline in companies' capital investments mainly due to the impact of US trade policy, soaring construction material prices, and exchange rate fluctuations, the environment for orders is expected to remain firm for the time being, backed by steady orders for private-sector construction and public works projects.

Under such circumstances, the Obayashi Group's consolidated net sales amounted to 1,161.2 billion yen, a decrease of 61.5 billion yen (5.0%) from the same period of the previous fiscal year, due to a decline in the domestic building construction business compared to the same period of the previous fiscal year, which benefited from progress with large-scale projects, and also due to new orders being strategically received in alignment with the current construction capacity. In terms of profit and loss, operating income amounted to 80.0 billion yen, an increase of 35.0 billion yen (78.0%) from the same period of the previous fiscal year. Ordinary income amounted to 84.5 billion yen, an increase of 35.4 billion yen (72.2%) year-on-year. These were mainly due to factors including change orders and greater contribution from highly profitable construction projects in the domestic building construction business, steady progress with projects in hand in the overseas civil engineering subsidiaries, and the sale of developed properties in the real estate business. Profit attributable to owners of parent amounted to 77.9 billion yen, an increase of 23.3 billion yen (42.9%) year-on-year.

Operating results by business segment for the first six months of the fiscal year was as follows:

Construction business

Consolidated orders received for the construction business amounted to 1,411.1 billion yen, a decrease of 140.1 billion yen (9.0%) from the same period of the previous fiscal year, due to new orders being strategically received in alignment with the current construction capacity. More specifically, orders received for domestic building construction were 485.9 billion yen; for overseas building construction, 440.0 billion yen; for domestic civil engineering, 160.2 billion yen; and for overseas civil engineering, 324.8 billion yen.

Consolidated net sales for the construction business amounted to 1,083.3 billion yen, a decrease of 94.2 billion yen (8.0%) from the same period of the previous fiscal year, mainly due to a decline in the domestic building construction business compared to the same period of the previous fiscal year, which benefited from progress with large-scale projects, and also due to new orders being strategically received in alignment with the current construction capacity. More specifically, net sales for domestic building construction were 513.3 billion yen; for overseas building construction, 234.4 billion yen; for domestic civil engineering, 194.2 billion yen; and for overseas civil engineering, 141.2 billion yen.

Operating income amounted to 68.0 billion yen, an increase of 29.4 billion yen (76.6%) from the same period of the previous fiscal year, mainly due to factors including change orders and greater contribution from highly profitable construction projects in the domestic building construction business, and steady progress with projects in hand in the overseas civil engineering subsidiaries.

Real estate business

Net sales from the real estate business amounted to 45.6 billion yen, an increase of 23.3 billion yen (104.1%) from the same period of the previous fiscal year, and operating income amounted to 9.7 billion yen, an increase of 4.8 billion yen (100.6%) year-on-year mainly due to the sale of developed properties.

Other businesses

Net sales from other businesses amounted to 33.2 billion yen, an increase of 9.3 billion yen (40.8%) from the same period of the previous fiscal year, and operating income amounted to 2.3 billion yen, an increase of 0.7 billion yen (44.4%) year-on-year.

<Consolidated net sales and operating income by segment>

(Yen in millions)

Segment	Construction Business					Real Estate Business	Other Businesses	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Total Construction Business			
Net Sales	513,375	234,422	194,287	141,222	1,083,308	45,687	32,291	1,161,287
Operating Income	38,550	5,873	17,266	6,318	68,009	9,738	2,330	80,077

(2) Overview of consolidated financial position

Total assets decreased by 159.3 billion yen (5.2%) compared with the balance at the end of the previous fiscal year, amounting to 2,883.4 billion yen as of September 30, 2025. This was mainly due to a decrease in trade receivables related to construction contracts (the sum of notes and accounts receivable from completed construction contracts and other and electronically recorded monetary claims).

Total liabilities decreased by 174.7 billion yen (9.5%) compared with the balance at the end of the previous fiscal year, amounting to 1,657.8 billion yen as of September 30, 2025. This was mainly due to a decrease in trade payables related to construction costs (the sum of notes and accounts payable for construction contracts and other and electronically recorded obligations). The balance of interest-bearing debt decreased by 10.5 billion yen (2.9%) compared with the balance at the end of the previous fiscal year, amounting to 352.2 billion yen as of September 30, 2025. This was mainly due to decreases in long-term loans payable and nonrecourse loans.

Total net assets increased by 15.3 billion yen (1.3%) compared with the balance at the end of the previous fiscal year, amounting to 1,225.5 billion yen as of September 30, 2025. This was mainly due to an increase in retained earnings from the recognition of profit attributable to owners of parent while total net assets decreased due to acquisition of treasury stocks.

As a result, the equity ratio as of September 30, 2025, was 40.7%, up 2.6 percentage points from the end of the previous fiscal year.

(3) Overview of consolidated cash flows

During the first six months of the fiscal year ending March 31, 2026, net cash provided by operating activities amounted to 20.4 billion yen, primarily due to improvement in balance of the domestic construction business. (Net cash used by operating activities was 56.5 billion yen in the same period during the previous fiscal year.) Net cash provided by investing activities amounted to 6.6 billion yen, primarily due to the sale of cross-shareholdings, while investment due to purchase of commercial real estate was made. (Net cash used in investing activities was 16.2 billion yen in the same period during the previous fiscal year.) Net cash used in financing activities amounted to 72.8 billion yen, primarily due to acquisition of treasury stocks and the payment of dividends. (Net cash used in financing activities was 4.2 billion yen in the same period during the previous fiscal year.)

Consequently, cash and cash equivalents as of September 30, 2025 decreased by 52.0 billion yen to 328.1 billion yen compared with the balance at the end of the previous fiscal year.

(4) Consolidated forecast for the fiscal year ending March 31, 2026

The forecasts for consolidated performance for the fiscal year ending March 31, 2026 compared to the previously announced forecasts are as follows: 2,570.0 billion yen in net sales (an increase of 0.4%), 165.0 billion yen in operating income (an increase of 35.2%), 172.0 billion yen in ordinary income (an increase of 36.5%), and 149.0 billion yen in profit attributable to owners of parent (an increase of 49.0%). These are mainly due to an increase in gross profit on completed construction projects resulting from change orders mainly for multiple large-scale construction projects and reduction of construction costs in the domestic building construction business, and favorable progress with construction projects in hand and improved profitability in the overseas construction subsidiaries, which lead increases in net sales of and gross profit on completed construction contracts.

Please refer to "Notice Concerning Revision to Full-Year Financial Results Forecasts" announced separately on November 5, 2025.

(5) Policy regarding cross-shareholdings

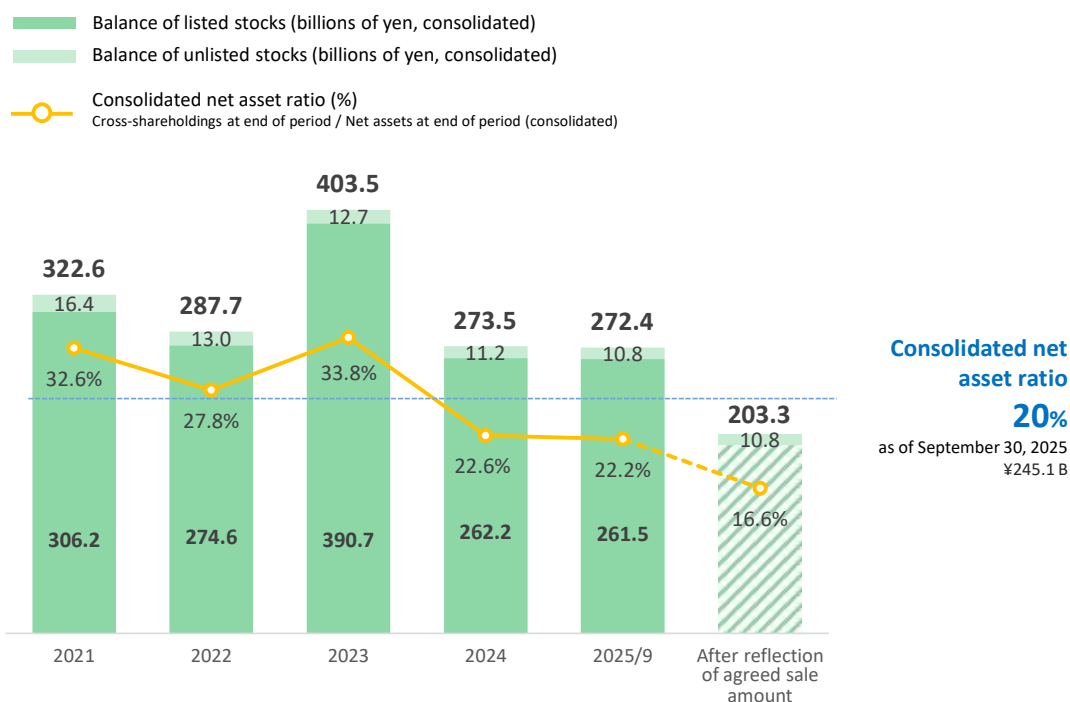
The Company owns cross-shareholdings to maintain and strengthen business relationships with the customers. The Company reviews the significance of owning shares in each company by regularly reporting to the Board of Directors on valuation gains/losses, and collective consideration of indicators of profitability such as capital cost and return on business from maintaining and strengthening the business relationship with a company. The Company verifies the economic rationale for owning shares over the medium and long term, and sells shares as needed when the business significance of owning the shares has weakened.

