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(Securities Code: 1803)
(Electronic Delivery Measures commencement date) May 29, 2026
(Posting date) June 1, 2026

Dear Shareholders

Tatsuya Shimmura
President and Representative Director
SHIMIZU CORPORATION
2-16-1 Kyobashi, Chuo-ku, Tokyo

Notice of the 124th Annual General Meeting of Shareholders

We hereby announce that the 124th Annual General Meeting of Shareholders of SHIMIZU CORPORATION (the “Corporation”) will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights via the internet or in writing (by post) before the meeting. Please review the Reference Documents for the General Meeting of Shareholders set forth below and exercise your voting rights by 5:10 p.m. on Thursday, June 25, 2026.

Details

1. Date and Time:

Friday, June 26, 2026, at 10:00 a.m. (JST)

2. Place:

2-16-1 Kyobashi, Chuo-ku, Tokyo
Shimizu Hall, 2nd Floor of the Head Office

3. Purpose of the Meeting

Matters to be reported:

Following matters for the 124th fiscal year (from April 1, 2025 to March 31, 2026)

- a. Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements of the Corporation
- b. Audit Reports of the Accounting Auditor on the Consolidated Financial Statements and Non-Consolidated Financial Statements of the Corporation
- c. Audit Report of the Audit & Supervisory Board on Business Report, Non-Consolidated Financial Statements and Related Supplementary Schedules of the Corporation, and Consolidated Financial Statements

Matters to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Eleven (11) Directors
Proposal 3: Election of One (1) Audit & Supervisory Board Member
Proposal 4: Determination of the Amount and Details of Stock Compensation for Directors

4. Exercising Voting Rights

We ask you to kindly exercise your shareholders' voting rights after examining the "Reference Documents for the General Meeting of Shareholders." You may exercise your voting rights by one of the following three methods.

By the internet

Please access the website for exercising voting rights by PC, smartphone, etc., and cast your vote for or against each proposal.

To be received no later than 5:10 p.m. on Thursday, June 25, 2026 (JST)

In writing (By post)

Please return the Voting Form sent out with this convocation notice indicating your vote for or against each proposal.

To be received no later than 5:10 p.m. on Thursday, June 25, 2026 (JST)

Attending the General Meeting of Shareholders

You are kindly requested to present the Voting Form sent out with this convocation notice to the receptionist if you attend the meeting in person.

Date and Time of the General Meeting of Shareholders: 10:00 a.m. on Friday, June 26, 2026

1. If you exercise your voting rights both by the internet and in writing, only the vote by the internet will be treated as valid.
2. If you exercise your voting rights in writing, in cases where neither approval nor disapproval of a proposal is indicated, the Corporation will deem that you indicated your approval of the proposal.
3. If you intend to exercise your voting rights by proxy, one other shareholder who possesses voting rights may attend the meeting as your proxy. In the case of attendance by a proxy, your Voting Form, the proxy's Voting Form and a letter of proxy must be presented to reception.

5. Electronic Delivery Measures

For this general meeting of shareholders, the Corporation provides the content of the Reference Documents for the General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on multiple websites. Please access these websites by using the internet addresses shown below to review the information.

The Corporation's website:

<https://www.shimz.co.jp/company/ir/library/report/> (in Japanese)

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

Access the TSE website shown above, enter "SHIMIZU CORPORATION" in "Issue name" or the Corporation's securities code "1803" in "Securities code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," review the information by selecting the button under "Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting."

* Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 17 of the Articles of Incorporation of the Corporation, "Propriety Assurance Program for Business Operations and the Status of its Implementation" in the Business Report, "Consolidated Statement of Changes in Net Assets" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements, and "Non-Consolidated Statement of Changes

in Net Assets” and “Notes to Non-Consolidated Financial Statements” in the Non-Consolidated Financial Statements are not provided in these documents.

- * If revisions to the matters subject to measures for electronic provision arise, the details of the revisions will be posted on the Corporation’s website and the TSE website above.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal 1: Appropriation of Surplus

The Corporation maintains a basic policy of strengthening our financial position to support long-term growth, as well as the stability of dividends, and sets a profit distribution policy with a target consolidated payout ratio of 40% with a minimum annual dividend of ¥20 per share.

Based on the above policy, we announce that the annual dividend amount will be ¥72 per share. After deducting the mid-year dividend of ¥22 per share, the year-end dividend comes to ¥50 per share.

Matters regarding year-end dividend

- (1) Dividend allotment to shareholders and total amount thereof
 - Dividend per share of common stock of the Corporation: ¥50
 - Total amount of dividend: ¥33,960,063,850
- (2) Effective date of dividend:
 - June 29, 2026

Proposal 2: Election of Eleven (11) Directors

The terms of office of the current directors will expire at the conclusion of this meeting.
Accordingly, we propose to elect eleven (11) directors (including four (4) outside directors).

The candidates for directors are as follows:

No.	Name	Gender		Current position and areas of responsibility in the Corporation	Nomination and Compensation Committee Member	Attendance at the Board of Directors meetings
1	Kazuyuki Inoue	Male	<Reelection>	Chairman of the Board and Representative Director		100% (18/18)
2	Tatsuya Shimmura	Male	<Reelection>	President and Representative Director President and Executive Officer	●	100% (18/18)
3	Yoshito Tsutsumi	Male	<Reelection>	Executive Vice President and Representative Director Executive Vice President and Executive Officer Director, Building Construction Headquarters, In charge of Nuclear Business and Smart City, Executive Project Director, TOKIWABASHI PROJECT		100% (14/14)
4	Takefumi Saito	Male	<New candidate>	Executive Vice President and Executive Officer Deputy Director, Civil Engineering Headquarters		—
5	Mitsuo Morii	Male	<New candidate>	Senior Managing Officer In charge of Green Energy Business, In charge of Sustainability, In charge of DX Management, In charge of Innovation		—
6	Michiho Yamaguchi	Male	<New candidate>	Managing Officer In charge of Finance & Accounting and Investor Relations Deputy Director, Corporate Ethics Office		—
7	Noriaki Shimizu	Male	<Reelection> <Non-executive Director>	Director	● (Chair)	100% (18/18)
8	Junichi Kawada	Male	<Reelection> <Outside Director> <Independent Director> <Non-executive Director>	Director	●	100% (18/18)
9	Mayumi Tamura	Female	<Reelection> <Outside Director> <Independent Director> <Non-executive Director>	Director	●	94.4% (17/18)
10	Yumiko Jozuka	Female	<Reelection> <Outside Director> <Independent Director> <Non-executive Director>	Director	●	100% (18/18)
11	Yoshio Kometani	Male	<New candidate> <Outside Director> <Independent Director> <Non-executive Director>	—	●	—

* The attendance at Board of Directors meetings shown for Yoshito Tsutsumi is his attendance after he assumed office as director on June 27, 2025.

* For Nomination and Compensation Committee Members, the status of the candidates for reappointment is shown as of the date and time of commencement of the electronic provision measures for this convocation notice, and the status of the candidates for new appointment is shown as of the expected status if their appointment is approved.

* Non-executive Director: Focuses on supervising management and business execution without being in charge of business execution.

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
1	 Kazuyuki Inoue (October 3, 1956) <Reelection> Attendance at the Board of Directors meetings 100% (18/18)	April 1981 Joined the Corporation April 2013 Executive Officer, Director, Marketing & Sales Promotion Div. II, Building Headquarters of the Corporation April 2014 Managing Officer, Director, NAGOYA Branch of the Corporation April 2015 Senior Managing Officer, Director, NAGOYA Branch of the Corporation June 2015 Director, Senior Managing Officer, Director, NAGOYA Branch of the Corporation March 2016 Director, Senior Managing Officer, in charge of Marketing & Sales Promotion of the Corporation April 2016 President and Representative Director of the Corporation April 2020 President and Representative Director, President and Executive Officer of the Corporation April 2025 Chairman of the Board and Representative Director of the Corporation (up to the present) [Significant concurrent positions outside the Corporation] Vice Chair of the Board of Councilors of KEIDANREN (Japan Business Federation) [Reasons for nomination as a candidate for Director] Kazuyuki Inoue has abundant experience and a high level of knowledge regarding the management and business activities of the Shimizu Group, having held the positions of President and Representative Director and Chairman of the Board and Representative Director. We judge that having him continue to leverage his experience in management will be optimal for realizing the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him to continue as a director.	128,984

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
2	 Tatsuya Shimmura (October 27, 1961) <Reelection> Attendance at the Board of Directors meetings 100% (18/18)	April 1984 Joined the Corporation April 2017 Executive Officer, Deputy Director, TOKYO Branch of the Corporation April 2018 Executive Officer, Director, Building Construction Planning Div., Building Construction Headquarters, Director, Production Management Div., Building Construction Headquarters, Director, Monozukuri Training Center, Building Construction Headquarters of the Corporation April 2019 Executive Officer, Director, YOKOHAMA Branch of the Corporation April 2021 Managing Officer, Director, NAGOYA Branch of the Corporation April 2023 Senior Managing Officer, Director, TOKYO Branch of the Corporation April 2024 Executive Vice President and Executive Officer, Director, Building Construction Headquarters, in charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters and Smart City of the Corporation June 2024 Executive Vice President and Representative Director, Executive Vice President and Executive Officer Director, Building Construction Headquarters, in charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters and Smart City of the Corporation April 2025 President and Representative Director, President and Executive Officer of the Corporation (up to the present) [Reasons for nomination as a candidate for Director] Tatsuya Shimmura has abundant experience and a high level of knowledge regarding the management and business activities of the Shimizu Group, having held key positions in the construction department, such as Director of Tokyo Branch, and Director of Building Construction Headquarters. Since April 2025, he has been demonstrating strong leadership as President and Representative Director in charge of management. He has also been directing the promotion of the Mid-Term Business Plan <2024-2026> toward the realization of our long-term vision “<SHIMZ VISION 2030>.” We judge that he is the most suitable as a driving force for the Shimizu Group's further increase in corporate value, and we have therefore nominated him to continue as a director.	31,788

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
3	 Yoshito Tsutsumi (March 1, 1960) <Reelection> Attendance at the Board of Directors meetings 100% (14/14)	April 1982 Joined the Corporation April 2016 Executive Officer, Deputy Director, TOKYO Branch of the Corporation April 2017 Executive Officer, Director, KYUSHU Branch of the Corporation April 2019 Managing Officer, Director, KYUSHU Branch of the Corporation April 2021 Senior Managing Officer, Director, TOKYO Branch, in charge of Nuclear Business of the Corporation April 2022 Senior Managing Officer, Deputy Director, Building Construction Headquarters, Director, TOKYO Branch, in charge of Productivity Improvement of the Corporation April 2023 Executive Vice President and Executive Officer, Director, Building Construction Headquarters, in charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters of the Corporation November 2023 Executive Vice President and Executive Officer, Director, Building Construction Headquarters, Executive Project Director, TOKIWABASHI PROJECT, in charge of Productivity Improvement of the Corporation April 2024 Executive Vice President and Executive Officer, Executive Project Director, TOKIWABASHI PROJECT, in charge of Special Projects of the Corporation April 2025 Executive Vice President and Executive Officer, Director, Building Construction Headquarters, in charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters, and Smart City, Executive Project Director, TOKIWABASHI PROJECT of the Corporation June 2025 Executive Vice President and Representative Director, Executive Vice President and Executive Officer Director, Building Construction Headquarters, in charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters, and Smart City, Executive Project Director, TOKIWABASHI PROJECT of the Corporation April 2026 Executive Vice President and Representative Director, Executive Vice President and Executive Officer Director, Building Construction Headquarters, In charge of Nuclear Business and Smart City, Executive Project Director, TOKIWABASHI PROJECT (up to the present) [Reasons for nomination as a candidate for Director] Yoshito Tsutsumi possesses abundant experience and a high level of knowledge regarding the business activities of the Shimizu Group, which he has gained through managing business operations of the construction business. Currently, he supervises the construction business in his role as Director of the Building Construction Headquarters, and he is working on the sustainable growth of the construction business, which is our core business. We judge his appointment to be appropriate for realizing the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him to continue as a director.	49,071

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
4	 Takefumi Saito (November 3, 1962) <New candidate> Attendance at the Board of Directors meetings —	April 1988 Joined the Corporation April 2018 Executive Officer, Director, HOKURIKU Branch of the Corporation April 2022 Managing Officer, Director, Civil Engineering TOKYO Branch of the Corporation April 2024 Senior Managing Officer, Director, Civil Engineering TOKYO Branch of the Corporation April 2025 Senior Managing Officer, Deputy Director, Civil Engineering Headquarters, Director, Civil Engineering TOKYO Branch of the Corporation April 2026 Senior Vice President and Executive Officer, Deputy Director, Civil Engineering Headquarters of the Corporation (up to the present) [Reasons for nomination as a candidate for Director] Takefumi Saito possesses abundant experience and a high level of knowledge regarding the business activities of the Shimizu Group, which he has gained through managing business operations of the construction business, including the civil engineering business. Currently, he leads the growth of the civil engineering business in his role as Deputy Director of the Civil Engineering Headquarters, and he is working on the sustainable growth of the construction business, which is our core business. We judge his appointment to be appropriate for realizing the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him as a director.	47,525

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
5	 Mitsuo Morii (November 30, 1963) <New candidate> Attendance at the Board of Directors meetings —	April 1986 Joined the Corporation April 2016 Executive Officer, Director, SHIKOKU Branch of the Corporation April 2018 Executive Officer, Deputy Director, International Div. of the Corporation April 2020 Managing Officer, Director, Global Strategy Div. of the Corporation April 2022 Managing Officer, Assistant Director, TOKYO Branch of the Corporation April 2026 Senior Managing Officer, in charge of Green Energy Business, in charge of DX Management and Innovation of the Corporation May 2026 Senior Managing Officer, in charge of Green Energy Business, in charge of Sustainability, DX Management and Innovation of the Corporation (up to the present) [Reasons for nomination as a candidate for Director] Mitsuo Morii possesses abundant experience and a high level of knowledge regarding the business activities of the Shimizu Group, which he has gained through his execution of business in building construction and global operations. Currently, he is working on establishing a new revenue base for the Shimizu Group as Director in charge of Green Energy Business and Director in charge of Innovation, and he is also promoting digital strategy as Director in charge of DX Management. We judge his appointment to be appropriate for realizing the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him as a director.	70,352
6	 Michiyo Yamaguchi (April 26, 1964) <New candidate> Attendance at the Board of Directors meetings —	April 1987 Joined the Corporation April 2012 Manager, Accounting Dept., HOKURIKU Branch of the Corporation June 2016 Manager, Accounting Dept. of the Corporation April 2023 Executive Officer, in charge of Finance & Accounting and Investor Relations of the Corporation April 2026 Managing Officer, in charge of Finance & Accounting and Investor Relations, Deputy Director, Corporate Ethics Office of the Corporation (up to the present) [Reasons for nomination as a candidate for Director] Michiyo Yamaguchi possesses abundant experience and a high level of knowledge regarding the business activities of the Shimizu Group, which he has gained through his execution of business in accounting, finance, and Investor Relations-related matters. Currently, he is promoting the formulation of medium- to long-term management strategies as Director in charge of Finance and Investor Relations, based on the Shimizu Group's capital policy and dialogue with shareholders and investors. We judge his appointment to be appropriate for realizing the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him as a director.	5,948

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
7	 Noriaki Shimizu (October 11, 1972) <Reelection> <Non-executive Director> Attendance at the Board of Directors meetings 100% (18/18)	April 1995 Joined the Corporation June 2018 General Manager, Sales & Marketing Department, Civil Engineering Headquarters, Sales & Marketing Headquarters of the Corporation June 2020 Auditor of SHIMIZU & CO., LTD. April 2022 General Manager, 3rd Division of Civil Engineering, Civil Engineering TOKYO Branch of the Corporation June 2023 President and Representative Director of SHIMIZU & CO., LTD. (up to the present) Director of the Corporation (up to the present) [Significant concurrent positions outside the Corporation] President and Representative Director of SHIMIZU & CO., LTD. [Reasons for nomination as a candidate for Director] Noriaki Shimizu supervises the management and business execution of the Corporation from a long-term perspective, as the present head of the Shimizu family, which bears the Company's 222-year history and tradition. Since 2023, he has performed his duties as Chair of the Nomination and Compensation Committee. We judge that he will be able to contribute to the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him to continue as a director.	1,032,188

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
8	 Junichi Kawada (September 26, 1955) <Reelection> <Outside Director> <Independent Director> <Non-executive Director> Attendance at the Board of Directors meetings 100% (18/18) Term of office served as Outside Director (at the conclusion of this meeting) 5 years	April 1978 Joined Nippon Oil Corporation (currently ENEOS Holdings, Inc.) June 2007 Executive Officer, General Manager, General Administration of Nippon Oil Corporation (currently ENEOS Holdings, Inc.) April 2010 Director, Senior Vice President of JX Holdings, Inc. (currently ENEOS Holdings, Inc.) June 2015 Director, Executive Vice President of JX Holdings, Inc. (currently ENEOS Holdings, Inc.) April 2017 Director, Executive Vice President of JXTG Holdings, Inc. (currently ENEOS Holdings, Inc.) June 2020 Trustee of ENEOS Holdings, Inc. June 2021 Director of the Corporation (up to the present) [Reasons for nomination as a candidate for Outside Director, expected roles, etc.] Junichi Kawada possesses abundant experience and a high level of knowledge through his many years in corporate management as a corporate executive of a listed company, particularly in the areas of compliance and corporate governance in corporate group management. He has been supervising the Corporation's management from an objective and neutral position, leveraging these experiences and knowledge. We expect him to provide advice and recommendations from a broad perspective, particularly regarding the Shimizu Group's governance and risk management, following his appointment, and we have therefore nominated him to continue as an outside director. [Independence of the candidate] Junichi Kawada meets the standards for independence set out by the Tokyo Stock Exchange, on which the Corporation is listed, and the Standards regarding the Independence of Outside Officers set by the Corporation. The Corporation has therefore designated him as an independent director who will not have a conflict of interests with general shareholders and it submitted notification of this to the Tokyo Stock Exchange. If his reelection is approved, the Corporation will continue his registration as an independent director.	6,018

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
9	 Mayumi Tamura (May 22, 1960) <Reelection> <Outside Director> <Independent Director> <Non-executive Director> Attendance at the Board of Directors meetings 94.4% (17/18) Term of office served as Outside Director (at the conclusion of this meeting) 7 years	April 1983 Joined Sony Corporation (currently Sony Group Corporation) July 2002 Executive Officer of Johnson Diversey Corporation (currently CxS Corporation) December 2004 CFO of adidas Japan K.K. June 2007 Executive Officer, Senior Vice President and CFO of Seiyu Corporation May 2010 Executive Officer, Senior Vice President and CFO of Seiyu Corporation and Executive Officer, Senior Vice President and CFO of Walmart Japan Holdings GK. (currently Seiyu Co., Ltd.) June 2015 Outside Auditor of Honda Motor Co., Ltd. June 2017 Outside Director, Audit and Supervisory Committee Member of Honda Motor Co., Ltd. Outside Director of Hitachi High-Technologies Corporation (currently Hitachi High-Tech Corporation) June 2019 Director of the Corporation March 2022 Outside Audit & Supervisory Board Member of Kyowa Kirin Co., Ltd. June 2022 Outside Director of LIXIL Corporation (up to the present) [Significant concurrent positions outside the Corporation] Outside Director of LIXIL Corporation [Reasons for nomination as a candidate for Outside Director, expected roles, etc.] Mayumi Tamura possesses abundant management experience and a high level of knowledge in the field of finance and accounting, having served as CFO at multiple global corporations over many years, and she has been supervising the Corporation's management from an objective and neutral position, leveraging these experiences and knowledge. We expect her to provide advice and recommendations based on her specialized knowledge, particularly in the areas of finance and accounting and global business fields, following her appointment, and we have therefore nominated her to continue as an outside director. [Independence of the candidate] Mayumi Tamura meets the standards for independence set out by the Tokyo Stock Exchange, on which the Corporation is listed, and the Standards regarding the Independence of Outside Officers set by the Corporation. The Corporation has therefore designated her as an independent director who will not have a conflict of interests with general shareholders and it submitted notification of this to the Tokyo Stock Exchange. If her reelection is approved, the Corporation will continue her registration as an independent director.	9,040