The Medium-Term Business Plan 2022 states that the Company will proceed further on reassessment of the significance of owning shares and overall investment efficiency for the Company. The Company has reduced cross-shareholdings, aiming to bring the ratio of cross-shareholdings to 20% or less of consolidated net assets by the end of March 2027.

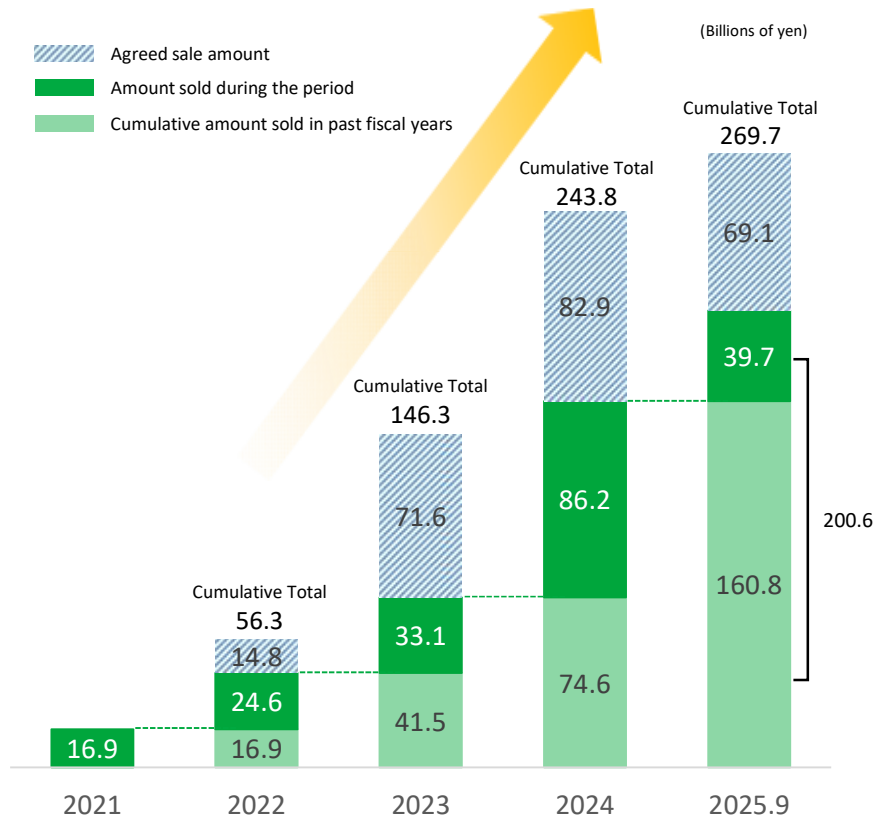
The balance of cross-shareholdings as of September 30, 2025, accounted for 22.2% of consolidated net assets, down 0.4 percentage points from 22.6% at the end of the previous fiscal year. This was mainly due to the progress in selling cross-shareholdings, despite a significant rise in the share prices of those holdings. The ratio of cross-shareholdings including the agreed sale amount by the end of March 2027 to consolidated net assets was 16.6% and the Company will proceed with further sale of cross-shareholdings to achieve its target reducing such shares to 20% or less of consolidated net assets.

To enhance its corporate value, the Company will strengthen investments in human resources, DX, technology, investments to expand production capacity, and growth investments in fields where it can establish a competitive advantage. From the point of improving capital efficiency, the Company will implement strategic shareholder returns by setting the necessary equity amount according to the growth of the Group's businesses. Proceeds from the sale of cross-shareholdings will be used for these investments or shareholder returns.

<Changes in balance of cross-shareholdings and consolidated net asset ratio >



<Changes in cumulative amount sold from FY2021 including agreed sale amount (Consolidated) >



<Factors behind changes in the balance of cross-shareholdings (Consolidated) >

Balances and Changes	Amount
Balance as of March 31, 2025	¥273.5B
Amount sold during the period	(¥39.7B)
Increase due to higher stock prices	+¥39.0B
Other (impairment loss on unlisted stocks, etc.)	(¥0.3B)
Balance as of September 30, 2025 [of which agreed sale amount]	¥272.4B [¥69.1B]

2. Financial Highlights

(1) Financial Results for the Six Months Ended September 30, 2025 (YoY Comparison)

(Billions of yen)

	Consolidated						Non-consolidated					
	Results Six Months Ended September 30, 2024		Results Six Months Ended September 30, 2025		Change	% Change	Results Six Months Ended September 30, 2024		Results Six Months Ended September 30, 2025		Change	% Change
Net sales of completed construction contracts	%	1,177.5	%	1,083.3	(94.2)	(8.0)	%	777.9	%	660.2	(117.7)	(15.1)
Building construction		—		—	—	—		619.7		497.0	(122.7)	(19.8)
Civil engineering		—		—	—	—		158.1		163.1	5.0	3.2
Gross profit on completed construction contracts	9.0	105.4	13.0	140.5	35.1	33.3	9.0	69.7	14.7	97.1	27.4	39.3
Building construction		—		—	—	—	6.6	41.1	13.7	67.8	26.7	65.0
Civil engineering		—		—	—	—	18.1	28.6	17.9	29.2	0.6	2.4
Net sales of real estate business and other		45.3		77.9	32.6	72.0		9.4		16.0	6.5	68.9
Gross profit on real estate business and other	26.4	11.9	23.4	18.2	6.3	52.9	20.0	1.8	18.2	2.9	1.0	53.6
Net sales		1,222.8		1,161.2	(61.5)	(5.0)		787.4		676.2	(111.2)	(14.1)
Gross profit	9.6	117.4	13.7	158.8	41.4	35.3	9.1	71.6	14.8	100.0	28.4	39.7
Selling, general and administrative expenses	5.9	72.4	6.8	78.7	6.3	8.7	5.8	45.5	7.3	49.3	3.7	8.3
(Personnel expenses)		39.4		43.2	3.8			23.7		24.9	1.1	
(Others)		32.9		35.4	2.5			21.7		24.4	2.6	
Operating income	3.7	44.9	6.9	80.0	35.0	78.0	3.3	26.0	7.5	50.7	24.6	94.7
Non-operating income		7.3		7.3	0.0	0.5		7.9		43.5	35.6	449.0
Non-operating expenses		3.2		2.9	(0.3)	(9.7)		2.9		0.9	(1.9)	(66.4)
Ordinary income	4.0	49.1	7.3	84.5	35.4	72.2	3.9	31.0	13.8	93.3	62.3	200.7
Extraordinary income		31.8		28.7	(3.0)	(9.7)		31.6		30.2	(1.3)	(4.3)
Extraordinary loss		2.2		0.6	(1.5)	(69.6)		2.3		0.5	(1.7)	(76.6)
Income before income taxes	6.4	78.7	9.7	112.6	33.9	43.1	7.7	60.3	18.2	123.1	62.7	103.9
Total income taxes		22.5		33.3	10.8	48.0		17.5		27.6	10.1	58.0
Profit		56.1		79.2	23.1	41.1		—		—	—	—
Profit attributable to non-controlling interests (deduction)		1.5		1.3	(0.2)	(17.6)		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	4.5	54.5	6.7	77.9	23.3	42.9	5.4	42.8	14.1	95.4	52.5	122.6

Note: Due to a change in accounting policy, consolidated results for six months ended September 30, 2024, have been re-presented retrospectively.