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
10	 Yumiko Jozuka (March 19, 1962) <Reelection> <Outside Director> <Independent Director> <Non-executive Director> Attendance at the Board of Directors meetings 100% (18/18) Term of office served as Outside Director (at the conclusion of this meeting) 5 years	April 1984 Joined the Ministry of Labor April 2001 Head of Pharmaceutical Office, General Coordination Division, Pharmaceutical Safety Bureau of Ministry of Health, Labour and Welfare July 2004 Director of Promotion Division, Gender Equality Bureau, Cabinet Office August 2007 Head of Work and Family Harmonization Division, Equal Employment, Children and Families Bureau of Ministry of Health, Labour and Welfare July 2010 Head of Social Welfare and War Victims' Relief Bureau, Welfare Promotion Division of Ministry of Health, Labour and Welfare May 2014 Councilor, Cabinet Bureau of Personnel Affairs, Cabinet Secretariat June 2016 Director-General, Social Welfare and War Victims' Relief Bureau of Ministry of Health, Labour and Welfare July 2018 Deputy Vice-Minister of Ministry of Health, Labour and Welfare July 2019 Director-General for Human Resources Development of Ministry of Health, Labour and Welfare June 2021 Outside Director of Tokyu Fudosan Holdings Corporation (up to the present) Director of the Corporation April 2022 Director of Japan Legal Support Center June 2023 Chairman of Japan Institute for Women's Empowerment & Diversity Management (up to the present) June 2025 Independent Director of Sojitz Corporation (up to the present) [Significant concurrent positions outside the Corporation] Outside Director of Tokyu Fudosan Holdings Corporation Chairman of Japan Institute for Women's Empowerment & Diversity Management Independent Director of Sojitz Corporation [Reasons for nomination as a candidate for Outside Director, expected roles, etc.] Yumiko Jozuka has accumulated extensive experience and knowledge related to diversity, empowerment of women, working style reform and human resource development, through experience in many years of involvement in public labor and welfare administration. She has been supervising the Corporation's management from an objective and neutral position, leveraging these experiences and knowledge. We expect her to provide advice and recommendations based on her specialized knowledge, particularly in the areas of sustainability management, human resource development and DE&I, following her appointment, and we have therefore nominated her to continue as an outside director. [Independence of the candidate] Yumiko Jozuka meets the standards for independence set out by the Tokyo Stock Exchange, on which the Corporation is listed, and the Standards regarding the Independence of Outside Officers set by the Corporation. The Corporation has therefore designated her as an independent director who will not have a conflict of interests with general shareholders and it submitted notification of this to the Tokyo Stock Exchange. If her reelection is approved, the Corporation will continue her registration as an independent director.	6,018

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
11	 Yoshio Kometani (April 11, 1962)	April 1985 Joined MITSUI & CO., LTD. April 2015 Managing Officer, Deputy COO (Chief Operating Officer), Asia Pacific Business Unit of MITSUI & CO., LTD. April 2016 Managing Officer, COO, Infrastructure Projects Business Unit of MITSUI & CO., LTD. June 2019 Representative Director, Executive Managing Officer of MITSUI & CO., LTD. April 2020 Representative Director, Senior Executive Managing Officer, CDIO (Chief Digital Information Officer) of MITSUI & CO., LTD. April 2022 Representative Director, Executive Vice President, CDIO of MITSUI & CO., LTD. June 2023 Senior Advisor of MITSUI & CO., LTD. June 2024 Director (External) of Nifco Inc. (up to the present) September 2024 Outside Director of SENSYN ROBOTICS, Inc. (up to the present) March 2026 Outside Director of POLA ORBIS HOLDINGS INC. (up to the present)	0
		<New candidate> <Outside Director> <Independent Director> <Non-executive Director>	
		[Significant concurrent positions outside the Corporation] Director (External) of Nifco Inc. Outside Director of POLA ORBIS HOLDINGS INC.	
		[Reasons for nomination as a candidate for Outside Director, expected roles, etc.] Yoshio Kometani possesses abundant experience and a high level of knowledge in the fields of machinery and infrastructure, ICT and digital, and other areas, through his many years in corporate management as a corporate executive of a listed company. We judge that he is able to use these experiences and knowledge to supervise the Corporation's management from an objective and neutral position. We expect him to supervise the formulation and progress of management strategy from the perspective of an experienced corporate executive, and to provide advice and recommendations from a broad perspective, particularly in the areas of digital and investment and financing decisions for business, following his appointment, and we have therefore nominated him as an outside director.	
		[Independence of the candidate] Yoshio Kometani meets the standards for independence set out by the Tokyo Stock Exchange, on which the Corporation is listed, and the Standards regarding the Independence of Outside Officers set by the Corporation. The Corporation has therefore designated him as an independent director who will not have a conflict of interests with general shareholders and plans to submit notification of this to the Tokyo Stock Exchange. If his appointment is approved, the Corporation will continue his registration as an independent director. Furthermore, although the Corporation has a transactional relationship with MITSUI & CO., LTD., of which Yoshio Kometani was a director until June 2023, the transaction amount with MITSUI & CO., LTD. came to less than 0.1% of the Corporation's consolidated net sales for the most recent fiscal year. Accordingly, we believe that this relationship will have no effect on Yoshio Kometani's independence as Outside Director.	
	Attendance at the Board of Directors meetings — Term of office served as Outside Director (at the conclusion of this meeting) —		

Notes:

- None of the candidates for Directors have special interests in the Corporation.
- Of the candidates for directors, Junichi Kawada, Mayumi Tamura, Yumiko Jozuka and Yoshio Kometani are candidates for outside directors.
- The Corporation has entered into a limited liability agreement with Junichi Kawada, Mayumi Tamura and Yumiko Jozuka pursuant to the provisions of Article 427 Paragraph 1 of the Companies Act and Article 26 of the Articles of Incorporation. The maximum amount of the liability for damage based on said agreement is the minimum amount of liability prescribed in laws and regulations. If their reelection is approved at this meeting, the Corporation plans to renew the agreement. Furthermore, if the appointment of Yoshio Kometani is approved, the Corporation plans to enter into a similar limited liability agreement with him.

4. The Corporation has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The policy covers losses incurred by insureds, which includes Directors and Audit & Supervisory Board Members of the Corporation, from legally mandated amounts of indemnification and litigation expenses. (However, losses arising from cases where the insured has obtained personal gains or been granted benefits illegally are excluded.) If each candidate is elected and assumes office as director, the candidate will be included as an insured in the insurance policy.

[Director Candidate Skills Matrix]

The Corporation identified skills (knowledge, experience, and abilities) necessary to respond quickly to changes in the business environment and to achieve sustainable growth and medium- to long-term improvement in corporate value as below. The Corporation aims to maintain the appropriate size and diversity of the Board of Directors and also to optimize the Board of Directors as a whole and maximize its functions by organically combining skills of each director.

Name	Common skills	Expertise (skills particularly expected, four items at maximum)							
	The Analects and the Abacus & Sustainability	Corporate Management	Human Resource Development & DE&I	Global Experience	DX (Digital Transformation)	Production & Technology	Sales & Marketing	Finance & Accounting	Legal Affairs & Risk Management
Kazuyuki Inoue	●	●	●			●	●		
Tatsuya Shimmura	●	●		●		●	●		
Yoshito Tsutsumi	●	●				●	●		●
Takefumi Saito	●				●	●	●		
Mitsuo Morii	●			●	●	●			●
Michiyo Yamaguchi	●			●				●	●
Noriaki Shimizu	●				●	●	●		
Junichi Kawada	●	●	●				●		●
Mayumi Tamura	●		●	●				●	
Yumiko Jozuka	●		●	●					●
Yoshio Kometani	●	●		●	●			●	

* The Corporation's Credo "The Analects and the Abacus" and "Sustainability" are both philosophies that underlie sustainable management, and we consider these qualities as requirements for directors (common skills).

* Expertise presents a maximum of four skills particularly expected of skills possessed by each of the candidates for director, with ● marks, and does not represent all the knowledge and expertise possessed by the candidates.

* Each of these skill categories has been determined by the Board of Directors after deliberation by the Nomination and Compensation Committee.

The definition of each skill is as follows:

Skills		Definition
Common skills	The Analects and the Abacus & Sustainability	• Abilities to formulate policies for sustainability management that fulfills both corporate social responsibility and the pursuit of business opportunities and to supervise business execution, pursuant to the spirit of the Corporation's Credo "The Analects and the Abacus," which should be engraved in mind
	Corporate Management	• Experience of representative director or executive director at a listed company
Expertise	Human Resource Development & DE&I	• Experience in human resource operations, such as human resource development and the formulation of human resource strategies, or in the promotion of measures related to human resources and DE&I
	Global Experience	• Expertise in international situations or overseas working experience
	DX (Digital Transformation)	• Experience in DX promotion in the business areas, such as building construction, civil engineering, and engineering • Experience in the promotion of management and business with data-driven and DX approaches
	Production & Technology	• Expertise in production and technologies based on construction site work experience • Expertise in the development of production technologies
	Sales & Marketing	• Experience in the formulation and implementation of sales and marketing strategies that utilize knowledge and connections based on experience in sales activities
	Finance & Accounting	• Expertise in finance and accounting, or experience of CFO at other companies
	Legal Affairs & Risk Management	• Expertise in laws, or experience in risk management operations

Proposal 3: Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Ko Shikata will expire at the conclusion of this meeting. Accordingly, we propose to elect one (1) Audit & Supervisory Board Member. The Audit & Supervisory Board has given its prior consent to this Proposal 3.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary (Position and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
 Ko Shikata (August 26, 1963) <Reelection> <Outside Audit & Supervisory Board Member> <Independent Audit & Supervisory Board Member> Attendance at the Board of Directors meetings 94.4% (17/18) Attendance at the Audit & Supervisory Board meetings 100% (14/14) Term of office served as Outside Audit & Supervisory Board Member (at the conclusion of this meeting) 4 years	April 1987 Joined National Police Agency March 2001 Manager of Training Section of Police Affairs Department, Metropolitan Police Department March 2009 General Manager of Criminal Affairs Department of Headquarters, Kanagawa Prefectural Police Department February 2010 Manager of Information Technology Crime Countermeasure Department of Community Safety Bureau, National Police Agency October 2012 General Manager of Criminal Investigation Training Division, National Police Academy April 2013 Professor of Faculty of Policy Management, Keio University March 2015 Manager of International Department of Commissioner General's Secretariat, National Police Agency January 2018 General Manager of Highest Training Institute for Investigation Leaders, National Police Academy April 2018 Professor of Faculty of Law, Chuo University (up to the present) June 2022 Audit & Supervisory Board Member, the Corporation (up to the present) [Significant concurrent positions outside the Corporation] Professor of Faculty of Law, Chuo University [Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member] Ko Shikata has contributed to maintaining and improving a safe and secure society, including cybersecurity, through his many years of involvement in police administration, and he has also worked in policy research and education and support as a university professor, and has academic knowledge and broad experience and knowledge of the legal and policy field. We judge that he is able to use these attributes to supervise the Corporation's management from an objective and neutral position, and we have therefore nominated him to continue as an outside Audit & Supervisory Board Member. [Independence of the candidate] Ko Shikata meets the standards for independence set out by the Tokyo Stock Exchange, on which the Corporation is listed, and the Standards regarding the Independence of Outside Officers set by the Corporation. The Corporation has therefore designated him as an independent Audit & Supervisory Board Member who will not have a conflict of interests with general shareholders and it submitted notification of this to the Tokyo Stock Exchange. If his reelection is approved, the Corporation will continue his registration as an independent Audit & Supervisory Board Member. Furthermore, although the Corporation has a transactional relationship with Chuo University at which Ko Shikata currently works as a professor, the transaction amount with Chuo University came to less than 0.1% of the Corporation's consolidated net sales for the most recent fiscal year. Accordingly, we believe that this relationship will have no effect on Ko Shikata's independence as Outside Audit & Supervisory Board Member.	3,470

Notes:

1. Ko Shikata does not have special interests in the Corporation.
2. Ko Shikata is a candidate for Outside Audit & Supervisory Board Member.
3. The Corporation has entered into a limited liability agreement with Ko Shikata pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and Article 33 of the Articles of Incorporation. The maximum amount of the liability for damage based on said agreement is the minimum amount prescribed in laws and regulations. If his reelection is approved at this meeting, the Corporation plans to renew the agreement.
4. The Corporation has entered into a directors and officers liability insurance policy with an insurance company. (For the overview of the content of the insurance policy, please see the note 4. on page 16.) If Ko Shikata is elected and assumes office as Audit & Supervisory Board Member, he will be included as an insured in the insurance policy.

Proposal 4: Determination of the Amount and Details of Stock Compensation, etc. for Directors**1. Reasons for the proposal and why such compensation is considered appropriate**

The remuneration of Directors of the Company currently consists of a fixed-amount monthly salary that is the base salary, and performance-based compensation comprising bonuses as well as compensation exclusively for purchasing shares of the Company included in the bonuses. The Company hereby proposes to introduce a new performance-linked stock compensation plan under which the Company's shares are delivered as compensation (hereinafter referred to as the "Plan"). This proposal is to provide stock compensation to Directors (excluding Non-Executive Directors and non-residents of Japan; the same applies hereinafter in this proposal) separately from the maximum amount of compensation for Directors (maximum of ¥90 million per month, of which a maximum of ¥10 million per month is for Outside Directors) approved at the 117th Annual General Meeting of Shareholders held on June 27, 2019, and the maximum amount of bonuses for Directors (excluding Non-Executive Directors) (maximum of ¥500 million per year) approved at the 118th Annual General Meeting of Shareholders held on June 26, 2020.

If this proposal is approved, the compensation exclusively for purchasing shares of the Company that has been paid to date shall be abolished, and the remuneration of Directors of the Company shall consist of a fixed-amount monthly salary, short-term performance-based compensation (bonuses), and medium-term performance-linked stock compensation.

Non-Executive Directors including Outside Directors and Audit & Supervisory Board Members shall be paid only a fixed-amount monthly salary for the purpose of enhancing their supervisory function of management.

The Plan aims to strengthen Directors' awareness of contributing to the Company's sustainable growth and medium- to long-term enhancement of corporate value, by motivating Directors to improve business performance and by sharing with shareholders the risks and returns associated with stock price fluctuations. The Plan is also a highly objective officer compensation plan that is linked to the Company's medium-term business performance. As the content of this proposal is necessary and reasonable to achieve the objectives of introducing the Plan, we consider the content to be appropriate. The introduction of the Plan has been deliberated by the Nomination and Compensation Committee to ensure transparency and objectivity in the compensation decision-making process. If Proposal 2 "Election of Eleven (11) Directors" is approved, the number of Directors eligible for the Plan will be six (6).

2. Amount and details, etc. of compensation, etc. under the Plan**(1) Overview of the Plan**

The Plan is a stock compensation plan under which a trust acquires the Company's shares using funds equivalent to the compensation of Directors contributed by the Company, and delivers to Directors the Company's shares and cash equivalent to the proceeds from the disposal of the Company's shares (hereinafter referred to as the "Company's Shares, etc.") through the trust in accordance with their respective positions and the level of achievement of performance targets, etc. (For details, see (2) and below.)

(a) Eligible persons for delivery of the Company's Shares, etc. under this proposal	• Directors of the Company (excluding Non-Executive Directors and non-residents of Japan)
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(b) Impact of the Company's shares subject to this proposal on the total number of issued shares	
Maximum amount of money contributed by the Company (as set forth in (3) below)	• An amount obtained by multiplying ¥300 million by the number of years in the target period • For the initial target period, ¥300 million covering one fiscal year (the initial target period is the fiscal year ending March 31, 2027)
Maximum number of the Company's Shares, etc. to be delivered to Directors (as set forth in (4) below)	• The number of shares equivalent to the number of points obtained by multiplying 200,000 points by the number of years in the target period; for the initial target period, the number of shares equivalent to 200,000 points covering one fiscal year (the initial target period is the fiscal year ending March 31, 2027) • One (1) point shall be equivalent to one (1) share of the Company's common stock, and if a stock split, share consolidation, or other similar event occurs with respect to the Company's shares held in the Trust during the trust period, the number of the Company's shares per point shall be adjusted in accordance with the ratio of such stock split, share consolidation, or other similar event • The ratio of 200,000 shares of the Company's issued shares corresponding to the number of points per fiscal year described above to the total number of issued shares (as of March 31, 2026, after deducting treasury shares) is approximately 0.03%
Method of acquisition of the Company's shares (as set forth in (3) below)	• The Company's shares under the Plan are planned to be acquired from the stock market or from the Company (disposal of treasury shares)
(c) Details of performance achievement conditions (as set forth in (4) below)	
	• Fluctuates in the range of 70% to 130% depending on the level of achievement of performance targets, etc. during the target period • The indicators relating to the level of achievement of performance targets, etc. shall be evaluation items selected by the Nomination and Compensation Committee from among ROE and other financial and non-financial KPIs set forth in the Mid-Term Business Plan
(d) Timing of delivery of the Company's Shares, etc. to Directors (as set forth in (5) below)	
	• In principle, at the time of retirement as Director of the Company

(2) Trust period

The initial trust period shall be one (1) year from August 2026 (scheduled) to August 2027 (scheduled). However, the trust period may be extended upon its expiration as set forth in (3) below.

(3) Maximum amount of money contributed by the Company

The period covered by the Plan (hereinafter referred to as the “Target Period”) shall, in principle, be the fiscal years covered by the Mid-Term Business Plan of the Company. The initial Target Period shall be one (1) fiscal year, being the fiscal year ending March 31, 2027, which is the remaining period of the current Mid-Term Business Plan.

The Company shall set the maximum amount of trust funds to be contributed for each Target Period for the acquisition of the Company’s shares to be delivered to Directors at an amount obtained by multiplying ¥300 million by the number of years in each Target Period (¥300 million for the initial Target Period of fiscal 2026), contribute such trust funds as compensation, and establish a trust for the period corresponding to the Target Period with Directors as beneficiary candidates (hereinafter referred to as the “Trust”). The Trust shall, in accordance with instructions from the trust administrator, acquire the Company’s shares from the stock market or from the Company (disposal of treasury shares) using the trust funds as the source of funds. The Company shall grant points to Directors in respect of each Target Period (as set forth in (4) below), and shall in principle deliver from the Trust the Company’s Shares, etc. corresponding to the number of such points at the time of retirement of the relevant Directors.

Upon the expiration of the trust period of the Trust, the Trust may be continued by amending the trust agreement and making additional contributions to the Trust. In such case, the fiscal years covered by the Mid-Term Business Plan of the Company at that time shall become a new Target Period, and the trust period of the Trust shall be extended for the number of years corresponding to such period. For each extended Target Period, the Company shall make additional contributions within the maximum amount of trust funds to be contributed to the Trust approved by the resolution at the General Meeting, continue to grant points to Directors in respect of the extended Target Period, and the Trust shall continue to deliver the Company’s Shares, etc. However, if there are any of the Company’s shares (excluding the Company’s shares equivalent to the number of points granted to Directors for which delivery has not yet been completed) and cash remaining in the trust assets as of the last day of the trust period prior to the extension (hereinafter referred to as the “Remaining Shares, etc.”), the total of the amount of the Remaining Shares, etc. and the trust funds additionally contributed by the Company shall be within the scope approved by the resolution at the General Meeting. Such extension of the trust period shall not be limited to once, and may be carried out in the same manner thereafter.

In addition, if the trust agreement is not amended and no additional contributions are made upon the expiration of the trust period (or, if the trust period has been extended as described above, upon the expiration of the extended trust period), no new points shall be granted to Directors thereafter. However, if there are Directors who may potentially satisfy the beneficiary requirements still in office, the Trust shall not be immediately terminated, and the trust period of the Trust may be extended for a limited period until the delivery of the Company’s Shares, etc. to such Directors is completed.

(4) Method of calculating and maximum number of the Company’s Shares, etc. to be delivered to Directors

The number of the Company’s Shares, etc. to be delivered to Directors shall be determined by the number of “Share Delivery Points.” Share Delivery Points are calculated by accumulating the base points granted at a certain time each year in accordance with each Director’s position, etc., and after the end of the Target Period, multiplying the accumulated value by a performance coefficient corresponding to the level of achievement of performance targets, etc. (*). However, with respect to the base points granted for the initial Target Period, on the premise that the initial Target Period ends and the next Target Period commences, the calculation shall be made by multiplying by the performance coefficient corresponding to the level of achievement of performance targets, etc. in the next Target Period after the end of the next Target Period. In cases where a Director who satisfies the beneficiary requirements retires during a Target Period and delivery of the Company’s Shares, etc. is made to such Director, the number of points to be granted shall be calculated by multiplying the accumulated value of single-year points granted

during the Target Period by a performance coefficient of 100%, and shall be granted promptly.

One (1) point shall correspond to one (1) share of the Company's common stock. If a stock split, reverse stock split or similar event occurs with respect to the Company's shares held in the Trust during the trust period, the number of the Company's shares per point shall be adjusted in accordance with the ratio of such stock split, reverse stock split or similar event.

The maximum number of points to be granted to Directors for each Target Period shall be the number obtained by multiplying 200,000 points by the number of years in the relevant Target Period, and the maximum number of the Company's Shares, etc. that Directors may receive from the Trust for each Target Period shall be the number of shares corresponding to such maximum number of points (hereinafter referred to as the "Maximum Deliverable Number of Shares"). Accordingly, the Maximum Deliverable Number of Shares corresponding to the initial Target Period consisting of one (1) fiscal year shall be the number of shares corresponding to 200,000 points.

The Maximum Deliverable Number of Shares has been determined with reference to net assets per share and other factors, taking into account the maximum amount of money to be contributed by the Company described in (3) above.

(*) The range of fluctuation based on the level of achievement of performance targets, etc. shall be from 70% to 130%. The indicators relating to the level of achievement of performance targets, etc. are expected to consist of evaluation items selected by the Nomination and Compensation Committee from among ROE and other financial and non-financial KPIs set forth in the Mid-Term Business Plan.

(5) Method and timing of delivery of the Company's Shares, etc. to Directors

Directors who satisfy the beneficiary requirements shall receive delivery of the Company's Shares, etc. in the number calculated pursuant to (4) above at the time of their retirement as Director of the Company.

If a Director becomes a non-resident of Japan during the trust period, in principle, all of the Company's shares corresponding to the number of accumulated points granted to such Director at that time shall be disposed of within the Trust, and such Director shall receive a cash payment equivalent to the proceeds from such disposal.

If a Director dies during the trust period, in principle, all of the Company's shares corresponding to the number of accumulated points granted to such Director at that time shall be disposed of within the Trust, and the heirs of such Director shall receive a cash payment equivalent to the proceeds from such disposal.

(6) Voting rights relating to the Company's shares held in the Trust

Voting rights relating to the Company's shares held in the Trust shall not be exercised during the trust period in order to ensure neutrality with respect to the Company's management.

(7) Treatment of dividends on the Company's shares held in the Trust

Dividends on the Company's shares held in the Trust shall be received by the Trust and applied toward the trust fees and trust expenses of the Trust.

(8) Other details of the Plan

Other details of the Plan shall be determined by the Board of Directors each time the Trust is established, the trust agreement is amended, or additional contributions are made to the Trust.

Attached documents to Notice of the 124th Annual General Meeting of Shareholders

Business Report

(for the year ended March 31, 2026)

[Yen amounts have been rounded down to the nearest billion (million)]

I Current Conditions of the Corporate Group (Consolidated)

1. Review of Operations and Results

<Consolidated financial results in the current fiscal year>

In fiscal 2025, the Japanese economy continued showing a moderate recovery centered on domestic demand, under the improvement of employment and income environment supported by strong corporate earnings. However, continued price hikes in Japan and a downward risk in the economy arising from the destabilization of international affairs had a widespread impact on business activities and people's lives. In the construction industry, public sector investment in areas such as disaster prevention, mitigation, and national resilience remained firm and private-sector capital investment showed signs of recovery. On the supply side, however, the business environment remained challenging due to the persistently high prices of construction materials and energy, and rising labor costs due to labor shortages.

Under these circumstances, Shimizu Corporation and its subsidiaries (the Shimizu Group) reported net sales of ¥2,057.8 billion, up 5.8% year on year, due to an increase in completed construction contracts, despite a decrease in sales from real estate development and other businesses. Ordinary income increased 70.7% year on year to ¥122.3 billion, mainly due to an increase in gross profits from construction contracts on account of improved profitability of architectural construction in Japan. Net income for the current fiscal year increased 91.8% from the previous fiscal year to ¥126.6 billion, as a result of profits from sales of investment securities recorded as special gains.

The Shimizu Group proposes to pay a year-end dividend of ¥50 per share. This brings the full-year dividend, including the mid-year dividend, to ¥72 per share.

Construction business

[Domestic architectural construction, Domestic civil engineering, Overseas construction businesses]

Net sales in the construction business increased by 8.8% year on year to ¥1,845.3 billion.

Segment profits increased 38.5% to ¥218.6 billion, due to improved profitability of the Corporation's domestic architectural construction, as well as that of domestic and overseas construction subsidiaries.

Major project orders awarded

Architectural construction	Chuo-Nittochi Co., Ltd.	New construction of Building A for Uchisaiwaicho 1-Chome district South Zone first class urban area redevelopment project
	Akasaka 7-Chome 2nd District Urban Redevelopment Association	New construction of buildings for Akasaka 7-Chome 2nd District Type 1 Urban Redevelopment Project
	Ministry of Health, Singapore	PART A: MAIN CONTRACT WORKS FOR THE REDEVELOPMENT OF ALEXANDRA HOSPITAL AT ALEXANDRA ROAD (QUEENSTOWN PLANNING AREA); AND PART B: CONTINGENCY WORKS CONTRACT 1 - OUTPATIENT
Civil engineering	Central Japan Railway Company	Chuo Shinkansen Oi Tunnel No. 2, etc. Project
	Ministry of the Environment	Construction for acceptance, sorting and storage for Okuma District Interim Storage, fiscal 2025- fiscal 2028

Major construction contracts completed

Architectural construction	TV Asahi Corporation	Ariake South Zone H Project (Tokyo)
	Waseda University	Nishiwaseda Campus Bldg. No. 52, 53 and 54 Reconstruction Project New Construction of New Bldg. No. 52 and Phase 1 of Renovation of Existing Bldg. No. 52 (Tokyo)
	FUKUOKA GAKUEN	Phase 1 construction of Fukuoka Gakuen New Campus Development Project (New Main Building) (Fukuoka)
	ACECOOK CO., LTD.	ACECOOK CO., LTD. Kanto Factory Construction Project (Saitama)
Civil engineering	TOBU RAILWAY CO.,LTD.	Construction (fourth section) of elevated railway tracks between Shimizu Koen and Umesato for Tobu Noda Line (Noda City) continuous grade separation project (Chiba)
	CSBC-DEME Wind Engineering Co., Ltd.	Hai Long 2 Offshore Wind Farm (Taiwan)
	Vietnam Expressway Corporation	North – South Expressway Construction Project (Ben Luc - Long Thanh Section) Package J1 Binh Khanh Bridge and Approach (Socialist Republic of Vietnam)

Real estate development and other businesses

[Real estate development, Engineering, Green energy development, Emerging frontier, and other businesses]

Net sales decreased by 14.4% year on year to ¥212.5 billion while segment profits increased by 4.9% to ¥39.4 billion.

Real estate development business



S-LOGI Matsubara

Engineering business

Takaoka Plant, KYORIN
Pharmaceutical Group Facilities

Green energy development business

Isa Battery Energy Storage System
with Solar Power Plant

Construction orders awarded and contracts, net sales and backlog on non-consolidated basis

(Millions of Yen)

Category		Backlog as at March 31, 2025	Construction orders awarded and contracts	Net sales	Backlog as at March 31, 2026
Construction business	Architectural construction	1,633,614	1,450,592	1,190,892	1,893,314
	Civil engineering	620,200	353,965	298,723	675,442
	Total	2,253,814	1,804,558	1,489,615	2,568,757
Real estate development and other businesses		74,523	93,617	99,928	68,212
Total		2,328,337	1,898,176	1,589,544	2,636,969

<Consolidated forecasts for the next fiscal year>

In fiscal 2026, the Japanese economy is expected to continue its gradual recovery centered on domestic demand against the backdrop of an improved employment and income environment and companies' strong earnings and other factors. However, it may be affected by developments surrounding the situation in the Middle East and the United States' trade policy, and fluctuations in financial and capital markets.

In the construction industry, public sector investment is expected to remain strong on the back of the promotion of disaster prevention, mitigation, and national resilience; however, given the impacts of the uncertainty of overseas economies on private-sector capital investment, the continued trend of rising construction costs, the further progress of labor shortages and other grounds for concern, ongoing monitoring of the supply situation is necessary.

In the Shimizu Group's consolidated earnings forecast for fiscal 2026, under this business environment, net sales, ordinary income, and net income are expected to be ¥2,310.0 billion, up 12.3% year on year; ¥148.0 billion, up 21.0% year on year; and ¥130.0 billion, up 2.7% year on year, respectively.

Construction orders awarded on a non-consolidated basis are forecasted to decrease ¥348.1 billion year on year to ¥1,550.0 billion for fiscal 2026.

2. Trends in Assets and Operating Results

(1) Trends in assets and operating results of the corporate group (Consolidated)

(Millions of Yen)

Category	121st Fiscal Year (Fiscal 2022)	122nd Fiscal Year (Fiscal 2023)	123rd Fiscal Year (Fiscal 2024)	124th Fiscal Year (Current fiscal year) (Fiscal 2025)
Net sales	1,933,814	2,005,518	1,944,360	2,057,802
Ordinary income	56,546	(19,834)	71,664	122,324
Net income	49,057	17,163	66,015	126,617
Net income per share (Yen)	66.29	23.57	94.80	186.68
Return on Equity (ROE)	5.9%	2.0%	7.6%	13.8%
Total assets	2,448,010	2,538,769	2,524,219	2,654,382
Net assets	907,277	948,059	923,922	1,001,175

Notes: 1. Net income per share is calculated by deducting the number of treasury shares from the average total number of issued shares during the period.

2. During the 124th fiscal year, the Company finalized the provisional accounting treatment for business combinations, and the figures for the 123rd fiscal year reflect the details of the finalized provisional accounting treatment.

(2) Trends in assets and operating results of the Corporation (Non-consolidated)

(Millions of Yen)

	121st Fiscal Year (Fiscal 2022)	122nd Fiscal Year (Fiscal 2023)	123rd Fiscal Year (Fiscal 2024)	124th Fiscal Year (Current fiscal year) (Fiscal 2025)
Construction orders awarded and contracts	1,515,887	1,852,181	1,404,220	1,898,176
Net sales	1,557,325	1,577,909	1,501,519	1,589,544
Ordinary income	41,389	(37,467)	51,674	96,374
Net income	41,754	11,606	62,139	132,947
Net income per share (Yen)	56.36	15.94	89.24	196.02
Total assets	2,016,732	2,091,072	2,074,174	2,250,585
Net assets	714,361	725,047	690,629	801,006

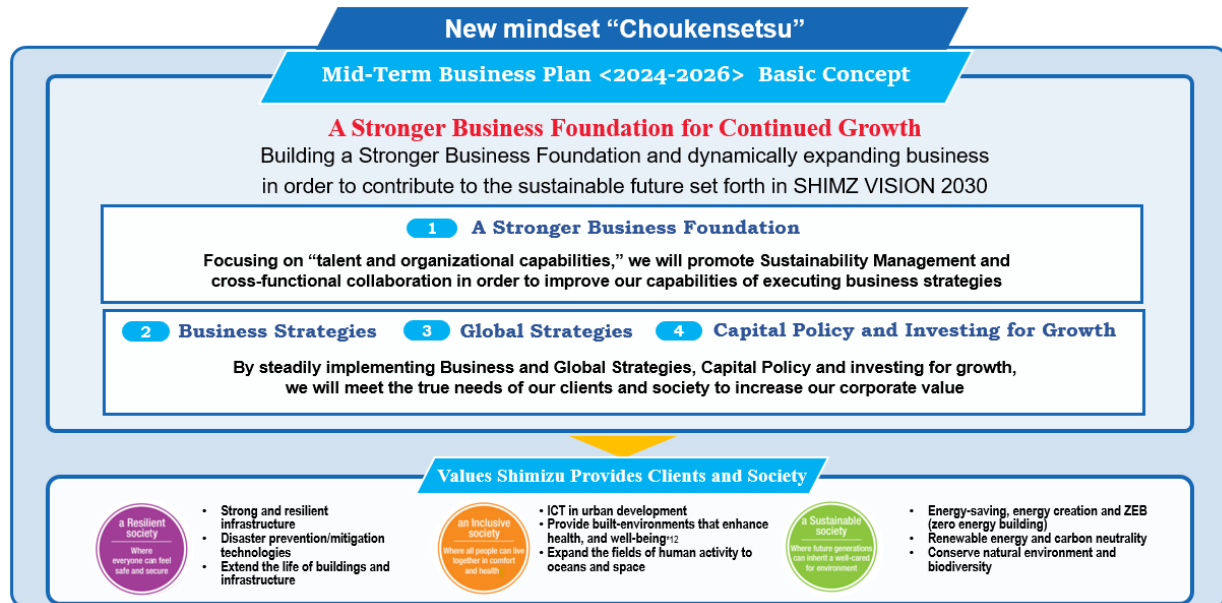
Note: Net income per share is calculated by deducting the number of treasury shares from the average total number of issued shares during the period.

3. Issues to Be Addressed

Initiatives to achieve the Mid-Term Business Plan <2024-2026>

The Shimizu Group's Mid-Term Business Plan <2024-2026>, formulated and announced in fiscal 2024, sets out “A Stronger Business Foundation for Continued Growth” as its basic policy, and aims to provide value that exceeds society's expectations and enhance corporate value over the medium to long term through the steady implementation of “Business Strategies” and “Global Strategies,” and the active promotion of “Capital Policy and Investing for Growth.”

In fiscal 2026, the final year of the Plan, we will continue to drive forward with greater momentum the group-wide efforts we have been making to improve profitability and ensure quality, and work toward achieving the targets set forth in the Plan.



A Stronger Business Foundation

In building a Stronger Business Foundation, the growth of “talent and organizational capabilities” recognizes people as the source of competitiveness, and promotes the “rebuilding of the human resource management structure” toward “securing and developing diverse talent willing to take on challenges and co-create.” As one of these initiatives, in April 2026, we introduced a new personnel system, including the establishment of a compensation structure that places greater emphasis on roles and responsibilities, with the aim of enhancing employees’ motivation to work, fostering a culture of healthy competition, promoting individual learning and growth, and driving organizational vitality and productivity improvement. Going forward, we will continue to promote each employee’s motivation to work and proactive capability development, while building a relationship in which employees and the Company grow together through a healthy sense of constructive tension.

Furthermore, in “advancing Sustainability Management through strengthening cross-functional collaboration,” we are actively promoting collaboration that goes beyond the boundaries of existing organizations and functions across the six functions (Marketing, Technology development and intellectual property, Digitalization, Globalization, Supply chain, and Group management) that we emphasize in the Mid-Term Business Plan. Specifically, we will strengthen our management and business promotion structure through the promotion of cross-functional DX strategies, and pursue M&A opportunities to further increase group synergies. We will continue to strive for flexible and agile cross-functional collaboration and to practice our Sustainability Management that balances fulfilling of corporate social responsibility and the exploration of business opportunities.

Business Strategies

With respect to Business Strategies, we will enhance our business portfolio by further improving the profitability of the construction business, which is a pillar of our Business Strategies, and by steadily implementing business strategies that encompass businesses other than construction.

Construction business**Improve profitability**

In order to improve profitability, we continue to work toward transforming our business structure through stricter pre-order screening to ensure profitability-focused order decisions, management of order volume to secure construction capacity, production process reform through the promotion of front-loading to achieve accurate construction plans, and strengthening our ability to engage promising segments including advanced fields such as semiconductor-related facilities and data centers. The results of these efforts are steadily becoming apparent.

We will further enhance the competitiveness of the construction business by ensuring the fundamentals of manufacturing, namely technology, quality, and safety, improving the accuracy of cost and schedule management, promoting technological development through the active use of ICT and AI to improve productivity and reduce costs, and executing M&A to contribute to improving the profitability and strengthening the construction structure of the entire Group.

Real estate development business / Engineering business**Increase revenue and business stability**

In the real estate development business, we continue to develop our business to generate stable revenues, aiming to build an optimal portfolio by leveraging the technologies and comprehensive strengths of the Shimizu Group in order to respond flexibly to the changing business environment.

We will also work to improve capital efficiency and achieve further growth in the real estate development business through the expansion of our business areas by taking on new growth fields, the diversification of our asset portfolio (including value-up projects for acquired properties, cold storage warehouses, and luxury hotels), and the expansion of the real estate value chain through intra-Group collaboration, including fundraising and reinvestment in new properties through the unlisted open-end private REIT “SHIMIZU PRIVATE REIT, Inc.”

In the engineering business, we are focusing on expanding our business scale by concentrating on growth areas such as renewable energy, production facilities for advanced and strategic products in pharmaceuticals, food, and semiconductors, DX solutions, and environmental remediation.

In addition, utilizing “BLUE WIND,” one of the world’s largest self-propelled SEP vessels owned by the Company, has allowed us to accumulate a track record in large-scale wind turbine installation: offshore wind turbine construction projects off Nyuzen, Toyama Prefecture and at Ishikari Bay New Port in

Hokkaido since fiscal 2023, and by chartering the vessel for three projects in Taiwan. Going forward, with an eye on domestic offshore wind projects, we will continue to work toward the optimal operation of the SEP vessel and aim to become a top runner in offshore wind EPC (engineering, procurement, and construction).

Green energy development business / Building life cycle business**Expand business scale**

In the green energy development business, we are working toward the steady growth of our renewable energy power generation business through the steady accumulation of renewable energy assets (solar, wind, hydropower, etc.) and the expansion of our battery energy storage business. We will continue to expand our provision of solutions tailored to our clients' needs, including the supply of "green electricity" generated at renewable energy power plants and the provision of "green electricity certificates" that certify the environmental value of green electricity.