Orders Received

(Billions of yen)

	Consolidated					Non-consolidated						
	Results Six Months Ended September 30, 2024		Results Six Months Ended September 30, 2025		Change	% Change	Results Six Months Ended September 30, 2024		Results Six Months Ended September 30, 2025		Change	% Change
Building construction	941.3		925.9		(15.3)	(1.6)	651.8		471.5		(180.2)	(27.7)
Domestic	671.4		485.9		(185.4)	(27.6)	648.8		470.2		(178.5)	(27.5)
Overseas	269.9		440.0		170.1	63.0	3.0		1.3		(1.6)	(55.4)
Civil engineering	610.0		485.1		(124.8)	(20.5)	243.9		188.1		(55.7)	(22.9)
Domestic	239.0		160.2		(78.7)	(32.9)	199.4		117.1		(82.3)	(41.3)
Overseas	371.0		324.8		(46.1)	(12.4)	44.4		70.9		26.5	59.7
Construction total	1,551.3		1,411.1		(140.1)	(9.0)	895.7		659.7		(236.0)	(26.4)
Domestic	910.4		646.2		(264.1)	(29.0)	848.3		587.3		(260.9)	(30.8)
Overseas	640.9		764.8		123.9	19.3	47.4		72.3		24.8	52.4
Real estate business and other	65.3		65.7		0.3	0.5	9.4		16.0		6.5	69.0
Total orders received	1,616.7		1,476.8		(139.8)	(8.7)	905.2		675.7		(229.5)	(25.4)

Note: Due to a change in accounting policy, consolidated results for six months ended September 30, 2024, have been re-presented retrospectively.

Interest-bearing Debt Balances

(Billions of yen)

	Consolidated		
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(2) Forecasts for the Fiscal Year Ending March 31, 2026 (Comparison with the forecast announced on August 8, 2025)

(Billions of yen)

	Consolidated					Non-consolidated						
	Forecasts announced on August 8, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Progress	Forecasts announced on August 8, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Progress
Net sales of completed construction contracts	%	2,400.0	%	2,405.0	5.0	45.0	%	1,502.5	%	1,498.0	(4.5)	44.1
Building construction		—		—	—	—		1,140.5		1,136.0	(4.5)	43.8
Civil engineering		—		—	—	—		362.0		362.0	—	45.1
Gross profit on completed construction contracts	10.5	251.0	12.4	298.0	47.0	47.2	11.3	169.5	13.9	208.0	38.5	46.7
Building construction		—		—	—	—	9.7	110.5	13.1	149.0	38.5	45.6
Civil engineering		—		—	—	—	16.3	59.0	16.3	59.0	—	49.6
Net sales of real estate business and other		160.0		165.0	5.0	47.3		27.5		32.0	4.5	50.0
Gross profit on real estate business and other	19.4	31.0	20.0	33.0	2.0	55.4	16.4	4.5	15.6	5.0	0.5	58.2
Net sales		2,560.0		2,570.0	10.0	45.2		1,530.0		1,530.0	—	44.2
Gross profit	11.0	282.0	12.9	331.0	49.0	48.0	11.4	174.0	13.9	213.0	39.0	47.0
Selling, general and administrative expenses	6.2	160.0	6.5	166.0	6.0	47.4	6.6	100.0	6.6	102.0	2.0	48.4
(Personnel expenses)		86.0		89.0	3.0			50.0		50.0	—	
(Others)		74.0		77.0	3.0			50.0		52.0	2.0	
Operating income	4.8	122.0	6.4	165.0	43.0	48.5	4.8	74.0	7.3	111.0	37.0	45.7
Non-operating income		11.0		13.0	2.0	56.8		51.0		46.0	(5.0)	94.7
Non-operating expenses		7.0		6.0	(1.0)	48.6		3.0		3.0	—	33.2
Ordinary income	4.9	126.0	6.7	172.0	46.0	49.2	8.0	122.0	10.1	154.0	32.0	60.6
Extraordinary income		23.0		46.0	23.0	62.6		23.0		48.0	25.0	63.1
Extraordinary loss		4.0		5.0	1.0	13.7		3.0		8.0	5.0	6.8
Income before income taxes	5.7	145.0	8.3	213.0	68.0	52.9	9.3	142.0	12.7	194.0	52.0	63.5
Total income taxes		41.5		60.0	18.5	55.6		30.0		48.0	18.0	57.6
Profit		103.5		153.0	49.5	51.8		—		—	—	—
Profit attributable to non-controlling interests (deduction)		3.5		4.0	0.5	32.9		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	3.9	100.0	5.8	149.0	49.0	52.3	7.3	112.0	9.5	146.0	34.0	65.4

Note: Refer to "Notice Concerning Revision to Full-Year Financial Results Forecasts" (disclosed on November 5, 2025) for the latest forecasts for fiscal year ending March 31, 2026.

Orders Received

(Billions of yen)

(3) Forecasts for the Fiscal Year Ending March 31, 2026 (YoY Comparison)

(Billions of yen)

	Consolidated						Non-consolidated					
	Results Fiscal Year Ended March 31, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Change	Results Fiscal Year Ended March 31, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Change
Net sales of completed construction contracts	%	2,467.7	%	2,405.0	(62.7)	(2.5)	%	1,636.3	%	1,498.0	(138.3)	(8.5)
Building construction		—		—	—	—		1,297.7		1,136.0	(161.7)	(12.5)
Civil engineering		—		—	—	—		338.6		362.0	23.3	6.9
Gross profit on completed construction contracts	10.8	265.4	12.4	298.0	32.5	12.3	11.0	179.9	13.9	208.0	28.0	15.6
Building construction		—		—	—	—	9.1	118.0	13.1	149.0	30.9	26.2
Civil engineering		—		—	—	—	18.3	61.9	16.3	59.0	(2.9)	(4.7)
Net sales of real estate business and other		123.0		165.0	41.9	34.1		24.3		32.0	7.6	31.6
Gross profit on real estate business and other	24.4	29.9	20.0	33.0	3.0	10.1	20.1	4.8	15.6	5.0	0.1	2.4
Net sales		2,590.7		2,570.0	(20.7)	(0.8)		1,660.6		1,530.0	(130.6)	(7.9)
Gross profit	11.4	295.3	12.9	331.0	35.6	12.1	11.1	184.8	13.9	213.0	28.1	15.2
Selling, general and administrative expenses	5.9	152.9	6.5	166.0	13.0	8.6	5.7	95.4	6.6	102.0	6.5	6.9
(Personnel expenses)		81.8		89.0	7.1			47.5		50.0	2.4	
(Others)		71.0		77.0	5.9			47.9		52.0	4.0	
Operating income	5.5	142.4	6.4	165.0	22.5	15.8	5.4	89.4	7.3	111.0	21.5	24.1
Non-operating income		15.7		13.0	(2.7)	(17.5)		14.0		46.0	31.9	227.0
Non-operating expenses		6.0		6.0	(0.0)	(0.0)		4.8		3.0	(1.8)	(37.7)
Ordinary income	5.9	152.2	6.7	172.0	19.7	13.0	5.9	98.6	10.1	154.0	55.3	56.1
Extraordinary income		69.0		46.0	(23.0)	(33.4)		69.1		48.0	(21.1)	(30.6)
Extraordinary loss		11.4		5.0	(6.4)	(56.2)		7.3		8.0	0.6	8.7
Income before income taxes	8.1	209.8	8.3	213.0	3.1	1.5	9.7	160.4	12.7	194.0	33.5	20.9
Total income taxes		60.2		60.0	(0.2)	(0.4)		44.7		48.0	3.2	7.4
Profit		149.6		153.0	3.3	2.3		—		—	—	—
Profit attributable to non-controlling interests (deduction)		4.2		4.0	(0.2)	(6.1)		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	5.6	145.3	5.8	149.0	3.6	2.5	7.0	115.7	9.5	146.0	30.2	26.2

Notes: 1. Refer to "Notice Concerning Revision to Full-Year Financial Results Forecasts" (disclosed on November 5, 2025) for the latest forecasts for fiscal year ending March 31, 2026.
2. Due to a change in accounting policy, consolidated results for the fiscal year ended March 31, 2025, have been re-presented retrospectively.

Orders Received

(Billions of yen)

	Consolidated					Non-consolidated			
	Results Fiscal Year Ended March 31, 2025	Forecasts Fiscal Year Ending March 31, 2026	Change	% Change		Results Fiscal Year Ended March 31, 2025	Forecasts Fiscal Year Ending March 31, 2026	Change	% Change
Building construction	2,031.6	1,865.0	(166.6)	(8.2)		1,516.2	1,206.0	(310.2)	(20.5)
Domestic	1,554.5	1,245.0	(309.5)	(19.9)		1,510.8	1,200.0	(310.8)	(20.6)
Overseas	477.0	620.0	142.9	30.0		5.4	6.0	0.5	9.7
Civil engineering	1,130.2	935.0	(195.2)	(17.3)		503.8	415.0	(88.8)	(17.6)
Domestic	533.4	410.0	(123.4)	(23.1)		456.8	330.0	(126.8)	(27.8)
Overseas	596.8	525.0	(71.8)	(12.0)		46.9	85.0	38.0	80.9
Construction total	3,161.8	2,800.0	(361.8)	(11.4)		2,020.0	1,621.0	(399.0)	(19.8)
Domestic	2,087.9	1,655.0	(432.9)	(20.7)		1,967.6	1,530.0	(437.6)	(22.2)
Overseas	1,073.9	1,145.0	71.0	6.6		52.4	91.0	38.5	73.5
Real estate business and other	154.7	120.0	(34.7)	(22.5)		24.3	32.0	7.6	31.6
Total orders received	3,316.6	2,920.0	(396.6)	(12.0)		2,044.4	1,653.0	(391.4)	(19.1)

Note: Due to a change in accounting policy, consolidated results for the fiscal year ended March 31, 2025, have been re-presented retrospectively.