In the building life cycle business, with an eye on the expansion of the renovation market in the construction market, we are actively driving forward efforts centered on the "Life Cycle Promotion Division" established in October 2024, with the aim of strengthening the integrated solution-providing capabilities of the entire Shimizu Group.

Frontier business**Establish sustainable business models**

Through continued growth investment in the frontier business area, we continue to take on the challenge of establishing business models through the promotion of space transportation-related businesses including small rocket launches and satellite data utilization businesses in the space development business, as well as the promotion of research and development toward the establishment of floating body design and construction technologies (floating structures and mooring systems) in the ocean development business.

Global Strategies

In Global Strategies, we have worked to enhance the independence of local subsidiaries' management, and have introduced an internal company system for directly managed overseas offices, treating each office as a company organization, in order to build a structure that enables rapid response to clients' needs on the ground. We will continue to promote sustainable and stable business operations rooted in each country and region where we operate, with the independence of office management as the pillar of our strategy.

We are also accelerating alliances and M&A aimed at expanding our business areas and strengthening profitability. We will continue to create new markets and generate business opportunities that meet local needs through the acceleration of business development via M&A and other means.

Capital Policy and Investing for Growth

Fiscal 2025 results for the targets of performance, financial KPIs, and non-financial KPIs are as follows.

Results (Consolidated)

(billion yen)	FY2025 Results	FY2026 Forecast	FY2026 Target
Total Net Sales	2,057.8	2,310.0	1,890.0
Construction Business	1,845.3	2,065.0	1,600.0
Development Business & others	212.5	245.0	290.0
Gross Profit	12.5% 258.0	13.2% 305.0	12.2% 230.0
Construction Business	11.8% 218.6	13.1% 270.0	10.3% 165.0
Development Business & others	18.6% 39.4	14.3% 35.0	22.4% 65.0
Operating Income	118.6	153.0	100.0
Ordinary Income	122.3	148.0	95.0
Net Income	126.6	130.0	70.0

Financial KPI

	FY2025 Results	FY2026 Target	Mid- to long-term*1
ROE	13.8%	≥ 8%	≥ 10%
Equity ratio	36.8%	≥ 35%	≥ 40%
Debt-to-equity ratio (D/E ratio)	0.58 X	Within 1.0	≤ Approx. 0.7X
Dividend payout ratio *2	38.6%	Approx. 40%	—

*1 Period of the next Mid-Term Business Plan

*2 The consolidated dividend payout ratio that excludes ¥5.9 billion of gain on negative goodwill is 40.5%

Non-financial KPI

Indicator	FY2025 Results	FY2026 Target
Reduction rate of CO ₂ emissions in the Construction Business (compared with FY2023)	9%*1	-12% or more
Environment analysis rate using the Environmental KY*2	App development (scheduled for completion in the first half of FY2026)	100%
Employee engagement score	3.5	≥ 4.0
Percentage of industry-qualified engineers	81.4%	Maintain 80% or more
Percentage of women in managerial positions	6.2%*3	≥ 6%
Percentage of employees with disabilities	2.5%	≥ 2.7%
Number of people enrolling in the Shimizu Takumi Training Center	2,522	≥ 1,800% per year
Nurturing DX Specialists	119 (72 in FY2025)	120 specialists trained and assigned to all divisions (over 3 years)
Dialogues between stakeholders (especially shareholders, investors, and employees) and our top management	127 times	≥ 50 times per year

*1 Provisional value before acquisition of third-party verification

*2 A tool to visualize the natural environment surrounding the project site on the map and understand/assess it

*3 Percentage of women in managerial positions as of April 1, 2026

Investing for growth

The result of Investing for Growth is ¥235.0 billion as of the end of March 2026, compared to a planned amount of ¥360.0 billion during the period of the Mid-Term Business Plan <2024-2026>. The result of the “Investment for Further Increase in Corporate Value (M&A, etc.)” set as a separate category is ¥89.7 billion. We will increase operating cash flow by steadily increasing our business activities while continuing to sell real estate under lease and gradually reducing securities holdings (see page 33), and allocate the cash generated to investments for sustainable growth and returns to shareholders.

Cash-out			Progress of Investment Plan As of March 31, 2026 (cumulative)
	Investment Amount (3 years)	Description	
Human resources	¥40 billion	- Acquire and nurture highly capable talent - Implement DE&I initiatives. Promote employees' well-being	¥33.2 billion
Productivity improvement & R&D	¥85 billion	- Develop cutting-edge technologies and machinery - Invest in digital-related fields	¥69.4 billion
Real estate development	¥200 billion	- In Japan: Diversify assets - Overseas: Shift to real estate development-and-sales/development business model	¥113.0 billion
Green energy development	¥30 billion	- Expand renewable energy generation business - Develop new energy sources such as hydrogen utilization	¥16.9 billion
New business & others	¥5 billion	- Invest in new business and ventures - Invest in space and ocean programs, and sustainable green business	¥2.4 billion
Total	¥360 billion		¥235.0 billion
<Not included> Investment to further increase corporate value (M&A, etc.)			¥89.7 billion

In the current fiscal year, in January 2026, the Shimizu Group acquired shares of Aomi Construction Co., Ltd. making it a subsidiary with the aim of strengthening our civil engineering and offshore wind businesses, and in March 2026, acquired American Engineering Corporation (Okinawa) as a subsidiary with the aim of strengthening our capabilities in U.S. military base construction and IT infrastructure projects ordered by foreign-affiliated companies. These initiatives give concrete form to the “External Growth Strategy for the Construction Business” and “Expansion of the Engineering Business Area” set forth in the Plan. The Shimizu Group will continue to accelerate the diversification of its revenue base and the strengthening of its competitiveness by promoting business expansion and realizing further synergies as a unified group.

(Reference) Policies related to securities holdings and the status of their divestment

(1) Policies related to securities holdings

When there is a necessity from the viewpoint of business development, the Corporation holds shares of clients and business partners to “strengthen and maintain relationships.” Holding of major securities is determined by the Board of Directors, taking comprehensive consideration of benefits to the Corporation, acquisition cost, risk of share price changes and other factors. The Board of Directors examines the necessity of securities holdings for individual stocks each year, taking into consideration its economic rationality, including cost, risk, and sales benefits, and for shares that have decreased in significance of shareholding, we divest them while confirming relationships with business partners. Furthermore, even in cases where the significance of holding and economic rationality are recognized, we are proceeding with negotiations for sale while taking into account relationships with business partners and market conditions, in order to achieve the target for reducing securities holdings.

(2) Status of divestment of securities holdings

The Corporation has been conducting negotiations with business partners toward achieving the targets for reducing securities holdings set at the Board of Directors meeting held on November 12, 2024 (to 20% or less of consolidated net assets by the end of March 2026, and to 10% or less by the end of March 2027). Due in part to rising share prices, the ratio of securities holdings balance to consolidated net assets as of March 31, 2026 was 24.4%, a slight decrease from the end of the previous fiscal year. However, excluding the shares for which agreement on sale has been reached with business partners, the ratio would be 9.1%.

The Corporation sold shares of 39 listed companies during fiscal 2025 (including shares of which part of the holdings were sold). The proceeds were ¥109.1 billion. From fiscal 2018 to fiscal 2025, the total number of listed companies of which the Corporation sold its holdings was 120 (including shares of which part of the holdings were sold). The proceeds were ¥317.8 billion. As a result, the number of listed companies the Corporation held shares in decreased from 187 as of the end of March 2018 to 93 as of the end of March 2026.

Furthermore, as the business environment surrounding the Corporation, including the situation in the Middle East, is becoming increasingly uncertain, the sale of some shares will be carried out in fiscal 2027 and fiscal 2028 following consultations with the relevant business partners.

Reduction of Securities Holdings

<Change of Reduction Schedule>

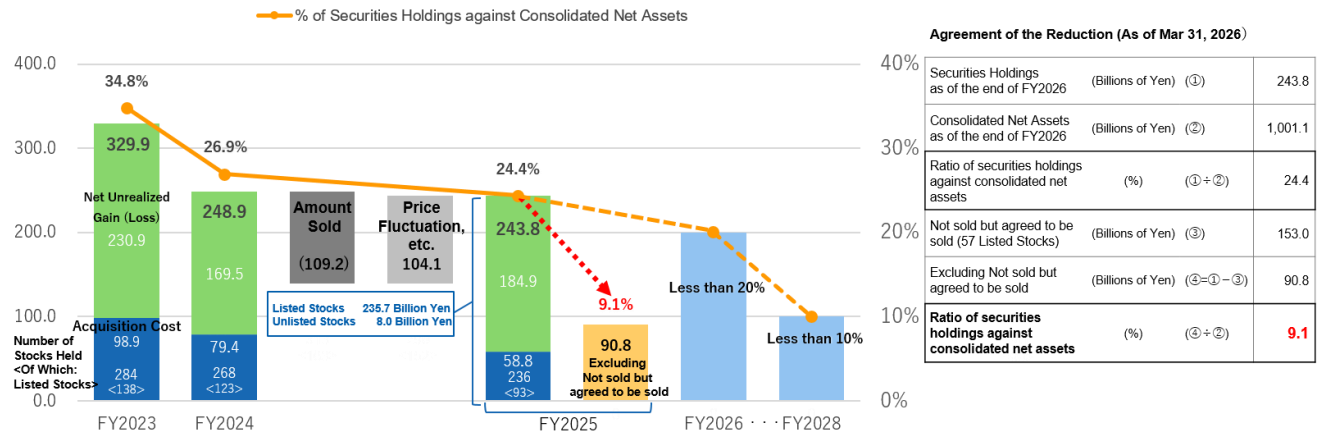
Ratio of securities holdings against consolidated net assets

Less than 20% by the end of FY2027 (or 10% including not sold but agreed to be sold)

Less than 10% by the end of FY2029 and continue the reduction after achieving the target ratio

Discussions with shareholders regarding the reduction of Securities Holdings are advancing steadily. We have achieved to reduce the ratio of securities holdings excluding not sold but agreed to be sold against consolidated net assets to less than 10%.

Balance of Securities Holdings



Disposal of Listed Stocks

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	Agreed Disposal (Expected) [expected in FY2026]
Number of Listed Stocks Sold*	10	10	18	18	21	16	31	39	57 [46]
Amount Sold (Billions of Yen)	12.2	16.8	19.7	12.8	26.3	62.1	58.6	109.1	153.0 [64.6]

* The number of sold stocks includes partial sales and sales of the same stock over several years.

Sustainability management initiatives

Global social issues including climate change and human rights are becoming increasingly complex and serious. In a time of such great change, companies must take action on sustainability to continue to grow over the medium to long term. The Corporation considers sustainability as an important aspect of our management strategy and aims for medium- to long-term corporate value enhancement and sustainable growth by contributing to solving social issues through its business activities.

Sustainability promotion

At Shimizu, we have established a Sustainability Committee, chaired by the President, to deliberate and decide on the Group's sustainability policies, key measures, and disclosure of sustainability-related information. Under our governance structure, matters of particular importance are reported to and monitored by the Board of Directors. Under the Sustainability Committee, we have established specialized committees and subcommittees to deliberate on each sustainability-related theme and submit the results to the Committee. A system is also in place to provide instructions to, and receive reports from, related functional departments and divisions.

<Main matters deliberated and reported during Fiscal 2025>

- Formulation of a roadmap toward achieving the Group Environmental Vision “SHIMZ Beyond Zero 2050”
- Setting of new quantitative targets toward achieving a resource-recycling society
- Traceability investigation (structural steel, reinforcing bars, glass)
- Results of engagement survey and improvement measure
- Health management promotion measures
- Sustainability information disclosure



* Sustainability promotion system (FY2025)

Tokyo Mokkajou (Arts & Crafts Furnishings) reconstruction project completed

The reconstruction of Tokyo Mokkajou, which has nurtured and passed down the Corporation's woodworking skills since its establishment in 1884, was completed in February 2026. The new facility is equipped not only with factory functions, but also with a "Guest Building" designed to convey the culture and appeal of wood to visitors. In recent years, the construction market has seen growing interest in wood as a material, driven by the keyword of decarbonization. Shimizu is also advancing efforts to optimize the use of wood in buildings, including the development of its own timber hybrid technology. The Corporation will continue to pass down traditional woodworking skills at this facility, while positioning it as "a hub for communicating the culture, technology, and appeal of wood," and contributing to the realization of a sustainable society.



Exterior of the guest building.

CO₂ reduction targets for "Net Zero by 2050" receive SBT certification

The Corporation has obtained SBT certification from the Science Based Targets initiative (SBTi)* for its CO₂ reduction targets of "Net Zero by 2050" set out in the decarbonization roadmap of the Group Environmental Vision "SHIMZ Beyond Zero 2050." This certification demonstrates that the newly established short-term targets for Scope 1+2 and long-term targets for all scopes are aligned with the Paris Agreement goal of continuing efforts to limit the rise in global average temperature to 1.5°C above pre-industrial levels. The Shimizu Group will continue to promote various measures toward achieving net-zero CO₂ emissions by 2050 and contribute to the realization of a decarbonized society.



* Science Based Targets initiative (SBTi): A joint initiative by the World Wide Fund for Nature (WWF), CDP, the World Resources Institute (WRI), and the United Nations Global Compact (UNGC).

Issuance of Blue Bond (unsecured straight bonds)

In January 2026, the Corporation issued a Blue Bond (total issuance amount: ¥20.0 billion, maturity: 5 years) for the purpose of refinancing the construction costs of BLUE WIND, a self-elevating platform (SEP) vessel required for the construction of offshore wind farms. This is the first issuance in Japan of a Blue Bond with an SEP vessel as the use of proceeds. Blue Bonds, a category of green bonds aimed at addressing environmental issues, are issued based on the concept of a sustainable blue economy, which promotes sustainable economic activities while conserving marine environments and resources. Through the issuance and use of this bond, the Corporation will demonstrate its commitment and initiatives toward advancing sustainability management to a wide range of stakeholders, while striving to become a top performer in offshore wind farm construction and contributing to the realization of a sustainable future society.



The Corporation's SEP vessel BLUE WIND

Participation in the International Horticultural Expo 2027, Yokohama, Japan (GREEN×EXPO 2027)

The Corporation will participate in GREEN×EXPO 2027, to be held in Yokohama City from March 19 to September 26, 2027. The exhibition will be in the “Kids Village Area,” where children who will inhabit earth in the future can enjoy learning about nature and the world. At the Corporation’s exhibition facility “Shimizu Mori no Machi,” children will be provided with space for experiential learning about the global environment through “seeing, touching, and creating.” Going forward, the Corporation will continue to humbly fulfill its responsibilities with regard to the impact of the construction industry on the global environment and contribute to the realization of a future society that coexists in harmony with nature.



Exhibition image



The link to our special website

4. Status of Financing

The Corporation issued straight bonds by public offering as follows, and used the money raised for the redemption of straight bonds and repayment of borrowings for Unsecured Straight Bonds No. 37, and to refinance the construction costs of the SEP (self-elevating platform) vessel “BLUE WIND” for Unsecured Straight Bonds No. 38.

August 2025: Unsecured Straight Bonds No. 37 ¥20.0 billion

January 2026: Unsecured Straight Bonds No. 38 ¥20.0 billion (Blue Bond)

5. Status of Capital Investment

The amount of capital investment made in the current fiscal year is ¥97.9 billion. Most of this consisted of the acquisition of fixed assets for the rental business, and other business operations.

Of this capital investment, ¥71.0 billion was investment by the Corporation (non-consolidated).

6. Major Businesses (As at March 31, 2026)

The Shimizu Group’s main business areas are construction and development. It is also engaged in operations that are incidental to each of its business areas including the sale and leasing of construction materials and equipment as well as financing.

The Corporation, which is the main business corporation in the Shimizu Group, has obtained a Special Construction Business License (special-6 no. 3200) and an Ordinary Construction Business License (ordinary-6 no. 3200) from the relevant minister in accordance with the Construction Business Act, and carries out construction, civil engineering, and related businesses accordingly.

The Corporation has also obtained a license from the relevant minister as a Real Estate Broker (15 no. 1081) in accordance with the Real Estate Brokerage Act, and carries out businesses related to real estate accordingly.

7. Status of Major Subsidiaries (As at March 31, 2026)

Name	Capital (Millions of Yen)	Ratio of ownership by the Corporation (%)	Major business
THE NIPPON ROAD Co., Ltd.	12,290	100	Contracted road construction and paving work
Aomi Construction Co., Ltd.	7,025	69.3	Marine civil engineering, land civil engineering, and ground improvement construction
Shimizu Comprehensive Development Corporation	3,000	100	Purchase, sale, letting and management in connection with real estate
FaB-Tec Japan Corporation	2,437	84.6	Contracted construction of bridges and frames
MARUHIKO WATANABE CONSTRUCTION.inc	476	57.6	Contracted construction and civil engineering
Daiichi Setsubi Engineering Corporation	400	100	Contracted construction of building facilities
Milx Corporation	372	100	Sale and leasing of construction materials and equipment in addition to insurance agency business
SC Machinery Corp.	200	100	Leasing of construction machinery
SHIMIZU BLC Co., Ltd.	100	100	Contracted renewal of buildings and building management business

(Notes)

1. The Corporation additionally acquired shares of THE NIPPON ROAD Co., Ltd. on July 2, 2025 and December 23, 2025, making it a wholly owned subsidiary.
2. The Corporation acquired shares of Aomi Construction Co., Ltd. on March 30, 2026, making it a consolidated subsidiary.

8. Major Branches (As at March 31, 2026)

(1) The Corporation

Head Office	
2-16-1 Kyobashi, Chuo-ku, Tokyo	
Branches	
HOKKAIDO Branch (Sapporo)	TOHOKU Branch (Sendai)
HOKURIKU Branch (Kanazawa)	TOKYO Branch (Chuo-ku, Tokyo)
YOKOHAMA Branch (Yokohama)	CHIBA Branch (Chiba)
NAGOYA Branch (Nagoya)	KANSAI Branch (Osaka)
SHIKOKU Branch (Takamatsu)	HIROSHIMA Branch (Hiroshima)
KYUSHU Branch (Fukuoka)	TOKYO Civil Engineering Branch (Chuo-ku, Tokyo)
Global Business Headquarters (Chuo-ku, Tokyo)	International Div. (Chuo-ku, Tokyo)
International Civil Engineering Division (Chuo-ku, Tokyo)	Investment and Development Div. (Chuo-ku, Tokyo)
Engineering Headquarters (Chuo-ku, Tokyo)	Green Energy Headquarters (Chuo-ku, Tokyo)
NOVARE (Koto-ku, Tokyo)	Institute of Technology (Koto-ku, Tokyo)
International business network	
Dalian, Shanghai, Suzhou, Guangzhou, Hong Kong, Taipei, Manila, Guam, Singapore, Kuala Lumpur, Jakarta, Bangkok, Dhaka, Tashkent, Bengaluru, Hanoi, Ho Chi Minh City, Nairobi, Lusaka, Atlanta, New York, Charlotte, Queretaro, London	

(2) Major subsidiaries

THE NIPPON ROAD Co., Ltd.	(Minato-ku, Tokyo)
Aomi Construction Co., Ltd.	(Chiyoda-ku, Tokyo)
Shimizu Comprehensive Development Corporation	(Chuo-ku, Tokyo)
FaB-Tec Japan Corporation	(Minato-ku, Tokyo)
MARUHIKO WATANABE CONSTRUCTION.inc	(Sapporo)
Daiichi Setsubi Engineering Corporation	(Minato-ku, Tokyo)
Milx Corporation	(Chuo-ku, Tokyo)
SC Machinery Corp.	(Yokohama)
SHIMIZU BLC Co., Ltd.	(Chuo-ku, Tokyo)

9. Status of Employees (As at March 31, 2026)

(1) Employees of the corporate group (Consolidated)

Category	Number of employees (including contract workers)	Change from March 31, 2025
Construction business	18,498	+ 842
Real estate development and other businesses	2,637	+ 50
Other	1,143	+ 100
Total	22,278	+ 992

Note:

“Other” shows the number of employees in administration division, etc. (non-consolidated), who are unable to be classified in any specific business line.