Interest-bearing Debt Balances

(Billions of yen)

	Consolidated				Non-consolidated			
	Forecasts As of March 31, 2025	Forecasts As of March 31, 2026	Change	% Change	Forecasts As of March 31, 2025	Forecasts As of March 31, 2026	Change	% Change
Interest-bearing debt (except nonrecourse loans)	285.2	250.0	(35.2)	(12.3)	178.4	150.0	(28.4)	(15.9)
Nonrecourse loans	77.5	70.0	(7.5)	(9.7)	—	—	—	—
Total interest-bearing debt	362.7	320.0	(42.7)	(11.8)	178.4	150.0	(28.4)	(15.9)

Note: There have been no revisions to the forecasts previously announced on August 8, 2025.

3. Breakdown of Net Sales and Operating Income/Gross Profit for Domestic/Overseas Segments

(1) Operating Results for the Six Months Ended September 30, 2025 (YoY Comparison)

【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results Six Months Ended September 30, 2024	Results Six Months Ended September 30, 2025	Change	% Change	Results Six Months Ended September 30, 2024		Results Six Months Ended September 30, 2025		Change	% Change
					% Profit		% Profit			
<u>Building Construction</u>										
Domestic	635,172	513,375	(121,796)	(19.2)	2.1	13,513	7.5	38,550	25,037	185.3
Overseas	251,237	234,422	(16,814)	(6.7)	2.5	6,255	2.5	5,873	(382)	(6.1)
Subtotal	886,410	747,798	(138,611)	(15.6)	2.2	19,769	5.9	44,424	24,654	124.7
<u>Civil Engineering</u>										
Domestic	184,633	194,287	9,654	5.2	9.4	17,266	8.9	17,266	0	0.0
Overseas	106,483	141,222	34,738	32.6	1.4	1,484	4.5	6,318	4,833	325.6
Subtotal	291,116	335,509	44,392	15.2	6.4	18,751	7.0	23,585	4,834	25.8
<u>Construction Total</u>										
Domestic	819,806	707,663	(112,142)	(13.7)	3.8	30,780	7.9	55,817	25,037	81.3
Overseas	357,720	375,645	17,924	5.0	2.2	7,740	3.2	12,192	4,451	57.5
Subtotal	1,177,527	1,083,308	(94,218)	(8.0)	3.3	38,520	6.3	68,009	29,488	76.6
<u>Real Estate Business and Other</u>										
Real Estate Business	22,387	45,687	23,300	104.1	21.7	4,854	21.3	9,738	4,883	100.6
Other	22,939	32,291	9,352	40.8	7.0	1,614	7.2	2,330	716	44.4
Subtotal	45,327	77,979	32,652	72.0	14.3	6,468	15.5	12,068	5,599	86.6
Total	1,222,854	1,161,287	(61,566)	(5.0)	3.7	44,989	6.9	80,077	35,088	78.0

Notes: 1. Consolidated net sales and operating income show the sales and operating income for external customers.

2. Due to a change in accounting policy, results for six months ended September 30, 2024, have been re-presented retrospectively.

【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Results Six Months Ended September 30, 2024	Results Six Months Ended September 30, 2025	Change	% Change	Results Six Months Ended September 30, 2024		Results Six Months Ended September 30, 2025		Change	% Change
					% Gross Profit		% Gross Profit			
<u>Building Construction</u>										
Domestic	615,392	493,483	(121,908)	(19.8)	6.7	41,068	13.7	67,397	26,328	64.1
Overseas	4,407	3,550	(856)	(19.4)	1.7	76	14.0	497	420	550.8
Subtotal	619,799	497,034	(122,765)	(19.8)	6.6	41,144	13.7	67,894	26,749	65.0
<u>Civil Engineering</u>										
Domestic	142,717	153,178	10,461	7.3	19.1	27,202	18.3	28,068	866	3.2
Overseas	15,441	10,011	(5,430)	(35.2)	9.1	1,401	12.2	1,217	(184)	(13.1)
Subtotal	158,158	163,190	5,031	3.2	18.1	28,603	17.9	29,286	682	2.4
<u>Construction Total</u>										
Domestic	758,109	646,662	(111,446)	(14.7)	9.0	68,270	14.8	95,465	27,195	39.8
Overseas	19,849	13,562	(6,286)	(31.7)	7.4	1,478	12.6	1,714	236	16.0
Subtotal	777,958	660,225	(117,733)	(15.1)	9.0	69,748	14.7	97,180	27,432	39.3
<u>Real Estate Business and Other</u>										
Real Estate Business	9,473	16,003	6,529	68.9	20.0	1,895	18.2	2,910	1,015	53.6
Other					9.1	71,643	14.8	100,091	28,448	39.7
Total	787,432	676,228	(111,203)	(14.1)						

(2) Forecasts for the Fiscal Year Ending March 31, 2026 (Comparison with the forecast announced on August 8, 2025)

【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Forecasts announced on August 8, 2025	Forecasts Fiscal Year Ending March 31, 2026	Change	% Change	Forecasts announced on August 8, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Change
					% Profit		% Profit			
<u>Building Construction</u>										
Domestic	1,180,000	1,170,000	(10,000)	(0.8)	4.4	51,500	7.6	89,000	37,500	72.8
Overseas	495,000	505,000	10,000	2.0	1.6	8,000	1.8	9,000	1,000	12.5
Subtotal	1,675,000	1,675,000	—	—	3.6	59,500	5.9	98,000	38,500	64.7
<u>Civil Engineering</u>										
Domestic	420,000	415,000	(5,000)	(1.2)	8.5	35,500	8.4	35,000	(500)	(1.4)
Overseas	305,000	315,000	10,000	3.3	2.6	8,000	4.1	13,000	5,000	62.5
Subtotal	725,000	730,000	5,000	0.7	6.0	43,500	6.6	48,000	4,500	10.3
<u>Construction Total</u>										
Domestic	1,600,000	1,585,000	(15,000)	(0.9)	5.4	87,000	7.8	124,000	37,000	42.5
Overseas	800,000	820,000	20,000	2.5	2.0	16,000	2.7	22,000	6,000	37.5
Subtotal	2,400,000	2,405,000	5,000	0.2	4.3	103,000	6.1	146,000	43,000	41.7
<u>Real Estate Business and Other</u>										
Real Estate Business	97,000	97,000	—	—	18.0	17,500	18.0	17,500	—	—
Other	63,000	68,000	5,000	7.9	2.4	1,500	2.2	1,500	—	—
Subtotal	160,000	165,000	5,000	3.1	11.9	19,000	11.5	19,000	—	—
Total	2,560,000	2,570,000	10,000	0.4	4.8	122,000	6.4	165,000	43,000	35.2

Note: Consolidated net sales and operating income for each segment show the sales and operating income for external customers.

【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Forecasts announced on August 8, 2025	Forecasts Fiscal Year Ending March 31, 2026	Change	% Change	Forecasts announced on August 8, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Change
					% Gross Profit		% Gross Profit			
<u>Building Construction</u>										
Domestic	1,130,000	1,125,000	(5,000)	(0.4)	9.7	110,000	13.2	148,500	38,500	35.0
Overseas	10,500	11,000	500	4.8	4.8	500	4.5	500	—	—
Subtotal	1,140,500	1,136,000	(4,500)	(0.4)	9.7	110,500	13.1	149,000	38,500	34.8
<u>Civil Engineering</u>										
Domestic	330,000	330,000	—	—	17.1	56,500	17.1	56,500	—	—
Overseas	32,000	32,000	—	—	7.8	2,500	7.8	2,500	—	—
Subtotal	362,000	362,000	—	—	16.3	59,000	16.3	59,000	—	—
<u>Construction Total</u>										
Domestic	1,460,000	1,455,000	(5,000)	(0.3)	11.4	166,500	14.1	205,000	38,500	23.1
Overseas	42,500	43,000	500	1.2	7.1	3,000	7.0	3,000	—	—
Subtotal	1,502,500	1,498,000	(4,500)	(0.3)	11.3	169,500	13.9	208,000	38,500	22.7
<u>Real Estate Business and Other</u>										
	27,500	32,000	4,500	16.4	16.4	4,500	15.6	5,000	500	11.1
Total	1,530,000	1,530,000	—	—	11.4	174,000	13.9	213,000	39,000	22.4

(3) Forecasts for the Fiscal Year Ending March 31, 2026 (YoY Comparison)