(2) Status of employees of the Corporation (Non-consolidated)

Number of employees (including contract workers)	
11,434	

* Employees of the Corporation excluding contract workers

Number of employees	11,235	Change from March 31, 2025	Increase of 401
Average age	43.7	Average years of continuous service	16.1 years

10. Status of Major Creditors (As at March 31, 2026)

Creditor	Amount borrowed (Millions of Yen)
Mizuho Bank, Ltd.	105,762
MUFG Bank, Ltd.	57,922
The Norinchukin Bank	26,244
The Chiba Bank, Ltd.	18,648
Sumitomo Mitsui Banking Corporation	15,252
Hachijuni Nagano Bank, Ltd.	13,056
Sumitomo Mitsui Trust Bank, Limited	12,424
The Hyakugo Bank, Ltd.	8,230
The Dai-ichi Life Insurance Company, Limited	8,189
The Bank of Yokohama, Ltd.	8,173

II Current Conditions of the Corporation (Non-consolidated)

1. Status of Shares of the Corporation (As at March 31, 2026)

- (1) Total number of authorized shares 1,500,000,000 shares
- (2) Total number of issued shares 716,689,413 shares
- (3) Number of shareholders 67,747 (increase of 9,663 from March 31, 2025)
- (4) Major shareholders (Top ten)

Shareholder	Number of shares held (Thousands of Shares)	Percentage of total (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	89,462	13.17
SHIMIZU & CO., LTD.	82,730	12.18
The SHIMIZU FOUNDATION	38,767	5.71
Custody Bank of Japan, Ltd. (Trust Account)	29,639	4.36
HOUSING RESEARCH FOUNDATION JYUSO-KEN	23,665	3.48
Employee's Stock Ownership Plan	18,538	2.73
STATE STREET BANK AND TRUST COMPANY 505001	15,136	2.23
Fukoku Mutual Life Insurance Company	13,552	2.00
Custody Bank of Japan, Ltd. (Taxable trust money account)	10,741	1.58
JP MORGAN CHASE BANK 385642	9,303	1.37

Note: Percentage of total is calculated excluding treasury stocks (37,488,136 shares).

(5) Other important matters related to shares

- (a) In an effort to further improve corporate value by improving capital efficiency, the Corporation purchased treasury stock as follows in accordance with resolutions passed at the Board of Directors meetings held on May 14, 2025.

■ Acquired by resolution of the Board of Directors on May 14, 2025.

Total number of shares purchased	Common stock 5,785,300 shares
Total cost of shares purchased	¥ 9,999,828,568
Acquisition period	May 15, 2025 -September 25, 2025

- (b) At the Board of Directors meeting held on November 7, 2025, the Corporation resolved to dispose of treasury stock in connection with the introduction of a restricted stock incentive plan targeting its employees through the Shimizu Group Employee's Stock Ownership Plan, and on March 19, 2026, disposed of 2,649,500 shares of treasury stock allotted to the Shimizu Group Employee's Stock Ownership Plan

2. Officers of the Corporation

(1) Status of directors and audit & supervisory board members (As at March 31, 2026)

Position in the Corporation	Name	Areas of responsibility in the Corporation	Significant concurrent positions outside the Corporation
Chairman of the Board and Representative Director	Kazuyuki Inoue		Vice Chair of the Board of Councilors of KEIDANREN (Japan Business Federation)
President and Representative Director, President and Executive Officer	Tatsuya Shimmura		
Executive Vice President and Representative Director, Executive Vice President and Executive Officer	Kentaro Ikeda	Director, Civil Engineering Headquarters, In charge of Safety and Environment	
Executive Vice President and Director Executive Vice President and Executive Officer	Takeshi Sekiguchi	In charge of Engineering Business, Director, Green Energy Headquarters, In charge of Information Management Director, DX Management Office	
Executive Vice President and Representative Director Executive Vice President and Executive Officer	Yoshito Tsutsumi	Director, Building Construction Headquarters, In charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters and Smart City, Executive Project Director, TOKIWABASHI PROJECT	
Representative Director Senior Managing Officer	Yoshiki Higashi	In charge of Administrative Functions, Director, Corporate Planning Div., In charge of Sustainability and Human Resources	
Director [Non-executive]	Noriaki Shimizu		President and Representative Director of SHIMIZU & CO., LTD.
Director [Independent] [Outside] [Non-executive]	Tamotsu Iwamoto		Outside Director of XEBIO HOLDINGS CO., LTD.
Director [Independent] [Outside] [Non-executive]	Junichi Kawada		
Director [Independent] [Outside] [Non-executive]	Mayumi Tamura		Outside Director of LIXIL Corporation
Director [Independent] [Outside] [Non-executive]	Yumiko Jozuka		Outside Director of Tokyu Fudosan Holdings Corporation Chairman of Japan Institute for Women's Empowerment & Diversity Management Outside Director of Sojitz Corporation
Audit & Supervisory Board Member (standing)	Hiroshi Kobayashi		
Audit & Supervisory Board Member (standing)	Tomohiko Hirayama		
Audit & Supervisory Board Member [Independent] [Outside]	Kaoru Ishikawa		Director, Kawamura Gakuen Director, The Society for Promotion of Japanese Diplomacy Outside Director of SMK Corporation Director, Mitsubishi UFJ Foundation
Audit & Supervisory Board Member [Independent] [Outside]	Toshie Ikenaga		Outside Director of ALSOK CO.,LTD. Director, National Hospital Organization
Audit & Supervisory Board Member [Independent] [Outside]	Ko Shikata		Faculty of Law Professor, Chuo University

- Notes: 1. Directors Tamotsu Iwamoto, Junichi Kawada, Mayumi Tamura, and Yumiko Jozuka are outside directors.
2. Audit & Supervisory Board Members Kaoru Ishikawa, Toshie Ikenaga, and Ko Shikata are outside audit & supervisory board members.
3. The Corporation has designated outside directors Tamotsu Iwamoto, Junichi Kawada, Mayumi Tamura, and Yumiko Jozuka, and outside audit & supervisory board members Kaoru Ishikawa, Toshie Ikenaga, and Ko Shikata as independent director/audit & supervisory board member, who will have no conflicting interests with general shareholders, and it submitted notification of this to the Tokyo Stock Exchange, Inc.
4. The Corporation has transactional relationships for construction contracting with the following

organizations at which outside officers hold significant concurrent positions: LIXIL Corporation, Sojitz Corporation, Kawamura Gakuen, ALSOK CO., LTD., National Hospital Organization, and Chuo University. However, all these transactions are based on general transaction conditions, and the transaction amounts in the most recent fiscal year with each organization make up less than 0.2% of the Corporation's total consolidated net sales for the fiscal year in question, meaning there is no special relationship with any of these organizations. There are no other relationships between concurrent places of work of outside officers and the Corporation that should be noted.

5. Audit & Supervisory Board Member Tomohiko Hirayama has provided services related to finance and accounting for many years, and has acquired a considerable degree of knowledge related to finance and accounting.
6. On April 1, 2026, the following changes were made in the position and areas of responsibilities in the Corporation of directors.

Position in the Corporation	Name	Areas of responsibility in the Corporation
Executive Vice President and Executive Officer	Takeshi Sekiguchi	In charge of Engineering Business, In charge of Information Management
Executive Vice President and Representative Director Executive Vice President and Executive Officer	Yoshito Tsutsumi	Director, Building Construction Headquarters, In charge of Nuclear Business and Smart City, Executive Project Director, TOKIWABASHI PROJECT
Executive Vice President and Representative Director Executive Vice President and Executive Officer	Yoshiki Higashi	In charge of Administrative Functions, In charge of Sustainability and Human Resources

Yoshiki Higashi resigned from his position as Director and Executive Officer as of May 7, 2026.

7. Retired directors and audit & supervisory board members in the current fiscal year

Position at time of retirement	Name	Date of retirement	Reason for retirement
Director and Senior Advisor	Yoichi Miyamoto	June 27, 2025	Expiration of term of office
Audit & Supervisory Board Member (standing)	Hideto Watanabe	June 27, 2025	Expiration of term of office

Hideto Watanabe provided services related to finance and accounting for many years, and acquired a considerable degree of knowledge related to finance and accounting.

(2) Outline of limited liability agreement

The Corporation entered into a limited liability agreement with all of the outside directors and audit & supervisory board members pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and Articles 26 and 33 of the Articles of Incorporation, to the effect that if an outside director or an outside audit & supervisory board member causes damage to the Corporation by neglecting to perform his or her duties, provided such outside director or outside audit & supervisory board member has acted in good faith and without gross negligence, his or her liability shall be limited to the minimum amount of liability stipulated in Article 425, Paragraph 1 of the Companies Act.

(3) Outline of directors and officers liability insurance

The Corporation has entered into directors and officers liability insurance with an insurance company pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act. The scope of the insured under the insurance covers Directors, Audit & Supervisory Board Members, Executive Officers, and important employees of the Corporation. This insurance policy covers compensation for damages, claimed legally against the insured, and ensuing litigation expenses. However, events, such as one that arises from the insured having obtained personal profits or convenience illegally, will not be covered by the insurance with the aim of avoiding damage to the appropriateness of the execution of duties by the insured.

(4) Amounts of remuneration, etc. to directors and audit & supervisory board members

(i) Matters related to policy on determining the contents of officer remuneration, etc.

The remuneration of each Director of the Corporation, which consists of a base salary that is paid monthly at a fixed amount and performance-based compensation that comprises bonuses and compensation exclusively for purchasing shares of the Corporation, is decided through deliberations of the Nomination and Compensation Committee, which is made up of a majority of Outside Directors and is chaired by a Non-executive Director, and which was established to evaluate the performance of Directors and decide on their remuneration in a fair and transparent manner, based on a resolution passed at a meeting of the Board of Directors.

Non-Executive Directors including Outside Directors and Audit & Supervisory Board Members are paid only fixed-amount monthly salary for the purpose of enhancing the supervisory functions of management.

The Corporation, at a Board of Directors meeting held on February 24, 2021, resolved regulations for officer compensation that set forth the policy for determining the remuneration of each Director. An outline of the contents is as follows:

a. Policy on base salary

Of the remuneration, etc. of Directors of the Corporation, the fixed-amount monthly salary that is the base salary is a maximum total of ¥90 million a month (including a maximum of ¥10 million for Outside Directors) pursuant to a resolution passed at the 117th Annual General Meeting of Shareholders held on June 27, 2019. The number of Directors was 12 (including three Outside Directors) at the close of the 117th Annual General Meeting of Shareholders.

Remuneration for Audit & Supervisory Board Members is a maximum total of ¥13 million a month pursuant to a resolution passed at the 89th Annual General Meeting of Shareholders held on June 27, 1991 and is decided through discussions at Audit & Supervisory Board Members meetings. The number of Audit & Supervisory Board Members was four at the close of the 89th Annual General Meeting of Shareholders.

b. Policy on performance-based compensation

Of the remuneration, etc. of Directors of the Corporation, bonuses that are performance-based compensation is a maximum total of ¥500 million a year pursuant to a resolution at the 118th Annual General Meeting of Shareholders held on June 26, 2020, and the Nomination and Compensation Committee deliberates on whether or not a bonus shall be paid and on what amount shall be paid. Based on consolidated net income for the current fiscal year, being the final results of the Group's business activities for a business year, the amounts of bonus are calculated by the calculation method below. The number of Directors (executive directors) was seven at the close of the 118th Annual General Meeting of Shareholders.

The target for consolidated net income for the current fiscal year, which is employed as the performance indicator for calculating bonuses, is set at ¥75,000 million, and the result was ¥126,617 million. The target for consolidated ordinary income for the current fiscal year is set at ¥73,000 million, and the result was ¥122,324 million.

(Method of calculating individual performance-based remuneration (bonuses))

Consolidated earnings^{*1} × Earnings coefficient^{*2} × Positional index^{*3} × Individual evaluation index^{*4} = Individual bonus^{*5}

*1 Consolidated net income for the current fiscal year

*2 In determining earnings coefficients, as key items for evaluation, we employ ordinary income, which indicates basic corporate business results, and the achievement rate of orders profitability in the construction business, which is a leading indicator for business results for the next fiscal year onward, compared to a target set at the beginning of a fiscal year. In addition to them, we also use evaluation items that are selected from non-financial KPIs of the Mid-Term Management Plan by the Nomination and Compensation Committee, considering priority for a medium- to long-term corporate value enhancement, and objectivity in measurement. Based on an evaluation figure calculated from the weighted average of each item, the Nomination and Compensation Committee determines earnings coefficients, taking account of presence of material violation of laws and regulations.

*3 An index determined for each Director's position

*4 The Nomination and Compensation Committee determines individual evaluation indices based on the results of evaluations of the level of achievement of targets set for each director based on interviews with Executive Directors at the beginning and end of the fiscal year. (Evaluation indices range from 65% to 135%)

The multifaceted evaluations cover the short-term performance of each director in addition to their level of contribution to achieving the targets of the Mid-Term Management Plan, their efforts to strengthen the management base, their contributions to sustainability, and their performance as employees.

Notably, only the non-executive directors of the Nomination and Compensation Committee Members make decisions regarding Director evaluations.

*5 To encourage the further sharing of values with shareholders and increase corporate value over the medium to long term, an amount corresponding to 20% of the bonus as performance-based compensation, shall be deemed to be compensation for purchasing the Corporation's shares, and each Director shall contribute this remuneration to the Directors' Shareholding Association, which shall acquire the Corporation's shares. The Corporation's shares that are acquired in this way shall continue to be held for the duration of the Director's tenure and for a fixed period of time after resignation.

The Corporation plans to introduce a new performance-linked stock compensation plan in "Proposal 4" in the Reference Documents for the General Meeting of Shareholders, and plans to abolish the compensation exclusively for purchasing shares of the Corporation in conjunction with the introduction of the performance-linked stock compensation plan.

c. Matters related to delegating the determination of remuneration, etc.

To evaluate the performance of each Director of the Corporation and decide on their remuneration in a fair and transparent manner, the remuneration, etc. of each Director is determined by the Nomination and Compensation Committee, which has a majority of Outside Directors and is chaired by a Non-executive Director (see page 51 for the names and positions of committee members).

Regarding directors' remuneration for the current fiscal year, pursuant to the regulations for officers' compensation resolved at the Board of Directors meeting, the Nomination and Compensation Committee deliberated at meetings (a total of 11 meetings were held during the current fiscal year) upon the individual monthly remuneration amount and the bonus amount, and determined the amount to be granted. Therefore, the Corporation believes that the contents are in line with the policy decided at the Board of Directors meeting.

Considering that the regulations for officers' compensation may have a significant impact on the

incentive for management executives, for the purposes of ensuring an appropriate remuneration framework based on business environment, the Nomination and Compensation Committee regularly holds deliberations and proposes reviews to the Board of Directors as necessary.

(ii) Total amount of remuneration, etc. for the current fiscal year

Officer Category	Total Compensation (Millions of Yen)	Total Compensation by Compensation Type (Millions of Yen)			Number of Eligible Officers
		Monthly Salary	Bonus	Of Which, Compensation for Purchasing the Corporation's Shares	
Directors	1,004	645	358	71	12
Audit & Supervisory Board Members	111	111	—	—	6
Total	1,116	757	358	71	18
[Of Which, Outside Officers]	[108]	[108]	[—]	[—]	[7]

(Note) The amounts of remunerations, etc., given above include those for one Director and one Audit & Supervisory Board Member who retired at the conclusion of the 123rd Annual General Meeting of Shareholders held on June 27, 2025.

(5) Status of outside officers

Major activities of outside officers during the current fiscal year

1) Outside Directors

Officer Category	Name	Outline of duties executed related to the roles expected of Outside Directors	Attendance at the Board of Directors meetings	Attendance at Nomination and Compensation Committee meetings
Outside Director	Tamotsu Iwamoto	Using his extensive experience and great insights gained through involvement in corporate management as a director of listed companies and overseas subsidiaries, he has provided advice and recommendations at Board of Directors meetings and oversight of the Corporation's management from an objective, neutral standpoint. He has also contributed from an independent standpoint to the fair and transparent evaluation of issues as a member of the Nomination and Compensation Committee, appropriately fulfilling his expected role as an Outside Director.	18/18 (100%)	11/11 (100%)
Outside Director	Junichi Kawada	Using his extensive experience and great insights in corporate management and especially in the compliance, legal affairs, and corporate governance fields in corporate group management as a director at listed companies, he has provided advice and recommendations at Board of Directors meetings and oversight of the Corporation's management from an objective, neutral standpoint. He has also contributed from an independent standpoint to the fair and transparent evaluation of issues as a member of the Nomination and Compensation Committee, appropriately fulfilling his expected role as an Outside Director.	18/18 (100%)	11/11 (100%)
Outside Director	Mayumi Tamura	Using her management experience at global companies and especially her great insights in the fields of finance, accounting, and sustainability, she has provided advice and recommendations at Board of Directors meetings and oversight of the Corporation's management from an objective, neutral standpoint. She has also contributed from an independent standpoint to the fair and transparent evaluation of issues as a member of the Nomination and Compensation Committee, appropriately fulfilling her expected role as an Outside Director.	17/18 (94.4%)	10/11 (90.9%)

Officer Category	Name	Outline of duties executed related to the roles expected of Outside Directors	Attendance at the Board of Directors meetings	Attendance at Nomination and Compensation Committee meetings
Outside Director	Yumiko Jozuka	Using her extensive experience from many years in the public labor and welfare administration and particularly her great insights in diversity promotion, human resources development, and workstyle reforms, she has provided advice and recommendations at Board of Directors meetings and oversight of the Corporation's management from an objective, neutral standpoint. She has also contributed from an independent standpoint to the fair and transparent evaluation of issues as a member of the Nomination and Compensation Committee, appropriately fulfilling her expected role as an Outside Director.	18/18 (100%)	10/11 (90.9%)

2) Outside Audit & Supervisory Board Members

Title	Name	Statements, etc. at the Board of Directors meetings	Attendance at the Board of Directors meetings	Attendance at the Audit & Supervisory Board meetings
Outside Audit & Supervisory Board Member	Kaoru Ishikawa	Made appropriate statements based on the experience and insight he has gained through his involvement in diplomacy and specialized knowledge about the international situation and sustainability fields.	17/18 (94.4%)	14/14 (100%)
Outside Audit & Supervisory Board Member	Toshie Ikenaga	Made appropriate statements based on her experience and insight in public administration and specialized knowledge about the economics and management fields and diversity.	18/18 (100%)	14/14 (100%)
Outside Audit & Supervisory Board Member	Ko Shikata	Made appropriate statements based on the experience and insight he has accumulated in police-related administrative duties, and specialist knowledge as a university professor of law and policy.	17/18 (94.4%)	14/14 (100%)