【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results Fiscal Year Ended March 31, 2025	Forecasts Fiscal Year Ending March 31, 2026	Change	% Change	Results Fiscal Year Ended March 31, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Change
					% Profit		% Profit			
<u>Building Construction</u>										
Domestic	1,337,171	1,170,000	(167,171)	(12.5)	4.7	62,784	7.6	89,000	26,215	41.8
Overseas	477,879	505,000	27,120	5.7	2.7	12,810	1.8	9,000	(3,810)	(29.7)
Subtotal	1,815,050	1,675,000	(140,050)	(7.7)	4.2	75,595	5.9	98,000	22,404	29.6
<u>Civil Engineering</u>										
Domestic	402,252	415,000	12,747	3.2	10.1	40,576	8.4	35,000	(5,576)	(13.7)
Overseas	250,459	315,000	64,540	25.8	3.2	8,006	4.1	13,000	4,993	62.4
Subtotal	652,712	730,000	77,287	11.8	7.4	48,583	6.6	48,000	(583)	(1.2)
<u>Construction Total</u>										
Domestic	1,739,423	1,585,000	(154,423)	(8.9)	5.9	103,361	7.8	124,000	20,638	20.0
Overseas	728,339	820,000	91,660	12.6	2.9	20,817	2.7	22,000	1,182	5.7
Subtotal	2,467,763	2,405,000	(62,763)	(2.5)	5.0	124,178	6.1	146,000	21,821	17.6
<u>Real Estate Business and Other</u>										
Real Estate Business	72,712	97,000	24,287	33.4	22.1	16,071	18.0	17,500	1,428	8.9
Other	50,289	68,000	17,710	35.2	4.4	2,219	2.2	1,500	(719)	(32.4)
Subtotal	123,001	165,000	41,998	34.1	14.9	18,291	11.5	19,000	708	3.9
Total	2,590,765	2,570,000	(20,765)	(0.8)	5.5	142,469	6.4	165,000	22,530	15.8

Notes: 1. Consolidated net sales and operating income show the sales and operating income for external customers.

2. Due to a change in accounting policy, results for the fiscal year ended March 31, 2025, have been re-presented retrospectively.

【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Results Fiscal Year Ended March 31, 2025	Forecasts Fiscal Year Ending March 31, 2026	Change	% Change	Results Fiscal Year Ended March 31, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Change
					% Gross Profit		% Gross Profit			
<u>Building Construction</u>										
Domestic	1,290,917	1,125,000	(165,917)	(12.9)	9.1	117,800	13.2	148,500	30,699	26.1
Overseas	6,798	11,000	4,201	61.8	3.5	236	4.5	500	263	111.7
Subtotal	1,297,716	1,136,000	(161,716)	(12.5)	9.1	118,036	13.1	149,000	30,963	26.2
<u>Civil Engineering</u>										
Domestic	309,199	330,000	20,800	6.7	18.8	58,235	17.1	56,500	(1,735)	(3.0)
Overseas	29,433	32,000	2,566	8.7	12.6	3,696	7.8	2,500	(1,196)	(32.4)
Subtotal	338,632	362,000	23,367	6.9	18.3	61,931	16.3	59,000	(2,931)	(4.7)
<u>Construction Total</u>										
Domestic	1,600,117	1,455,000	(145,117)	(9.1)	11.0	176,035	14.1	205,000	28,964	16.5
Overseas	36,231	43,000	6,768	18.7	10.9	3,932	7.0	3,000	(932)	(23.7)
Subtotal	1,636,348	1,498,000	(138,348)	(8.5)	11.0	179,968	13.9	208,000	28,031	15.6
<u>Real Estate Business and Other</u>										
Real Estate Business	24,313	32,000	7,686	31.6	20.1	4,881	15.6	5,000	118	2.4
Total	1,660,662	1,530,000	(130,662)	(7.9)	11.1	184,849	13.9	213,000	28,150	15.2

4. Breakdown of Non-consolidated Orders Received, Net Sales and Projects in Process

(1) Breakdown of Non-consolidated Orders Received

(Yen in millions)

	Results Six Months Ended September 30, 2024		Results Six Months Ended September 30, 2025		Change		Results Fiscal Year Ended March 31, 2025	
		% of Total		% of Total		% Change		% of Total
<u>Building Construction</u>								
Domestic Public	47,026	5.2	14,959	2.2	(32,066)	(68.2)	91,098	4.5
Domestic Private	601,802	66.5	455,271	67.4	(146,531)	(24.3)	1,419,714	69.4
Domestic Total	648,829	71.7	470,230	69.6	(178,598)	(27.5)	1,510,813	73.9
Overseas	3,043	0.3	1,358	0.2	(1,684)	(55.4)	5,471	0.3
Subtotal	651,873	72.0	471,589	69.8	(180,283)	(27.7)	1,516,284	74.2
<u>Civil Engineering</u>								
Domestic Public	95,023	10.5	72,982	10.8	(22,040)	(23.2)	270,528	13.2
Domestic Private	104,449	11.6	44,181	6.5	(60,268)	(57.7)	186,296	9.1
Domestic Total	199,472	22.1	117,164	17.3	(82,308)	(41.3)	456,825	22.3
Overseas	44,439	4.9	70,986	10.5	26,546	59.7	46,986	2.3
Subtotal	243,912	27.0	188,150	27.8	(55,762)	(22.9)	503,811	24.6
<u>Construction Total</u>								
Domestic Public	142,049	15.7	87,941	13.0	(54,107)	(38.1)	361,627	17.7
Domestic Private	706,252	78.1	499,453	73.9	(206,799)	(29.3)	1,606,010	78.5
Domestic Total	848,302	93.8	587,394	86.9	(260,907)	(30.8)	1,967,638	96.2
Overseas	47,483	5.2	72,344	10.7	24,861	52.4	52,457	2.6
Subtotal	895,785	99.0	659,739	97.6	(236,045)	(26.4)	2,020,096	98.8
Real Estate Business and Other	9,469	1.0	16,003	2.4	6,533	69.0	24,309	1.2
Total	905,255	100	675,743	100	(229,512)	(25.4)	2,044,406	100

(2) Breakdown of Non-consolidated Net Sales

(Yen in millions)

	Results Six Months Ended September 30, 2024		Results Six Months Ended September 30, 2025		Change		Results Fiscal Year Ended March 31, 2025	
		% of Total		% of Total		% Change		% of Total
<u>Building Construction</u>								
Domestic Public	39,253	5.0	27,853	4.1	(11,399)	(29.0)	73,304	4.4
Domestic Private	576,138	73.2	465,630	68.9	(110,508)	(19.2)	1,217,612	73.3
Domestic Total	615,392	78.2	493,483	73.0	(121,908)	(19.8)	1,290,917	77.7
Overseas	4,407	0.5	3,550	0.5	(856)	(19.4)	6,798	0.4
Subtotal	619,799	78.7	497,034	73.5	(122,765)	(19.8)	1,297,716	78.1
<u>Civil Engineering</u>								
Domestic Public	88,699	11.3	105,076	15.5	16,376	18.5	192,208	11.6
Domestic Private	54,017	6.8	48,102	7.1	(5,914)	(10.9)	116,991	7.0
Domestic Total	142,717	18.1	153,178	22.6	10,461	7.3	309,199	18.6
Overseas	15,441	2.0	10,011	1.5	(5,430)	(35.2)	29,433	1.8
Subtotal	158,158	20.1	163,190	24.1	5,031	3.2	338,632	20.4
<u>Construction Total</u>								
Domestic Public	127,952	16.3	132,929	19.6	4,976	3.9	265,512	16.0
Domestic Private	630,156	80.0	513,732	76.0	(116,423)	(18.5)	1,334,604	80.3
Domestic Total	758,109	96.3	646,662	95.6	(111,446)	(14.7)	1,600,117	96.3
Overseas	19,849	2.5	13,562	2.0	(6,286)	(31.7)	36,231	2.2
Subtotal	777,958	98.8	660,225	97.6	(117,733)	(15.1)	1,636,348	98.5
Real Estate Business and Other	9,473	1.2	16,003	2.4	6,529	68.9	24,313	1.5
Total	787,432	100	676,228	100	(111,203)	(14.1)	1,660,662	100

(3) Breakdown of Non-consolidated Projects in Process

(Yen in millions)

	Results As of September 30, 2024		Results As of September 30, 2025		Change		Results As of March 31, 2025	
		% of Total		% of Total		% Change		% of Total
<u>Building Construction</u>								
Domestic Public	128,818	5.1	139,248	5.0	10,429	8.1	138,840	5.0
Domestic Private	1,595,555	63.5	1,748,331	62.9	152,776	9.6	1,771,992	63.8
Domestic Total	1,724,374	68.6	1,887,580	67.9	163,205	9.5	1,910,832	68.8
Overseas	14,430	0.6	12,275	0.5	(2,155)	(14.9)	14,467	0.5
Sub-total	1,738,805	69.2	1,899,855	68.4	161,050	9.3	1,925,300	69.3
<u>Civil Engineering</u>								
Domestic Public	404,112	16.1	444,015	16.0	39,903	9.9	476,109	17.1
Domestic Private	244,418	9.7	259,371	9.3	14,952	6.1	263,292	9.5
Domestic Total	648,531	25.8	703,386	25.3	54,855	8.5	739,401	26.6
Overseas	126,087	5.0	175,616	6.3	49,529	39.3	114,642	4.1
Subtotal	774,619	30.8	879,003	31.6	104,384	13.5	854,044	30.7
<u>Construction Total</u>								
Domestic Public	532,931	21.2	583,263	21.0	50,332	9.4	614,949	22.1
Domestic Private	1,839,974	73.2	2,007,703	72.2	167,728	9.1	2,035,284	73.3
Domestic Total	2,372,906	94.4	2,590,967	93.2	218,060	9.2	2,650,234	95.4
Overseas	140,518	5.6	187,892	6.8	47,374	33.7	129,110	4.6
Subtotal	2,513,424	100	2,778,859	100	265,434	10.6	2,779,344	100
Real Estate Business and Other	—	—	—	—	—	—	—	—
Total	2,513,424	100	2,778,859	100	265,434	10.6	2,779,344	100

5. Major Projects

(1) Orders Received

Client	Project Name
TOKYO SUISAN TERMINAL CO.,LTD.	New Refrigerated Warehouses Construction Project
THE HOKURIKU BANK, LTD.	Hokuhoku FG Headquarters Building Construction Project
Consortium of Mitsui Fudosan Co., Ltd., Toyota Tsusho Corporation, and KDDI CORPORATION	(Tentative name) Nagoya Arena Construction Project
Central Nippon Expressway Company Limited	Bridge deck replacement work of the Shippo No. 2 Viaduct and 4 other bridges (downbound) on the Higashi-Meihan Expressway
Changi Airport Group (Singapore) Pte Ltd	Changi Airport Terminal 5 Substructure Construction Works (Singapore)*1
The Regents of The University of California	UCSB San Benito Student Housing (U.S.A.)*2

*1 Undertaken by OBAYASHI SINGAPORE

*2 Undertaken by WEBCOR (Subsidiary of Obayashi USA)

(2) Completed Projects

Client	Project Name
Canon Inc.	Canon Inc. Utsunomiya Optical Equipment Facility New Building Construction Project
Japan Racing Association	Hanshin Racecourse Stand Refreshment Project (Second Term)
OSAKA GAS CO., LTD.	Daigas Innovation Center Construction Project
NEC Facilities, Ltd.	(Tentative name) NEC Innovation Center Construction Project
Osaka Shinkin Bank	Osaka Shinkin Bank Head Office Renovation Project
Central Nippon Expressway Company Limited	Bridge deck replacement of the Yatomi Viaduct on the Higashimeihan Expressway

(3) Projects in Process

Client	Project Name
MGM Osaka Corporation	Osaka IR Construction Project (MUSUBI Hotel, Kansai Tourism Center, and Others)
MUFG Bank, Ltd.	M Project, Construction of MUFG New Head Office
Idemitsu Kosan Co., Ltd.	Integrated Laboratory Construction Project
Shibuya Nishi Kaihatsu TMK	Shibuya Upper West Project
NARITA INTERNATIONAL AIRPORT CORPORATION	Runway C Southward Development Project (Part 1)
The Portland Water Bureau	The Bull Run Filtration Projects (U.S.A.)*

* Undertaken by MWH (Subsidiary of Obayashi USA)

6. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2025	September 30, 2025	Change
Assets			
Current assets			
Cash and deposits	394,728	339,729	(54,998)
Notes and accounts receivable from completed construction contracts and other	1,139,624	989,334	(150,289)
Electronically recorded monetary claims	15,172	30,098	14,926
Short-term investment securities	11,410	10,978	(432)
Real estate for sale	31,301	21,366	(9,934)
Costs on uncompleted construction contracts	38,399	51,884	13,484
Costs on real estate business	38,006	37,203	(803)
Inventories for PFI and other projects	3,141	2,340	(800)
Other inventories	16,013	15,313	(700)
Accounts receivable	96,954	77,465	(19,488)
Other	32,132	72,116	39,984
Allowance for doubtful accounts	(7,425)	(6,275)	1,149
Total current assets	1,809,460	1,641,555	(167,904)
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	207,945	207,159	(785)
Machinery, vehicles, tools, furniture and fixtures	81,664	80,681	(982)
Land	424,354	433,435	9,081
Lease assets	6,001	5,631	(370)
Construction in progress	17,611	20,287	2,675
Total property, plant and equipment	737,577	747,195	9,617
Intangible assets	37,116	34,458	(2,657)
Investments and other assets			
Investment securities	311,557	312,340	782
Long-term loans receivable	2,812	2,893	80
Deferred tax assets	3,031	2,606	(424)
Assets for retirement benefits	8,718	8,418	(300)
Other	132,675	134,123	1,447
Allowance for doubtful accounts	(171)	(182)	(11)
Total investments and other assets	458,624	460,199	1,574
Total noncurrent assets	1,233,318	1,241,853	8,534
Total assets	3,042,778	2,883,408	(159,370)

(Yen in millions)

	March 31, 2025	September 30, 2025	Change
Liabilities			
Current liabilities			
Notes and accounts payable for construction contracts and other	678,719	522,192	(156,527)
Electronically recorded obligations	95,232	78,948	(16,283)
Short-term loans payable	97,532	102,067	4,535
Current portion of nonrecourse loans	9,496	9,653	157
Current portion of bonds	—	66	66
Lease obligations	2,709	2,419	(290)
Income taxes payable	49,085	29,864	(19,221)
Advances received on uncompleted construction contracts	193,434	236,954	43,520
Deposits received	177,156	198,947	21,791
Provision for warranties for completed construction	3,333	3,250	(83)
Provision for loss on construction contracts	16,726	8,940	(7,785)
Other	129,931	94,860	(35,070)
Total current liabilities	1,453,358	1,288,166	(165,192)
Noncurrent liabilities			
Bonds payable	60,091	60,017	(74)
Long-term loans payable	127,589	117,371	(10,217)
Nonrecourse loans	68,056	63,061	(4,995)
Lease obligations	8,160	7,352	(808)
Deferred tax liabilities	14,558	20,883	6,324
Deferred tax liabilities for land revaluation	18,124	18,116	(8)
Provision for stock payments for directors	686	517	(168)
Liability for retirement benefits	52,095	51,409	(686)
Other	29,855	30,917	1,062
Total noncurrent liabilities	379,218	369,647	(9,571)
Total liabilities	1,832,577	1,657,814	(174,763)
Net assets			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus	41,328	41,346	17
Retained earnings	852,429	874,492	22,062
Treasury stock	(14,828)	(20,401)	(5,572)
Total shareholders' equity	936,681	953,189	16,507
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	126,640	134,161	7,521
Deferred gains (losses) on hedges	15,268	16,513	1,244
Revaluation reserve for land	21,545	21,527	(17)
Foreign currency translation adjustments	53,831	45,380	(8,450)
Retirement benefit asset and liability adjustments	4,277	4,025	(252)
Total accumulated other comprehensive income	221,563	221,608	45
Non-controlling interests	51,956	50,796	(1,159)
Total net assets	1,210,201	1,225,594	15,393
Total liabilities and net assets	3,042,778	2,883,408	(159,370)
(Reference)			
Interest-bearing debt balances	362,765	352,236	(10,528)

Note: Due to a change in accounting policy, results for the fiscal year ended March 31, 2025, have been re-presented retrospectively.

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

Consolidated Statements of Income

(Yen in millions)

	April 1, 2024 - September 30, 2024	April 1, 2025 - September 30, 2025	Change
Net sales			
Net sales of completed construction contracts	1,177,527	1,083,308	(94,218)
Net sales of real estate business and other	45,327	77,979	32,652
Total net sales	1,222,854	1,161,287	(61,566)
Cost of sales			
Cost of sales on completed construction contracts	1,072,074	942,753	(129,321)
Cost of sales on real estate business and other	33,372	59,703	26,331
Total cost of sales	1,105,446	1,002,456	(102,989)
Gross profit			
Gross profit on completed construction contracts	105,452	140,555	35,102
Gross profit on real estate business and other	11,954	18,275	6,320
Total gross profit	117,407	158,830	41,423
Selling, general and administrative expenses	72,418	78,753	6,334
Operating income	44,989	80,077	35,088
Non-operating income			
Interest income	2,181	2,468	286
Dividends income	4,560	3,866	(694)
Other	602	1,049	446
Total non-operating income	7,345	7,384	39
Non-operating expenses			
Interest expenses	2,277	2,443	165
Other	949	472	(476)
Total non-operating expenses	3,227	2,915	(311)
Ordinary income	49,107	84,547	35,440
Extraordinary income			
Gain on sales of investment securities	31,650	28,138	(3,511)
Other	217	640	422
Total extraordinary income	31,868	28,779	(3,089)
Extraordinary loss	2,258	685	(1,572)
Profit before income taxes	78,717	112,641	33,923
Income taxes-current	22,072	30,016	7,943
Income taxes-deferred	466	3,340	2,873
Total income taxes	22,539	33,356	10,817
Profit	56,177	79,284	23,106
Profit attributable to non-controlling interests	1,598	1,316	(281)
Profit attributable to owners of parent	54,579	77,967	23,388

Note: Due to a change in accounting policy, results for the six months ended September 30, 2024, have been re-presented retrospectively.