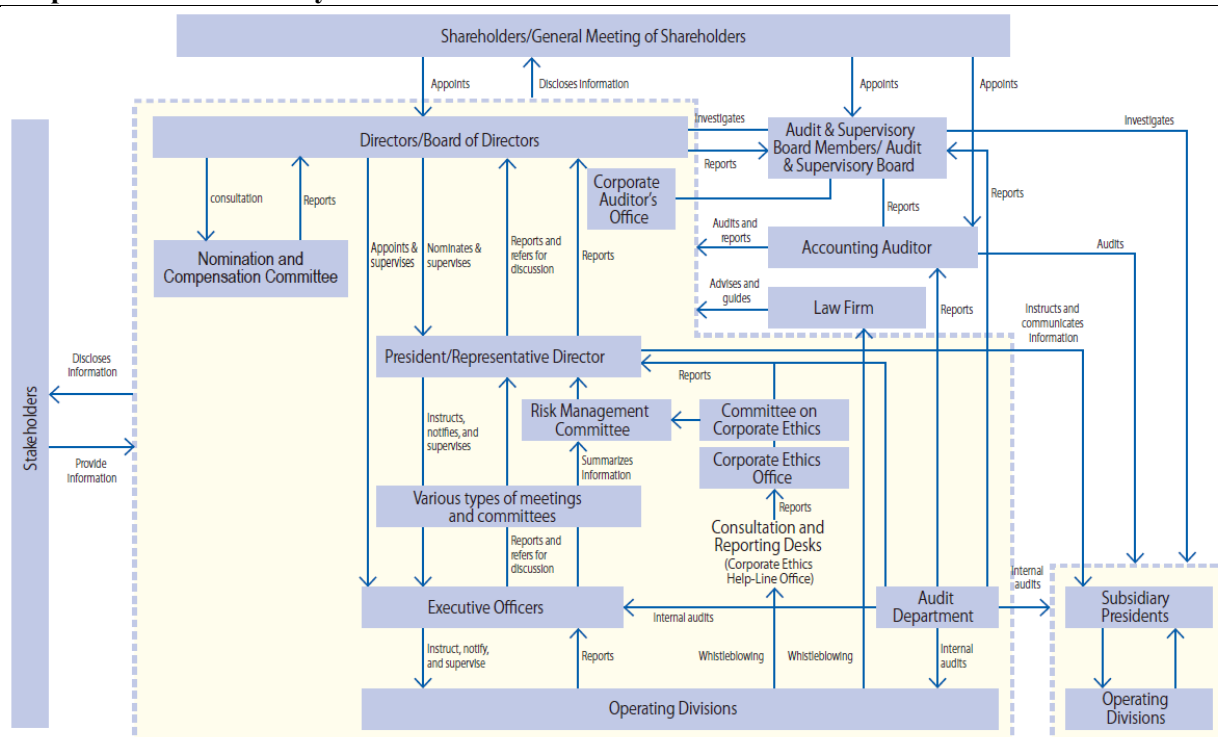
(Reference) Corporate Governance Structure of Shimizu Corporation

■ Basic Views on Corporate Governance

Based on the corporate principles contained in The Analects and the Abacus (Ethics and Economics), Shimizu strives to manage the corporation in an expeditious, efficient, transparent, and lawful manner to achieve sustainable growth and increase corporate value over the medium to long term, while also earning a greater degree of trust from our shareholders and investors, and all other stakeholders, including customers, employees, and local communities. We do so by fulfilling our social responsibilities through business activities.

To achieve this Shimizu has established a structure that enables the Board of Directors and Audit & Supervisory Board to appropriately supervise and audit the performance of duties, based on separation of the management strategy decision-making function from the execution of duties function. Our basic policy on corporate governance is for our Directors, Executive officers, audit & supervisory board members, and employees to implement compliance management based on high ethical standards.

Corporate Governance System



■ Nomination and Compensation Committee

The Corporation has established a Nomination and Compensation Committee, which has a majority of Independent Outside Directors and is chaired by a Non-Executive Director, to ensure fair and transparent decision-making on the appointment and dismissal of Directors, Audit & Supervisory Board Members and Executive Officers, and on evaluation and remuneration of Directors and Executive Officers. The committee is made up of all Independent Outside Directors, the Non-executive Internal Director (one), and the President and Representative Director, and the Chairman is elected each year by a mutual vote from the Non-executive Directors.

Nomination and Compensation Committee's composition (As at March 31, 2026)

Non-executive Directors (five)	Executive Directors (one)
Noriaki Shimizu (Director) *Chairman Tamotsu Iwamoto (Independent Outside Director) Junichi Kawada (Independent Outside Director) Mayumi Tamura (Independent Outside Director) Yumiko Jozuka (Independent Outside Director)	Tatsuya Shimmura (President and Representative Director)

Meetings and activities of the Nomination and Compensation Committee

Meeting date	Agenda
First: May 14, 2025 Second: June 27, 2025 Third: July 29, 2025 Fourth: September 26, 2025 Fifth: October 28, 2025 Sixth: November 7, 2025 Seventh: January 29, 2026 Eighth: February 19, 2026 Ninth: February 26, 2026 Tenth: March 6, 2026 Eleventh: March 27, 2026	• Chairperson appointment • Board of Directors governance structure • Verifying and revising the regulations for officers' compensation • Succession plan • Individual evaluations of Directors and Executive Officers • Total and individual bonuses for officers • Individual monthly compensation for the following fiscal year • Personnel affairs for Directors, Audit & Supervisory Board Members, and Executive Officers

Member attendance:

- Non-executive Directors
 - Director: Noriaki Shimizu (Chairman), 11/11 (100%)
 - Outside Director: Tamotsu Iwamoto, 11/11 (100%)
 - Outside Director: Junichi Kawada, 11/11 (100%)
 - Outside Director: Mayumi Tamura, 10/11 (90.9%)
 - Outside Director: Yumiko Jozuka, 10/11 (90.9%)
- Executive Directors
 - President and Representative Director: Tatsuya Shimmura, 10/10 (100%)

(Note) Tatsuya Shimmura was appointed as President and Representative Director at the extraordinary Board of Directors meeting held on June 27, 2025, and assumed the position of committee member at the 2nd Nomination and Compensation Committee meeting held on the same date.

■ Evaluation of the effectiveness of the Board of Directors

The Corporation's Board of Directors conducts the analysis and evaluation of effectiveness of the Board of Directors as a whole once a year. The outline of the method of evaluation and the results thereof in fiscal 2025 are as follows:

1. Evaluation method

An anonymous questionnaire with open-ended questions was sent to all Directors and Audit & Supervisory Board Members. Based on an analysis by a third party (a lawyer), all Directors and Audit & Supervisory Board Members have discussions (self-evaluation) at Board of Directors meetings.

- Report period: April 2025–March 2026
- Dates of evaluation: Board of Directors meetings held on March 6 and March 27, 2026
- Main evaluation items: The Board of Directors' structure, operation, management strategy and supervision functions, corporate ethics and risk management, solutions to sustainability-related issues, process of determining nominations and remuneration, human development, communication with Outside Directors and management personnel, dialogue with shareholders and investors, and more

2. Outline of the evaluation results

Conclusion: The effectiveness of the Board of Directors of the Corporation as a whole is ensured.

(1) Response to issues identified in the previous effectiveness evaluation in fiscal 2024 (Report period: April 2024–March 2025)

The Board of Directors has made consistent efforts to resolve issues and make improvements as follows. The Board of Directors will continue to strive for further improvement.

1. Further improve discussions on business portfolio optimization to enhance corporate value
 - Deepen discussions on growth strategies with an awareness of capital cost for each business at the Board of Directors meetings and define roles expected from each business division on company-wide initiatives to enhance corporate value
 - Held off-site meetings for all Directors to discuss and deepen discussions on growth strategies for each business and company-wide initiatives to enhance corporate value. Also discussed matters raised by employees at "Dialogue sessions on the Mid-Term Management Plan" where management explains each business's roles and expectations, and employees' views were shared with the Board of Directors.
2. Further strengthen internal control and risk management structures to embody corporate principles of The Analects and the Abacus
 - Establish a more agile report framework on risk-related matters and systematize report on the progress and completion of actions
 - Established a more agile report framework on risk matters and clarified report routes to the Board of Directors, supervisory auditors, and management. Continued timely reporting on subsequent developments after the occurrence of disasters and other matters using the Board of Directors' standing agenda items.
3. Further improve communications between internal management executives and outside officers
 - Increase opportunities for direct dialogues between internal management executives and outside officers at places other than the Board of Directors meetings
 - Held exchange of opinions meetings attended by department heads and branch offices and non-executive Directors and Outside Audit & Supervisory Board Members, utilizing time after Board of Directors meetings and field visit opportunities.

(2) Major issues to be considered identified in the effectiveness evaluation

1. Further improve discussions on business portfolio optimization with an awareness of capital cost
 - Deepen discussions on thorough understanding of capital cost in investments for each business and further work toward the realization of the optimal business portfolio for the entire Group
2. Further strengthen the Board of Directors' more effective and efficient operation through the expansion of large-scale deliberations

- Enhance the quality of deliberations on increasingly diverse and complex cases in advance, with information provided prior to Board of Directors meetings, to expand more strategic deliberations
- 3. Further visualize discussions on succession plans and progress thereof
 - Regularly report to the Board of Directors on the development plans of management executive candidates and measures to enhance the level of candidates

3. Future initiatives

Based on the results of the evaluation of the effectiveness of the Board of Directors, the Corporation aims to enhance the effectiveness of the Board of Directors and further expand and reinforce corporate governance through the PDCA cycle for improvement.

(Reference) Executive officers and their positions and areas of responsibility in the Corporation
(as of May 29, 2026)

Position	Name	Areas of responsibility
President and Executive Officer	Tatsuya Shimmura *	
Executive Vice President and Executive Officer	Kentaro Ikeda*	Director, Civil Engineering Headquarters, In charge of Safety and Environment
Executive Vice President and Executive Officer	Takeshi Sekiguchi*	In charge of Engineering Business, In charge of Information Management
Executive Vice President and Executive Officer	Yoshito Tsutsumi*	Director, Building Construction Headquarters, In charge of Nuclear Business and Smart City, Executive Project Director, TOKIWABASHI PROJECT
Executive Vice President and Executive Officer	Takao Haneda	Director, Corporate Ethics Office, In charge of General Affairs, Legal Affairs, Risk Management and Group Companies
Executive Vice President and Executive Officer	Takefumi Saito	Deputy Director, Civil Engineering Headquarters
Senior Managing Officer	Kouichi Yamashita	In charge of Western Japan Area Construction Business
Senior Managing Officer	Kojiro Shimizu	Director, Tokyo Branch
Senior Managing Officer	Mitsuo Morii	In charge of Green Energy Business, In charge of Sustainability, In charge of DX Management, In charge of Innovation
Senior Managing Officer	Hideo Yokoyama	Director, Business Development & Marketing Headquarters
Senior Managing Officer	Hitoshi Fujita	Director, Global Business Headquarters, Director, Innovation Management Office, Global Business Headquarters
Senior Managing Officer	Tomoaki Harada	Director, Construction Technology Div., Building Construction Headquarters, In charge of Procurement, Building Construction Headquarters, Technology and Intellectual Property
Senior Managing Officer	Hiroyuki Fujimoto	Director, Design Div., Building Construction Headquarters
Senior Managing Officer	Mika Kaneko	Director, Environmental Strategy Office, In charge of Human Resources, In charge of DE&I, Director, GREEN×EXPO 2027 Project Office
Managing Officer	Akinobu Sakao	Director, Kansai Branch
Managing Officer	Toshiyuki Nakahara	Director, Civil Engineering Marketing Div., Business Development & Marketing Headquarters
Managing Officer	Kazuya Osako	Director, Tokyo Civil Engineering Branch
Managing Officer	Naruki Ohashi	Director, Nagoya Branch
Managing Officer	Shuji Kakegawa	Director, Institute of Technology
Managing Officer	Takuya Ito	In charge of Overseas Relations, In charge of Sales & Marketing, Business Development & Marketing Headquarters, Deputy Director, Global Business Headquarters
Managing Officer	Michiho Yamaguchi	In charge of Finance & Accounting and Investor Relations, Deputy Director, Corporate Ethics Office
Managing Officer	Yutaka Shimizu	Director, Engineering Business Headquarters

Position	Name	Areas of responsibility
Managing Officer	Naoki Iwagaki	Director, Kanto Branch
Managing Officer	Shunsuke Oka	Director, Building Construction Marketing Div., Business Development & Marketing Headquarters
Executive Officer	Kazuyuki Oki	Director, International Branch, Global Business Headquarters
Executive Officer	Hideyuki Tominaga	Director, Yokohama Branch, Deputy Director, GREEN×EXPO 2027 Project Office
Executive Officer	Junichiro Kakuno	Director, Hokuriku Branch
Executive Officer	Osamu Nakagawa	Senior Project Director, Nihonbashi 1-Chome Central District Project, Tokyo Branch
Executive Officer	Katsuyoshi Yuhara	NOVARE Executive Conductor, Director, Frontier Development Div., In charge of Business Innovation Div.
Executive Officer	Yasuhiro Takenaka	Director, Tohoku Branch
Executive Officer	Osamu Shibato	Director, Hiroshima Branch
Executive Officer	Takayuki Himono	Director, Chiba Branch
Executive Officer	Eiichi Shinma	Deputy Director, Design Div., Building Construction Headquarters
Executive Officer	Mohi U. Ahmed	Director, Business Innovation Unit
Executive Officer	Nobuyoshi Kikuchi	Director, Corporate Planning Div.
Executive Officer	Kentaro Nakagawa	Deputy Director, Design Div., Building Construction Headquarters, In charge of Structure
Executive Officer	Kazumi Sato	Director, Building Construction Headquarters Facilities Div.
Executive Officer	Toru Aoki	Director, Civil Engineering Technology Div., Civil Engineering Headquarters
Executive Officer	Kazu Miyata	Director, Civil Engineering Technology Div., Civil Engineering Headquarters
Executive Officer	Takayuki Kawasaki	In charge of Civil Engineering, Kansai Area, Civil Engineering Headquarters
Executive Officer	Kounari Yotsumoto	Director, Investment and Development Div.
Executive Officer	Taizo Tsukada	Director, Safety & Environment Div.
Executive Officer	Hiroaki Oda	Director, Civil Engineering Marketing Div., Private Sector, Business Development & Marketing Headquarters
Executive Officer	Ichiro Nokubo	Deputy Director, Global Business Headquarters
Executive Officer	Yasuhide Yamada	Director, Corporate Planning Div., Environment & Energy
Executive Officer	Hideki Umeyama	Director, Kyushu Branch
Executive Officer	Koichi Tokai	Director, Building Construction Planning Div., Building Construction Headquarters, General Conductor, NOVARE Academy
Executive Officer	Hideo Fujisawa	Deputy Director, Tokyo Branch
Executive Officer	Masanobu Sakamoto	Director, International Civil Engineering Branch, Global Business Headquarters
Executive Officer	Hiroshi Shimizu	Director, Hokkaido Branch
Executive Officer	Kazuhiko Akagi	Deputy Director, Kansai Branch
Executive Officer	Isao Miyamori	Director, Shikoku Branch
Executive Officer	Tomoko Odaira	Deputy Director, International Civil Engineering Branch, Global Business Headquarters

Note: * indicates those who serve as Director concurrently.

3. Accounting Auditor

(1) Name of accounting auditor

Ernst & Young ShinNihon LLC

(2) Amount of remuneration, etc. in the current fiscal year

Name	Amount of remuneration, etc. for the services provided as accounting auditor for the Corporation in the current fiscal year	Total cash and other economic benefits to be paid by the Corporation and its subsidiaries
Ernst & Young ShinNihon LLC	¥109 million	¥234 million

Notes: 1. For the amount of remuneration, etc. to the accounting auditor in the current fiscal year mentioned above, no distinction is made between the amount of remuneration for auditing based on the Companies Act and the amount of remuneration for auditing based on the Financial Instruments and Exchange Act of Japan in the audit agreement between the Corporation and the accounting auditor. Also, it is not possible to effectively distinguish these two amounts. Accordingly, the total of these amounts is provided.

2. The Audit & Supervisory Board checks the content of the audit plan by the accounting auditor, amount of audit time by individual audit item and changes in audit fee, and the audit record for past years by obtaining necessary materials and reports from the related internal departments and the accounting auditor and examines the properness of the amount of audit time and the amount of fees for the current fiscal year, and as a result gave consent under Article 399, Paragraph 1 of the Companies Act as to fees for the accounting auditor.

(3) Non-audit services

Ernst & Young ShinNihon LLC provides advisory service to the Corporation regarding the implementation of sustainability management.

(4) Policy for decisions on dismissal or non-reappointment of accounting auditor

If the Audit & Supervisory Board recognizes that the any of the items set forth in Article 340, Paragraph 1 of the Companies Act apply to the accounting auditor, the Audit & Supervisory Board shall dismiss the accounting auditor based on the agreement of all of the audit & supervisory board members. In addition, if it is determined necessary to dismiss or not reappoint the accounting auditor for any of various reasons, such as there being an impediment that prevents the accounting auditor from performing its duties, the Audit & Supervisory Board shall make the issue regarding dismissing or non-reappointment of the accounting auditor purpose of the general meeting of shareholders.

III Propriety Assurance Program for Business Operations and the Status of its Implementation

Overview of Resolutions regarding the Propriety Assurance Program for Business Operations

In order to develop a system that ensures the propriety of business operations, the Corporation's "Basic Policy on Developing an Internal Control System," was approved by a resolution of the Board of Directors

The outline of this policy is as follows.

1. Legal and Ethical Compliance System

- 1) In order to ensure that officers and employees perform their duties in compliance with laws and regulations and the Articles of Incorporation, the Corporation shall implement its "Corporate Code of Conduct" and work to thoroughly promote corporate ethics including legal compliance.
- 2) In order to thoroughly promote its "Corporate Code of Conduct" and put it into practice by officers and employees, the Corporation shall educate and train its workforce and develop an internal structure by such means as appointing officers responsible for corporate ethics, putting in place a Corporate Ethics Committee, a Corporate Ethics Office and a Corporate Ethics Help-Line Office, and establishing a whistle-blowing system.
- 3) In order to further promote thorough compliance with the Construction Business Act, the Corporation shall introduce and thoroughly promote measures to secure proper contracts and payments when dealing with subcontractors, and shall develop an internal structure for establishing systems to maintain construction system ledgers.
- 4) In order to eliminate violations of the Antimonopoly Act, the Corporation shall undertake an appropriate review of its program for compliance with the Antimonopoly Act, and shall develop and thoroughly promote internal systems by such means as carrying out periodic transfers of sales personnel, thoroughly implementing education and training, establishing an internal check system and a system for whistle blowing to outside law offices, formulating a code of conduct, and implementing strict internal punishments for offenders.
- 5) In order to completely sever relations with anti-social forces or groups, the Corporation shall clearly indicate a policy of "eradication of anti-social activity" in its Corporate Code of Conduct, and shall develop and thoroughly promote internal systems to put this into practice by such means as carrying out education and training, selecting employees to be in charge of preventing unfair demands, developing a reporting system for cases where unfair demands are received, and having clauses clearly indicating zero tolerance for relations with organized crime groups, etc. in contracts with subcontractors/suppliers.
- 6) In order to prevent bribery globally, the Corporation shall clearly indicate prohibition of bribery in its "Corporate Code of Conduct," establish "Anti-Bribery Rules," and develop an internal system, which includes an implementation system, undertaking education and training activities, and strict punishments for offenders.

2. Internal Audit System

The Corporation will put in place the Audit Department to function in an internal control and checking role. It shall perform comprehensive audits of the activities of business execution sections based on audit plans approved by the Board of Directors. The audit results shall be reported to the directors and also to the audit & supervisory board members.

3. Risk Management System

- 1) The Corporation shall formulate rules concerning general risk management. It will also develop a system enabling the management of all risks with the potential to have a serious impact on the corporate group, composed of the Corporation and its subsidiaries, as well as providing accurate responses when risks are manifested.
- 2) For various types of risk, quality, safety, environment, natural disasters and information, etc., the Corporation shall develop a system enabling prevention of occurrences and reoccurrences accurately by putting in place bodies such as divisions, departments and committees that correspond to the function of each risk.

4. Structure for Efficient Execution of Business Operations

- 1) The Corporation shall have a small number of directors and shall utilize the executive officer system to ensure efficient business management by distinguishing between strategy/management supervision and the execution of business operations.
- 2) In order to further invigorate deliberation by the Board of Directors and enhance the function of the supervision of management, the Corporation shall appoint outside directors.
- 3) The Corporation shall structure meetings to efficiently carry out the functions necessary for business operations, including the approval of important matters relating to the execution of operations and the determination of strategy. Matters shall be deliberated on, decided and implemented based on the “Authority List for Important Matters” appended to the rules of the Board of Directors specified by the Board of Directors.
- 4) The Corporation shall establish a Nomination and Compensation Committee, with a majority of outside directors, to ensure fair and transparent decision-making on the appointment and dismissal, evaluation, and remuneration of Directors and Executive Officers.
- 5) Executive Officers shall execute operations in accordance with the rules on office organization, division of operations, and delegation of authority, as specified by the Board of Directors.

5. Retention and Management of Information on the Execution of Business Operations

The Corporation shall specify rules on documents and an information security policy, and shall appropriately retain and manage minutes of meetings of the Board of Directors, internal circulars for managerial decisions, various contract documents, and other important information showing the status of the execution of operations. In addition, the Corporation shall develop an internal system for the safe and effective use of electronic information.

6. Systems for Appropriate Business Operations at the Corporate Group

- 1) The Corporation shall hold regular meetings to share information with its subsidiaries, manage material matters related to subsidiaries’ conduct of operations, and require that subsidiaries report on and obtain the approval of the Corporation for these matters as stipulated in the “Subsidiary Management Rules.”
- 2) The Corporation shall perform internal audits through its Audit Department and monitor the proper execution of business operations of subsidiaries as necessary by such means as seconding audit & supervisory board members.
- 3) In order to ensure the appropriateness of business operations, subsidiaries shall develop internal rules appropriate for their particular business and develop internal systems, including establishing a whistle-blowing system.
- 4) The Corporation shall develop and operate an internal control system necessary to ensure the reliability of financial reporting and to help maintain and enhance societal trust.

7. Systems for Audit & Supervisory Board Members

- 1) The Corporation shall put in place the “Auditors Office (Full-time Staff)” of full-time employees to assist the audit & supervisory board members to exercise their authority as specified in relevant laws and regulations and to efficiently perform their audits.
- 2) The employees at the Auditors Office shall perform their duties under the direction of the audit & supervisory board members and shall have the authority to collect information necessary for auditing. Transfers, etc. of employees of the Auditors Office shall be with the advance consent of the Audit & Supervisory Board.

8. System for Making Reports to the Audit & Supervisory Board Members Regarding the Execution of Business Operations

- 1) Officers and employees shall make reports to the audit & supervisory board members without delay in cases of occurrences of matters relating to the Corporation and its subsidiaries, including statutory matters, events with the potential to cause serious loss of trust in or damage to the Corporation or its subsidiaries, and major wrongful activity such as internal misconduct or offences against laws and regulations. They shall also make reports on the results of internal audits performed by the Audit Department of the Corporation and the status of reporting through the whistle-blowing system.
- 2) The Corporation shall develop a system to ensure that officers and employees of the Corporation and its subsidiaries are not treated disadvantageously due to their making reports to the audit & supervisory board members.

9. Matters Regarding Expenses and Liabilities that Arise as a Result of Audit & Supervisory Board Members Performing Their Duties

Expenses and liabilities that arise as a result of audit & supervisory board members performing their duties shall be promptly handled by the Corporation based on claims submitted by audit & supervisory board members.

10. Ensuring the Authority of Audit & Supervisory Board Members to Attend Important Meetings

In order to ensure that audits of business operations by audit & supervisory board members are performed effectively, the Representative Director and the audit & supervisory board members shall have regular opportunities to share management information, and audit & supervisory board members nominated by the Audit & Supervisory Board shall attend “Meetings of the President Office” and “Meetings of the Division Heads” and other important meetings.

11. Matters Regarding Audits of the Consolidated Financial Statements and Non-Consolidated Financial Statements, etc. by the Audit & Supervisory Board Members

- 1) In order for the audit & supervisory board members to judge the appropriateness of the audit methods and results of audits by the accounting auditor, and to ensure the independence of the accounting auditor from the directors, the audit & supervisory board members shall confirm the annual audit plan of the accounting auditor in advance and receive successive reports on the audit results.
- 2) The audit & supervisory board members and the accounting auditor shall be in coordination with each other, thus ensuring a system that enables effective auditing.

Status of the Propriety Assurance Program for Business Operations

The following is an overview of the status of the Program for this fiscal year:

1. Legal and Ethical Compliance System

- 1) In order to thoroughly promote legal compliance, the Corporation has provided education and training to its officers and employees.
- 2) Based on the whistle-blowing system, the Corporation has established three compliance hotlines, namely, the Corporate Ethics Help-Line Office, the Harassment Consultation Desk, and the Outside Help-Line, and has thoroughly familiarized employees with these. Furthermore, the operational status thereof is reported to the Corporate Ethics Committee, the Risk Management Committee, audit & supervisory board members, and the Board of Directors.
- 3) Corporate Ethics Committee meetings are held biannually for companywide implementation and follow-up on measures for corporate ethics and thorough legal compliance.

2. Risk Management System

- 1) Risk Management Committee meetings are held biannually to understand and analyze risks that will have a major impact on the corporate group composed of the Corporation and its subsidiaries, and to set key risk management items for tracking these risks and to report to the Board of Directors.
- 2) To check the communications and initial response systems to be used in case of massive earthquakes, etc., the Corporation implements earthquake disaster drills on a regular basis (biannually), extensively inviting relevant third parties such as subcontractors/suppliers and local residents to participate in them.
- 3) As overseas safety measures, the Corporation gathers risk information in accordance with the International Emergency Response Guidelines, and strengthens its security systems as necessary, while alerting relevant persons and imposing overseas travel restrictions.
- 4) In order to make sure that information security measures permeate and take hold, the Corporation continues to implement education and training programs for our officers and employees. In the event of a problem, relevant departments take action swiftly by sharing information with each other.

3. Systems for Appropriate Business Operations at the Corporate Group

- 1) The President of the Corporation has held biannual meetings to share information with the presidents of subsidiaries, and to manage important matters relating to execution of operations at subsidiaries as stipulated in the "Subsidiary Management Rules."
- 2) The Corporation has conducted internal audits through its Audit Dept. according to the audit plan and monitored the proper execution of business operations of subsidiaries as necessary by such means as seconding audit & supervisory board members.

4. Systems for Audit & Supervisory Board Members

- 1) The Corporation has assigned three full-time employees to the Auditors Office as Full-time Staff assisting audit & supervisory board members.
- 2) Audit & Supervisory Board Members designated by the Audit & Supervisory Board have attended important meetings such as the "Meeting of the President Office," "Meeting of the Division Head," "Meeting of the Risk Management Committee" and "Meeting of the Corporate Ethics Committee."

Consolidated Balance Sheet

(As at March 31, 2026)

(Millions of Yen)

Account	Amount	Account	Amount
ASSETS		LIABILITIES	
Current assets:	1,612,004	Current liabilities:	1,240,276
Cash	237,992	Notes and accounts payable-trade	352,949
Notes and accounts receivable-trade	953,196	Electronically recorded obligations	74,243
Electronically recorded monetary claims	31,865	Short-term borrowings	237,383
Marketable securities	118,000	Current portion of non-recourse borrowings	3,619
Real estate for sale	7,145	Current portion of bonds payable	10,000
Costs on uncompleted construction contracts	40,342	Income taxes payable	45,493
Costs on uncompleted real estate development projects	49,018	Advances received on uncompleted construction contracts	183,710
Other inventories	4,494	Deposits received	183,527
Other current assets	171,428	Warranty reserve	5,153
Less: Allowance for doubtful accounts	(1,478)	Reserve for expected losses on construction contracts in process	64,536
Non-current assets:	1,042,378	Other current liabilities	79,658
Tangible fixed assets:	658,797	Non-current liabilities:	412,930
Buildings and structures	228,008	Bonds payable	156,000
Machinery, vehicles, tools, furniture and fixtures	87,060	Non-recourse bonds payable	450
Land	322,378	Long-term borrowings	128,930
Construction in progress	21,350	Non-recourse borrowings	31,028
Intangible fixed assets	42,020	Deferred tax liabilities	3,520
Investments and other assets:	341,559	Deferred tax liabilities for revaluation reserve for land	16,604
Investment securities	303,343	Net defined benefit liability	21,552
Deferred tax assets	5,311	Other non-current liabilities	54,843
Net defined benefit asset	2,403	Total liabilities	1,653,206
Other investments	32,487	NET ASSETS	
Less: Allowance for doubtful accounts	(1,985)	Shareholders' equity	783,563
		Common stock, no par value	74,365
		Additional paid-in capital	42,491
		Retained earnings:	710,527
		Less: Treasury stock, at cost	(43,821)
		Accumulated other comprehensive income	194,414
		Net unrealized gain (loss) on other securities, net of taxes	129,657
		Deferred gain (loss) on hedging, net of taxes	(24)
		Revaluation reserve for land, net of taxes	22,283
		Foreign currency translation adjustments	11,378
		Remeasurements of defined benefit plans	31,118
		Non-controlling interests	23,198
		Total net assets	1,001,175
Total assets	2,654,382	Total liabilities and net assets	2,654,382

Consolidated Statement of Income

(For the year ended March 31, 2026)

(Millions of Yen)

Account	Amount	
Net sales:		
Construction contracts	1,845,300	
Real estate development and other	212,501	2,057,802
Cost of sales:		
Construction contracts	1,626,639	
Real estate development and other	173,070	1,799,710
Gross profit:		
Construction contracts	218,660	
Real estate development and other	39,431	258,091
Selling, general and administrative expenses		139,422
Operating income		118,669
Non-operating income:		
Interest and dividend income	9,535	
Foreign exchange gains	2,732	
Other non-operating income	2,216	14,485
Non-operating expenses:		
Interest expenses	7,569	
Other non-operating expenses	3,259	10,829
Ordinary income		122,324
Special gains:		
Gain on sales of investment securities	88,174	
Gain on negative goodwill	5,927	
Other special gains	2,299	96,401
Special losses:		
Loss on devaluation of investment securities	828	
Impairment loss on fixed assets	24,453	
Other special losses	107	25,389
Income before income taxes		193,336
Income taxes current	59,830	
Income taxes deferred	4,416	64,247
Net income		129,089
Net income attributable to non-controlling interests		2,471
Net income attributable to shareholders of the Corporation		126,617

Consolidated Statement of Changes in Net Assets

(For the year ended March 31, 2026)

(Millions of Yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance as at April 1, 2025	74,365	43,586	612,186	(36,903)	693,234
Effect of finalization of provisional accounting treatment					
Beginning balance reflecting finalization of provisional accounting treatment	74,365	43,586	612,186	(36,903)	693,234
Changes during period					
Cash dividends paid			(28,872)		(28,872)
Net income attributable to shareholders of the Corporation			126,617		126,617
Reversal of revaluation reserve for land, net of taxes			595		595
Purchase of treasury stock				(10,014)	(10,014)
Disposal of treasury stock		2,774		3,096	5,871
Change in ownership interest of parent due to transactions with non-controlling interests		(1)			(1)
Increase or decrease of shares of consolidated subsidiaries		(3,867)			(3,867)
Net changes other than shareholders' equity					
Total changes during period	–	(1,094)	98,340	(6,917)	90,328
Balance as at March 31, 2026	74,365	42,491	710,527	(43,821)	783,563

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gain (loss) on other securities, net of taxes	Deferred gain (loss) on hedging, net of taxes	Revaluation reserve for land, net of taxes	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance as at April 1, 2025	119,404	67	22,868	10,077	14,423	166,842	63,732	923,809
Effect of finalization of provisional accounting treatment							112	112
Beginning balance reflecting finalization of provisional accounting treatment	119,404	67	22,868	10,077	14,423	166,842	63,844	923,922
Changes during period								
Cash dividends paid								(28,872)
Net income attributable to shareholders of the Corporation								126,617
Reversal of revaluation reserve for land, net of taxes								595
Purchase of treasury stock								(10,014)
Disposal of treasury stock								5,871
Change in ownership interest of parent due to transactions with non-controlling interests								(1)
Increase or decrease of shares of consolidated subsidiaries								(3,867)
Net changes other than shareholders' equity	10,253	(92)	(585)	1,300	16,694	27,571	(40,646)	(13,075)
Total changes during period	10,253	(92)	(585)	1,300	16,694	27,571	(40,646)	77,253
Balance as at March 31, 2026	129,657	(24)	22,283	11,378	31,118	194,414	23,198	1,001,175

Notes to Consolidated Financial Statements

1. Basis of Presentation of Consolidated Financial Statements

(1) Scope of consolidation

1) Number of consolidated subsidiaries: 138

Major consolidated subsidiaries:

The Nippon Road Co., Ltd., Aomi Construction Co., Ltd, Shimizu Comprehensive Development Corporation, FaB-Tec Japan Corporation, MARUHIKO WATANABE CONSTRUCTION. inc, Daiichi Setsubi Engineering Corporation, Milx Corporation, SC Machinery Corp. and SHIMIZU BLC Co., Ltd. Notably, 13 companies that became subsidiaries of the Corporation in the year ended March 31, 2026 are included in the scope of consolidation, and the four companies that ceased to be subsidiaries of the Corporation are excluded from the scope of consolidation.

2) Unconsolidated subsidiaries

Major subsidiaries: MARUHIKO SHOJI Co., Ltd.

Reasons for exclusion from scope of consolidation:

The Corporation's non-consolidated subsidiaries are excluded from the scope of consolidation because these companies are small companies and the sum of each of the combined total assets, net sales, net income (as calculated by the equity method) and retained earnings (as calculated by the equity method) have a minimal effect on the consolidated financial statements.

(2) Application of equity method

1) 11 affiliates recognized according to the equity method as at March 31, 2026.

Major affiliate: Property Data Bank, Inc.

2) Non-equity method unconsolidated subsidiaries and affiliates

Major subsidiaries: As stated in "(1) Scope of consolidation 2) Unconsolidated subsidiaries"

Reason for not applying the equity method:

Profit or loss (as calculated by the equity method) and retained earnings (as calculated by the equity method) have a minimal effect on the consolidated financial statements and have no significance as a whole, and are thereby excluded from the scope of application of equity method.

(3) Financial statements of subsidiaries

The financial year-end of 33 of the Corporation's consolidated subsidiaries is December 31. There is also one consolidated subsidiary whose financial year-end is on January 31. For the preparation of the consolidated financial statements, the financial statements of these subsidiaries as of their respective year-ends are used. However, certain adjustments are made to reflect any significant transactions that occurred during the period from the year-end balance sheet dates for these subsidiaries to March 31, the consolidated balance sheet date. The financial period of all other consolidated subsidiaries is the same as the Corporation.

(4) Accounting policies

1) Valuation basis and method for significant assets

a. Valuation of securities

The Group classifies securities into two different categories, held-to-maturity debt securities and other securities. The Group holds no trading securities. Held-to-maturity debt securities are valued at amortized cost. Other securities with market quotations are valued at the prevailing market price as at the balance sheet date. Other securities without market quotations are stated at cost, cost being determined by the moving average method. Net unrealized gains on other securities with market quotations are reported net of taxes as a separated component of "Net Assets" and the cost of sales is determined by the moving average method.

b. Valuation of inventories

Real estate for sale: At cost on an individual basis (the carrying value of inventories on the balance sheet is presented at book value after write-down for decline in earnings)

Costs on uncompleted construction contracts: At cost on an individual basis

Costs on uncompleted real estate development projects: At cost on an individual basis (the carrying value of inventories on the balance sheet is presented at book value after write-down for decline in earnings)

2) Depreciation methods for tangible fixed assets

Depreciation of buildings and structures is principally computed by the straight-line method.

Depreciation of other tangible fixed assets is principally computed by the declining balance method. However, depreciation of vessels is by the straight-line method.

3) Recognizing provision of significant reserves

a. Allowance for doubtful accounts

For receivables classified as “normal,” the allowance for doubtful accounts is provided based on a historical default ratio. For receivables classified as “doubtful” or “bankrupt,” the allowance for doubtful accounts is provided based on individual assessment on the probability of collection.

b. Warranty reserve

An allowance to cover the costs of repairs for damages related to completed construction work for which the Group is responsible is provided based on previous warranty experience.

c. Reserve for expected losses on construction contracts in process

An allowance is provided for estimated future losses related to the construction contracts in process.

4) Recognizing revenues and cost of construction contracts

For construction contracts, except for those with very short durations, the degree of completion of performance obligations are estimated and revenue is recognized over time based on the degree of completion. The estimated degree of completion is based on the percentage of cost incurred to the total cost of sales of construction contracts.

If, in the early stages of the contract and so forth, it is not possible to reasonably estimate the degree of completion of the performance obligation, but it is probable that the incurred costs will be recovered, revenue is recognized on a cost recovery basis, and for construction contracts with very short durations, revenue is recognized at the time of completion.

5) Recognizing net defined benefit liability

Net defined benefit liability is recognized at the amount obtained by deducting the fair value of the plan assets from projected retirement benefit obligations as at the balance sheet date.

6) Amortization of goodwill

Goodwill is principally amortized on a straight-line basis from the year of acquisition over its estimated useful life but not exceeding 20 years.

7) Accounting treatment of construction project joint ventures (joint corporate entities)

With regard to the Joint Venture’s assets, liabilities, revenues, and costs, amounts are recognized in proportion to one’s share.

2. Changes in Accounting Policies

(Consolidated balance sheet)

For the year ended March 31, 2025, “Electronically recorded monetary claims” was included in “Notes and accounts receivable-trade” under “Current assets.” However, for the year ended March 31, 2026, it is presented separately from the perspective of improving clarity.

For the year ended March 31, 2025, “Electronically recorded obligations” was included in “Notes and accounts payable-trade” under “Current liabilities.” However, starting from the year ended March 31, 2026, it is presented separately for improved clarity.

3. Accounting Estimates

(Revenue recognized in construction contracts and reserve for expected losses on construction contracts in process)

- (1) Amounts recognized in the consolidated financial statements for the year ended March 31, 2026
 Net sales of completed construction contracts recognized as performance obligations are satisfied over time: ¥1,602,332 million
 Reserve for expected losses on construction contracts in process: ¥64,536 million

(2) Information on significant accounting estimates for identified items

For construction contracts, except for those with very short durations, the degree of completion of performance obligations are estimated and revenue is recognized over time based on the degree of completion. The estimated degree of completion is based on the percentage of cost incurred to the total cost of sales of construction contracts.

Based on the estimated total revenues from construction contracts on hand and total cost of sales thereof as at the end of period, if it is probable that the total cost of sales of construction contracts will exceed the total revenue from construction contract, and if the amount of excess can be reasonably estimated, then of the excess amount, the remaining amount, after deducting the amount of losses already recognized on such construction contract, is recorded as the reserve for expected losses on construction contracts in process.