Consolidated Statements of Comprehensive Income

(Yen in millions)

	April 1, 2024 - September 30, 2024	April 1, 2025 - September 30, 2025
Profit	56,177	79,284
Other comprehensive income		
Valuation difference on available-for-sale securities	(57,878)	7,522
Deferred gains (losses) on hedges	(1,226)	426
Foreign currency translation adjustment	26,391	(10,875)
Retirement benefit adjustment	(344)	(251)
Share of other comprehensive income of associates accounted for using equity method	(986)	852
Total other comprehensive income	(34,044)	(2,325)
Comprehensive income	22,132	76,958
Comprehensive income attributable to owners of parent	17,918	78,030
Comprehensive income attributable to non-controlling interests	4,214	(1,071)

Note: Due to a change in accounting policy, results for the six months ended September 30, 2024, have been re-presented retrospectively.

(3) Consolidated Statements of Cash Flows

(Yen in millions)

	April 1, 2024 - September 30, 2024	April 1, 2025 - September 30, 2025	Change
Net cash provided by (used in) operating activities			
Income before income taxes	78,717	112,641	33,923
Depreciation and amortization	15,765	17,448	1,682
Increase (decrease) in allowance for doubtful accounts	(20)	(862)	(841)
Increase (decrease) in provision for loss on construction contracts	(8,746)	(7,648)	1,098
Increase (decrease) in liability for retirement benefits	(255)	(752)	(496)
Interest and dividends income	(6,742)	(6,335)	407
Interest expenses	2,277	2,443	165
Loss (gain) on sales of short-term and long term investment securities	(31,761)	(28,124)	3,636
Decrease (increase) in notes and accounts receivable—trade	8,722	124,365	115,643
Decrease (increase) in costs on uncompleted construction contracts	(13,820)	(14,218)	(397)
Decrease (increase) in inventories	(8,974)	12,313	21,288
Decrease (increase) in inventories for PFI and other projects	827	800	(26)
Decrease (increase) in other assets	(2,881)	(18,879)	(15,997)
Increase (decrease) in notes and accounts payable—trade	(89,002)	(163,925)	(74,922)
Increase (decrease) in advances received on uncompleted construction contracts	(10,236)	47,953	58,190
Increase (decrease) in other liabilities	9,003	(9,859)	(18,863)
Other, net	5,531	140	(5,390)
Subtotal	(51,597)	67,501	119,099
Interest and dividends income received	7,086	3,390	(3,696)
Interest expenses	(1,948)	(2,172)	(224)
Income taxes (paid) refund	(10,096)	(48,241)	(38,144)
Net cash provided by (used in) operating activities	(56,556)	20,478	77,034
Net cash provided by (used in) investing activities			
Payments into time deposits	(4,796)	(13,290)	(8,494)
Proceeds from withdrawal of time deposits	9,697	15,607	5,909
Purchase of property, plant and equipment and intangible assets	(33,965)	(36,983)	(3,017)
Proceeds from sales of property, plant and equipment and intangible assets	1,630	5,619	3,989
Purchase of short-term and long term investment securities	(25,198)	(5,137)	20,060
Proceeds from sales and redemption of short-term and long term investment securities	40,055	42,756	2,701
Payments of loans receivable	(176)	(309)	(133)
Collection of loans receivable	35	8	(26)
Other, net	(3,554)	(1,642)	1,911
Net cash provided by (used in) investing activities	(16,271)	6,628	22,900
Net cash provided by (used in) financing activities			
Net increase (decrease) in short-term loans payable	(684)	(743)	(59)
Net increase (decrease) in commercial papers	25,000	—	(25,000)
Repayments of lease obligations	(750)	(894)	(144)
Proceeds from long-term loans payable	1,785	5,000	3,215
Repayment of long-term loans payable	(6,231)	(9,624)	(3,392)
Proceeds from nonrecourse loans payable	16,804	250	(16,554)
Payment of nonrecourse loans payable	(9,002)	(5,088)	3,913
Proceeds from issuance of bonds	20,000	—	(20,000)
Redemption of bonds	(10,008)	(8)	10,000
Purchase of treasury shares	(267)	(32,470)	(32,202)
Cash dividends paid	(38,768)	(29,194)	9,574
Capital contribution from non-controlling interests	657	1,252	594
Cash dividends paid to non-controlling interests	(1,327)	(1,264)	63
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(1,466)	—	1,466
Other, net	—	(28)	(28)
Net cash provided by (used in) financing activities	(4,260)	(72,813)	(68,553)
Effect of exchange rate change on cash and cash equivalents	10,292	(6,361)	(16,654)
Net increase (decrease) in cash and cash equivalents	(66,796)	(52,068)	14,727
Cash and cash equivalents at beginning of period	326,688	380,169	53,481
Cash and cash equivalents at end of period	259,892	328,101	68,209

Note: Due to a change in accounting policy, results for the six months ended September 30, 2024, have been re-presented retrospectively.

(4) Notes to the Consolidated Financial Statements

Notes Regarding Changes in Accounting Policies:

Change to the method for translating revenues and expenses of overseas subsidiaries and others

The revenues and expenses of the Company's overseas subsidiaries and others were previously translated into Japanese yen using the spot exchange rate at each subsidiary's reporting date. However, effective from the beginning of the first six months of the current consolidated fiscal year, the Company has changed the method of translation to the average exchange rate during the reporting period.

This change was made in consideration of the increasing significance of net sales and profit or loss from overseas subsidiaries and others as the Company's overseas business expand, as well as recent exchange rate fluctuations. The new method aims to mitigate the impact of short-term exchange rate volatility on profit or loss during the applicable reporting period and to more appropriately reflect the performance of overseas subsidiaries and others in the consolidated financial statements over the course of the fiscal year.

This change in accounting policy has been applied retrospectively. Consolidated financial statements for the first six months of the previous fiscal year and consolidated financial statements for the previous fiscal year have been restated to reflect this retrospective application.

As a result of the retrospective application, compared to the figures before the change, net sales in the first six months of the previous fiscal year decreased by 17,742 million yen, operating income decreased by 508 million yen, ordinary income decreased by 612 million yen, and profit attributable to owners of parent decreased by 520 million yen and profit attributable to owners of parent per share (EPS) has decreased by 0.73 yen, respectively. In addition, retained earnings as of the end of the previous consolidated fiscal year decreased by 696 million yen, and foreign currency translation adjustments increased by an identical amount.

Note that the cumulative effect amount for consolidated fiscal years prior to the beginning of the previous consolidated fiscal year was immaterial, and therefore retrospective application for those periods was not performed.

Consolidated Segment Information:

Reportable Segment Information (Net Sales and Income)

For the Six Months Ended September 30, 2024

(Yen in millions)

	Reporting segment						Others *1	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Real Estate	Subtotal		
<u>Net sales</u>								
Sales to third parties	635,172	251,237	184,633	106,483	22,387	1,199,914	22,939	1,222,854
Intersegment sales and transfers	9,722	157	7,178	—	426	17,484	6,110	23,594
Segment sales	644,894	251,395	191,811	106,483	22,813	1,217,398	29,049	1,246,448
<u>Operating income</u>								
Operating income from sales to third parties *2	13,513	6,255	17,266	1,484	4,854	43,375	1,614	44,989
Intersegment operating income and transfers	51	(84)	(64)	—	(15)	(112)	(16)	(128)
Segment income	13,565	6,171	17,202	1,484	4,839	43,262	1,597	44,860

*1 Businesses that cannot be classified into the reportable segments are shown as others. These include PFI (Private Finance Initiative), renewable energy, finance and other businesses.

*2 Operating income from sales to third parties was computed by subtracting intersegment operating income and transfers from segment income. The total operating income from sales to third parties equals to operating income as shown in the consolidated statements of income.

For the Six Months Ended September 30, 2025

(Yen in millions)

	Reporting segment						Others *1	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Real Estate	Subtotal		
<u>Net sales</u>								
Sales to third parties	513,375	234,422	194,287	141,222	45,687	1,128,995	32,291	1,161,287
Intersegment sales and transfers	10,123	550	6,935	—	469	18,079	6,770	24,850
Segment sales	523,498	234,973	201,223	141,222	46,157	1,147,075	39,062	1,186,138
<u>Operating income</u>								
Operating income from sales to third parties *2	38,550	5,873	17,266	6,318	9,738	77,747	2,330	80,077
Intersegment operating income and transfers	(1,236)	(311)	(72)	255	(15)	(1,379)	(34)	(1,413)
Segment income	37,314	5,561	17,193	6,574	9,722	76,368	2,296	78,664

*1 Businesses that cannot be classified into the reportable segments are shown as others. These include PFI (Private Finance Initiative), renewable energy, finance and other businesses.

*2 Operating income from sales to third parties was computed by subtracting intersegment operating income and transfers from segment income. The total operating income from sales to third parties equals to operating income as shown in the consolidated statements of income.

*3 As described in “Notes Regarding Changes in Accounting Policies,” the revenues and expenses of the Company’s overseas subsidiaries and others were previously translated into Japanese yen using the spot exchange rate at each subsidiary’s reporting date. However, effective from the beginning of the first six months of the current consolidated fiscal year, the Company has changed the method of translation to the average exchange rate during the reporting period.

As a result of the retrospective application, compared to the figures before the change, segment sales in the first six months of the previous fiscal year decreased by 12,553 million yen in the overseas building construction, 5,045 million yen in the overseas civil engineering, and 144 million yen in the real estate, while segment income decreased by 354 million yen in the overseas building construction, 67 million yen in the overseas civil engineering, and 87 million yen in the real estate, respectively.

Notes Regarding Significant Changes in Shareholders’ Equity:
Acquisition of Own Shares

At the Board of Directors dated February 10, 2025, the Company resolved to acquire its own shares, setting an upper limit of 20,000,000 shares of its common shares and a maximum total amount of share acquisition costs of 30.0 billion yen. During the first six months of the current consolidated fiscal year, the Company acquired 8,670,200 of its common shares.

In addition, at the Board of Directors dated August 8, 2025, the Company resolved to acquire its own shares, setting an upper limit of 25,000,000 shares of its common shares and a maximum total amount of share acquisition costs of 40.0 billion yen. During the first six months of the current consolidated fiscal year, the Company acquired 5,950,200 of its common shares.

As a result, the amount of treasury stock increased by 32,466 million yen during the first six months of the current consolidated fiscal year.

Cancellation of Treasury Shares

At the Board of Directors dated August 8, 2025, the Company resolved to cancel 14,558,600 shares of its treasury shares and implemented on August 29, 2025.

As a result, the amount of retained earnings and treasury stock decreased by 26,728 million yen during the first six months of the current consolidated fiscal year, respectively.

Notes Regarding Assumption of Going Concern:

There are no applicable items.

7. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

	(Yen in millions)		
	March 31, 2025	September 30, 2025	Change
Assets			
Current assets			
Cash and deposits	194,430	129,930	(64,500)
Notes receivable—trade	313	2,959	2,646
Electronically recorded monetary claims	12,945	28,179	15,234
Accounts receivable from completed construction contracts	848,985	694,660	(154,324)
Accounts receivable—real estate business and other	6,393	3,799	(2,593)
Short-term investment securities	10	—	(10)
Real estate for sale	2,116	2,883	766
Costs on uncompleted construction contracts	35,998	46,566	10,567
Costs on real estate business and other	6,992	6,044	(948)
Short-term loans receivable	46,819	19,615	(27,204)
Accounts receivable—other	84,799	68,249	(16,550)
Other	25,832	111,070	85,238
Allowance for doubtful accounts	(96)	(76)	20
Total current assets	1,265,541	1,113,882	(151,658)
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	69,510	64,594	(4,916)
Machinery, equipment and vehicles	17,042	17,686	644
Tools, furniture and fixtures	3,742	4,027	285
Land	183,219	175,185	(8,034)
Leased assets	7	10	3
Construction in progress	11,289	13,529	2,239
Total property, plant and equipment	284,812	275,034	(9,778)
Intangible assets	7,902	8,437	534
Investments and other assets			
Investment securities	278,270	278,549	279
Shares and investments in capital of subsidiaries and affiliates	283,746	284,769	1,022
Long-term loans receivable	3,511	4,275	764
Claims provable in bankruptcy, claims provable in rehabilitation and other	610	610	—
Prepaid pensions cost	2,542	2,472	(70)
Other	9,023	9,079	55
Allowance for doubtful accounts	(683)	(2,633)	(1,949)
Total investments and other assets	577,019	577,122	102
Total noncurrent assets	869,735	860,593	(9,141)
Total assets	2,135,276	1,974,476	(160,799)

	March 31, 2025	September 30, 2025	Change
Liabilities			
Current liabilities			
Notes payable—trade	4,556	2,304	(2,252)
Electronically recorded obligations	98,463	80,518	(17,944)
Accounts payable for construction contracts	513,317	358,524	(154,792)
Accounts payable—real estate and other	1,869	1,211	(658)
Short-term loans payable	67,111	72,824	5,713
Lease obligations	4	5	0
Accounts payable	33,651	6,562	(27,089)
Accrued expenses	23,754	24,808	1,054
Income taxes payable	41,594	25,554	(16,039)
Advances received on uncompleted construction contracts	124,776	157,771	32,994
Deposit received—real estate and other	4,953	3,676	(1,277)
Deposits received	164,784	177,647	12,863
Provision for warranties for completed construction	2,734	2,580	(154)
Provision for loss on construction contracts	15,061	7,153	(7,908)
Deposits received from employees	25,255	24,527	(727)
Other	4,554	1,109	(3,444)
Total current liabilities	1,126,442	946,779	(179,662)
Noncurrent liabilities			
Bonds payable	60,000	60,000	—
Long-term loans payable	51,352	43,143	(8,209)
Lease obligations	3	6	3
Deferred tax liabilities	6,580	12,355	5,774
Deferred tax liabilities for land revaluation	14,696	14,688	(8)
Provision for retirement benefits	43,614	43,005	(608)
Provision for stock payments for directors	686	517	(168)
Provision for loss on business of subsidiaries and affiliates	3,312	1,720	(1,591)
Other	5,944	6,181	237
Total noncurrent liabilities	186,189	181,619	(4,569)
Total liabilities	1,312,632	1,128,399	(184,232)
Net assets			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus			
Legal capital surplus	41,694	41,694	—
Total capital surpluses	41,694	41,694	—
Retained earnings			
Legal retained earnings	14,438	14,438	—
Other retained earnings			
Reserve for advanced depreciation of noncurrent assets	2,217	2,197	(20)
General reserve	460,000	460,000	—
Retained earnings brought forward	118,583	140,157	21,573
Total retained earnings	595,239	616,793	21,553
Treasury stock	(14,828)	(20,401)	(5,572)
Total shareholders' equity	679,857	695,838	15,980
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	126,467	133,937	7,469
Revaluation reserve for land	16,318	16,301	(17)
Total valuation and translation adjustments	142,786	150,238	7,452
Total net assets	822,644	846,077	23,432
Total liabilities and net assets	2,135,276	1,974,476	(160,799)
(Reference)			
Interest-bearing debt balances	178,463	175,967	(2,496)

(2) Non-consolidated Statements of Income

(Yen in millions)

	April 1, 2024 - September 30, 2024	April 1, 2025 - September 30, 2025	Change
Net sales			
Net sales of completed construction contracts	777,958	660,225	(117,733)
Net sales of real estate business and other	9,473	16,003	6,529
Total net sales	787,432	676,228	(111,203)
Cost of sales			
Cost of sales on completed construction contracts	708,210	563,044	(145,165)
Cost of sales on real estate business and other	7,578	13,092	5,513
Total cost of sales	715,789	576,137	(139,651)
Gross profit			
Gross profit on completed construction contracts	69,748	97,180	27,432
Gross profit on real estate business and other	1,895	2,910	1,015
Total gross profit	71,643	100,091	28,448
Selling, general and administrative expenses	45,566	49,326	3,760
Operating income	26,077	50,765	24,687
Non-operating income			
Interest and dividend income	7,624	37,183	29,559
Other	312	6,394	6,081
Total non-operating income	7,937	43,578	35,640
Non-operating expenses			
Interest expenses	558	655	97
Foreign exchange losses	1,362	—	(1,362)
Other	1,046	340	(705)
Total non-operating expenses	2,967	996	(1,971)
Ordinary income	31,047	93,347	62,300
Extraordinary income			
Gain on sales of investment securities	31,641	28,125	(3,515)
Other	8	2,169	2,160
Total extraordinary income	31,650	30,295	(1,354)
Extraordinary loss	2,321	542	(1,779)
Profit before income taxes	60,376	123,100	62,724
Income taxes-current	17,745	25,310	7,564
Income taxes-deferred	(243)	2,347	2,591
Total income taxes	17,502	27,658	10,155
Profit	42,873	95,442	52,568