When recognizing revenue, as changes in the total cost of sales of construction affect the calculation of the degree of completion of performance obligations, it is necessary to reliably estimate the total cost of sales of construction contracts as on the balance sheet date. However, since construction projects generally take a long period of time to complete, in cases such as when construction material prices, labor costs, etc. increase significantly higher than expected at the time of concluding subcontracting agreements, the business results in the following fiscal year could be affected due to the uncertainty of the estimate of the total cost of sales of construction contracts.

4. Notes to Consolidated Balance Sheet

(1) Assets pledged as collateral

- 1) The following assets are pledged as collateral for borrowings of ¥1,899 million.

Buildings and structures	¥843 million
Machinery, vehicles, tools, furniture and fixtures	¥999 million
Total	¥1,842 million

- 2) The following assets are pledged as collateral for borrowings at affiliated companies and others

Buildings and structures	¥354 million
Land	¥378 million
Investment securities	¥15 million
Total	¥747 million

- 3) The following assets are pledged as collateral for non-recourse borrowings of ¥34,647 million

Cash	¥1,688 million
Notes and accounts receivable-trade	¥33,463 million
Other inventories	¥271 million
Current assets "Other"	¥47 million
Buildings and structures	¥0 million
Machinery, vehicles, tools, furniture and fixtures	¥740 million
Land	¥6,945 million
Intangible fixed assets	¥2 million
Investments and other assets "Other"	¥57 million
Total	¥43,216 million

- (2) The following assets are pledged as collateral for non-recourse bonds payable of ¥450 million

Cash	¥746 million
Current assets "Other"	¥69 million
Construction in progress	¥95 million
Investments and other assets "Other"	¥37 million
Total	¥948 million

(3) Accumulated depreciation of tangible fixed assets ¥305,687 million

(4) Contingent liabilities from guaranteeing indebtedness of others
Guarantee obligations are guarantees for the following company's loans.

PT. WINDAS DEVELOPMENT (Note) ¥413 million

Note: PT. WINDAS DEVELOPMENT is a company that the Corporation's subsidiary indirectly invests in.

(5) Revaluation reserve for land

Land used for business is subject to revaluation in accordance with the Act on Revaluation of Land.

Method of revaluation: Determine the revalued amount by reasonably adjusting the assessed value of fixed assets for taxation purposes as specified in Article 2, item (iii) of the Order for Enforcement of the Act on Revaluation of Land

Revaluation date: March 31, 2002

5. Notes to Consolidated Statement of Income

(1) Provision of reserve for expected losses on construction contracts in process included in cost of sales ¥5,448 million

(2) Inventory write-down due to reduced profitability included in cost of sales ¥471 million

(3) Research and development costs ¥23,156 million

6. Notes to Consolidated Statement of Changes in Net Assets

(1) Type and number of outstanding shares as at March 31, 2026
Common stock 716,689,413 shares

(2) Dividends

1) Dividends paid to shareholders for the year ended March 31, 2026

Resolution approved by	Type of shares	Amount (Millions of Yen)	Amount per share (Yen)	Shareholders' cut-off date	Effective date
Annual general meeting of shareholders (June 27, 2025)	Common stock	13,988	20.50	March 31, 2025	June 30, 2025
Board of Directors (November 7, 2025)	Common stock	14,884	22.00	September 30, 2025	December 2, 2025

2) Dividends with a shareholders' cut-off date during the current fiscal year but an effective date subsequent to the current fiscal year

Matters regarding these dividends will be proposed at the annual general meeting of shareholders to be held on June 26, 2026.

Resolution to be approved by	Type of shares	Paid from	Amount (Millions of Yen)	Amount per share (Yen)	Shareholders' cut-off date	Effective date
Annual general meeting of shareholders (June 26, 2026)	Common stock	Retained earnings	33,960	50.00	March 31, 2026	June 29, 2026

7. Financial Instruments

(1) Overview

1) Policy for financial instruments

The Group raises operating funds primarily through bank borrowings and bond issues. Temporary fund surpluses are managed principally through short-term deposits with little risk. Under the Group's

policy, the Group uses derivatives only for the purpose of reducing risks by hedge, and not for speculative purposes.

2) Types of financial instruments, risk and risk management

Regarding credit risk associated with customer's operating receivables such as notes receivable and accounts receivable from construction contracts, the Group appropriately reduces such risk in response to the payment conditions and customer's credit situation.

The Group holds investment securities primarily for the purpose of maintaining business relationships. Every year the Group reviews individual stocks while considering comprehensively costs and risks associated with stockholding and economic rationale, such as the benefit from a business perspective. Then, the Board of Directors verifies the adequacy of the stockholding.

Regarding volatility risk of foreign exchange rates and interest rates, the Group conducts market risk management in line with its risk management rules for volatility in financial markets.

The liquidity risk associated with fund procurement is managed by preparing an annual cash flow plan and a monthly cash flow schedule on a three-month basis to procure necessary funds in a planned manner.

(2) Estimated fair value of financial instruments

The carrying value of the financial instruments on the consolidated balance sheet as at March 31, 2026, and estimated fair value are shown below.

As at March 31, 2026

(Millions of Yen)

Assets	Carrying value	Fair value	Difference
Notes and accounts receivable-trade	953,196	951,934	(1,261)
Investment securities (*2, 3, 4)	245,597	245,597	—
Liabilities	Carrying value	Fair value	Difference
Bonds payable and current portion of bonds payable	166,000	159,603	(6,396)
Non-recourse bonds payable	450	450	—
Long-term borrowings	128,930	123,957	(4,973)
Non-recourse borrowings and current portion of non-recourse borrowings	34,647	32,802	(1,845)
Derivative transactions (*5)	Carrying value	Fair value	Difference
Derivative transactions to which hedge accounting is applied	39	39	—

(*1) As "Cash," "Electronically recorded monetary claims," "Marketable securities," "Notes and accounts payable-trade," "Electronically recorded obligations" and "Short-term borrowings" are settled within a short period of time, and the fair value approximates book value, Notes are omitted.

(*2) Non-listed shares, etc. (¥41,499 million in the consolidated balance sheets as at March 31, 2026) are not included in "Investment securities," because they are classified as shares, etc., without market quotations.

(*3) Investments in a Partnership, etc. (¥16,245 million in the consolidated balance sheet as at March 31, 2026), in which the equity equivalent is recorded on the consolidated balance sheet on a net basis, are not included in "Investment securities."

(*4) "Investment securities" includes investment trust with the net asset value prescribed by Paragraph 24-9 of the Implementation Guidance on Accounting Standard for Fair Value Measurement (revised ASBJ Guidance No. 31, June 17, 2021) regarded as fair value.

(*5) Assets and liabilities that arise from derivative transactions are presented on a net basis. When the total amount becomes a net liability, the amount is indicated in parenthesis.

(3) Breakdown by fair value level of financial instruments

The fair value of financial instruments is classified into the following three levels based on the observability and materiality of the inputs used to calculate fair value.

Level 1: Fair value calculated based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Fair value calculated using directly or indirectly observable inputs other than Level 1 inputs

Level 3: Fair value calculated using unobservable inputs

1) Financial instruments with fair value as carrying value

As at March 31, 2026

(Millions of Yen)

Category	Fair Value			
	Level 1	Level 2	Level 3	Total
Assets				
Investment securities	240,920	—	—	240,920
Derivative transactions	—	39	—	39

Note: “Investment securities” does not include investment trusts whose net asset value is considered as fair value as prescribed in Paragraph 24-9 of the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No. 31, June 17, 2021). The investment trust is recorded as ¥4,677 million on the Consolidated Balance Sheet. Notably, the note is omitted from the reconciliation sheet for beginning and end balances for the period under review given the low materiality of the total of the investment trust with the net asset value regarded as the fair value

2) Financial instruments other than those with fair value as carrying value

As at March 31, 2026

(Millions of Yen)

Category	Fair Value			
	Level 1	Level 2	Level 3	Total
Assets				
Notes and accounts receivable-trade	—	951,934	—	951,934
Liabilities				
Bonds payable and current portion of bonds payable	—	159,603	—	159,603
Non-recourse bonds payable	—	450	—	450
Long-term borrowings	—	123,957	—	123,957
Non-recourse borrowings and current portion of non-recourse borrowings	—	32,802	—	32,802

Note: Description of valuation techniques and inputs used in calculating fair value

Investment securities

The fair value of listed shares is estimated using quoted prices and classified as Level 1, because they are traded in active markets.

Derivative transactions

The fair value of derivative transactions is calculated based on the prices provided by trading financial institutions, and is classified as Level 2.

Notes and accounts receivable-trade

The fair value of these items is estimated using the discounted present value method for each receivable classified by a specified period based on the interest rate that takes into account the period until the receivable is collected and credit risk, and is classified as Level 2.

Bonds payable and current portion of bonds payable

The fair value of bonds with market quotations issued by the Corporation is based on the prevailing market price, and is classified as Level 2.

Non-recourse bonds payable

As non-recourse bonds have floating interest rates and reflect market interest rates in a short period, their fair value approximates their book value and is classified as level 2.

Long-term borrowings, non-recourse borrowings, and current portion of non-recourse borrowings

The fair value of these borrowings with fixed interest rate is estimated using the discounted present value method based on the interest rate that would be applicable to similar new borrowings, and is classified as Level 2.

The fair value of these borrowings with floating interest rates, which reflect market rates in a short period, approximates their book value and is classified as Level 2.

8. Investment and Rental Properties

(1) Overview of investment and rental properties

The Corporation and certain consolidated subsidiaries own office buildings, residential units, logistics facilities and other real estate properties for lease, mainly in Tokyo and other major urban cities in Japan.

(2) Carrying value and fair value of investment and rental properties

Carrying value	¥343,091 million
Fair value	¥523,211 million

Notes: 1. The carrying value is the amount after deducting accumulated depreciation from acquisition cost.
2. The fair value is mainly calculated by the Corporation based on real estate appraisal standards, or based on the appraisal report prepared by external certified appraisers.

9. Revenue Recognition

(Basic information for understanding revenue from contracts with customers)

Noted under 1. Basis of Presentation of Consolidated Financial Statements (4) 4).

10. Amounts per Share

(1) Net assets per share of common stock	¥1,439.89
(2) Basic net income per share of common stock	¥186.68

11. Other Information

(Impairment loss)

The Group recorded impairment losses on the following assets or asset groups.

(Millions of Yen)			
Usage	Classification	Location	Impairment loss
Business-use assets	Building and land, etc.	United States of America, and other	24,453

The Group groups its assets primarily into units whose income and expenditure are continuously monitored.

The book value of six business-use assets (groups) held by the Corporation and certain consolidated subsidiaries were adjusted downward to amount deemed recoverable, and an impairment loss was posted as a special loss.

The recoverable amount of the assets or the asset group was measured mainly by net sale value, calculated by subtracting the estimated cost of disposal from the value based on the income capitalization method.

(Business combinations, etc.)

- Finalization of provisional accounting for business combination

Regarding the business combination with Grandwork Interior Pte Ltd and others, acquired on November 1, 2024, provisional accounting was applied in the previous fiscal year, but the provisional accounting was finalized during the current fiscal year.

With the finalization of this provisional accounting, significant revisions have been reflected in the initial allocation of the acquisition cost. As a result, at the beginning of the current fiscal year, which is considered the deemed acquisition date, the consolidated balance sheet shows increases of ¥514 million in Buildings and structures, ¥1,048 million in Intangible fixed assets (excluding goodwill), ¥334 million in Deferred tax liabilities, and ¥112 million in Non-controlling interests. Consequently, the provisionally calculated amount of goodwill for Grandwork Interior Pte Ltd and others was adjusted from ¥11,769 million to ¥10,654 million.

- Business combination through acquisition

(1) Outline of Business Combination

1) Name and business of the acquired company

Name of acquired company: Aomi Construction Co., Ltd.

Business: Construction work in marine civil engineering, onshore civil engineering, and ground improvement

2) Main reason for the business combination

Aomi Construction Co., Ltd. has high technical capabilities and achievements in each field, with marine civil engineering, onshore civil engineering, and ground improvement as its main businesses. By making Aomi Construction Co., Ltd. a consolidated subsidiary, we aim to further enhance our corporate value by collaborating and integrating in the civil engineering business field and the offshore wind power business field, for which market growth is expected going forward, and by realizing further synergies and promoting business expansion as a unified group.

3) Date of business combination

March 30, 2026 (deemed acquisition date: March 31, 2026)

4) Legal form of business combination

Acquisition of Shares through subscription to a capital increase by third-party allotment

5) Name of company after business combination

No change

6) Percentage of voting rights acquired

69.26%

7) Basis for determining the acquiring company

The Corporation acquired the acquired company through the acquisition of shares by cash.

(2) Operation period of the acquired company included in the consolidated financial statements

Since only the balance sheet was consolidated as of the end of period, the results of the acquired company have not been included in the consolidated statement of income.

(3) Acquisition cost of the acquired company and breakdown by type of consideration

Cash consideration for acquisition	¥13,340 million
Acquisition cost	¥13,340 million

(4) Details and amounts of major acquisition expenses

Advisory expenses, etc.	¥183 million
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(5) Amount and cause of gain on negative goodwill

1) Amount of gain on negative goodwill	¥5,927 million
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2) Cause

Since the acquisition cost was less than the net amount allocated to the assets acquired and liabilities assumed, the difference was recognized as gain on negative goodwill.

(6) Amount of assets acquired and liabilities assumed on the date of business combination and their breakdown

Current assets	¥39,741 million
Non-current assets	¥5,994 million
Total	¥45,735 million
Current liabilities	¥11,180 million
Non-current liabilities	¥6,736 million
Total	¥17,917 million

- (7) Pro forma amounts and calculation method of the effect of the business combination on the consolidated statement of income for the period under review, assuming that the business combination was completed as of the first day of the period

Net sales	¥36,191 million
Operating income	¥2,292 million
Ordinary income	¥2,330 million

(Calculation method of estimates)

The estimated amount of impact shall be a difference in the net sales and profit/loss information between those calculated assuming that the business combination had been completed on the first day of the fiscal year and those in the consolidated statements of income of the Corporation.
This note is not audited.

- Transactions under common control, etc.

The Corporation resolved at its board of directors meeting held on May 14, 2025, to conduct a tender offer (the “Tender Offer”) for the common shares of The Nippon Road Co., Ltd. under the Financial Instruments and Exchange Act of Japan and conducted the Tender Offer for the period from May 15, 2025, to June 25, 2025.

Additionally, regarding the fractional shares resulting from the share consolidation effective on October 15, 2025, the acquisition of these fractional shares was carried out with the court’s approval, based on the provisions of Article 234, Paragraph 2, as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the Companies Act.

As a result, The Nippon Road Co., Ltd. became a wholly-owned subsidiary of the Corporation.

(1) Outline of transaction

1) Name and business of the entity involved in the business combination

Name of entity involved in the business combination: The Nippon Road Co., Ltd.

Business: Road construction and paving work, general civil engineering work, sale and manufacture of asphalt mixture materials and emulsions, and others

2) Date of business combination

Acquisition of shares through tender offer: July 2, 2025 (deemed acquisition date: July 1, 2025)

Acquisition pursuant to Article 234, Paragraph 2 of the Companies Act: December 23, 2025 (deemed acquisition date: October 1, 2025)

3) Legal form of business combination

Acquisition of shares for cash consideration

4) Name of company after business combination

No change

5) Matters regarding the outline of other transactions

Ownership ratio of share certificates, etc.

Prior to business combination: 50.11%

After acquisition of additional shares through tender offer: 88.33%

After acquisition pursuant to Article 234, Paragraph 2 of the Companies Act: 100.00%

(2) Overview of accounting treatment adopted

Based on “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, revised on January 16, 2019) and “Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, revised on January 16, 2019), it has been treated as a transaction with non-controlling shareholders, within transactions under common control, etc.

(3) Acquisition of additional shares in subsidiary

Acquisition cost of the acquired company and breakdown by type of consideration

Cash consideration for acquisition	¥55,246 million
Acquisition cost	¥55,246 million

(4) Matters concerning change in the Corporation's ownership interest due to transactions with non-controlling shareholders

1) Major factor of change in capital surplus

Acquisition of additional shares in a subsidiary

2) Amount of capital surplus decreased by transactions with non-controlling shareholders

¥3,852 million

(Other)

The accounts of consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets, and notes to consolidated financial statements presented herein are expressed in Japanese yen by rounding down to the nearest million.

Non-Consolidated Balance Sheet

(As at March 31, 2026)

(Millions of Yen)

Account	Amount	Account	Amount
ASSETS		LIABILITIES	
Current assets:	1,242,454	Current liabilities:	1,062,242
Cash	123,208	Electronically recorded obligations	72,599
Notes receivable	5	Accounts payable for construction contracts	268,112
Electronically recorded monetary claims	28,098	Short-term borrowings	198,113
Accounts receivable from completed construction contracts	774,154	Current portion of bonds payable	10,000
Valuation of securities	118,000	Income taxes payable	37,996
Real estate for sale	206	Advances received on uncompleted construction contracts	163,261
Costs on uncompleted construction contracts	35,615	Deposits received	187,811
Costs on uncompleted real estate development projects	10,301	Warranty reserve	4,617
Other current assets	153,760	Reserve for expected losses on construction contracts in process	63,135
Less: Allowance for doubtful accounts	(895)	Other current liabilities	56,594
Non-current assets:	1,008,131	Non-current liabilities:	387,336
Tangible fixed assets:	496,489	Bonds payable	156,000
Buildings and structures	179,767	Long-term borrowings	114,202
Machinery and vehicles	50,885	Deferred tax liabilities for revaluation reserve for land	16,604
Tools, furniture and fixtures	4,772	Reserve for employees' retirement benefits	53,272
Land	242,038	Reserve for expected losses on affiliates' businesses	1,956
Construction in progress	19,025	Other non-current liabilities	45,302
Intangible fixed assets	17,386	Total liabilities	1,449,579
Investments and other assets:	494,254	NET ASSETS	
Investment securities	260,860	Shareholders' equity	650,076
Investments in subsidiaries and affiliates	178,370	Common stock, no par value	74,365
Investments in other securities of subsidiaries and affiliates	16,070	Additional paid-in capital:	45,918
Long-term loans	1,871	Capital reserve	43,143
Claims in bankruptcy or reorganization proceedings	158	Other capital surplus	2,774
Long-term prepaid expenses	6,164	Retained earnings:	573,614
Deferred tax assets	14,633	Legal reserve	18,394
Other investments	18,018	Other retained earnings	555,219
Less: Allowance for doubtful accounts	(1,892)	Reserve for advanced depreciation of non-current assets	4,360
		Contingent reserve	405,100
		Retained earnings brought forward	145,759
		Less: Treasury stock, at cost	(43,821)
		Total valuation and translation adjustments	150,929
		Net unrealized gain (loss) on other securities, net of taxes	128,618
		Deferred gain (loss) on hedging, net of taxes	27
		Revaluation reserve for land, net of taxes	22,283
		Total net assets	801,006
Total assets	2,250,585	Total liabilities and net assets	2,250,585

Non-Consolidated Statement of Income

(For the year ended March 31, 2026)

(Millions of Yen)

Account	Amount	
Net sales:		
Construction contracts	1,489,615	
Real estate development and other	99,928	1,589,544
Cost of sales:		
Construction contracts	1,332,022	
Real estate development and other	78,010	1,410,033
Gross profit:		
Construction contracts	157,592	
Real estate development and other	21,918	179,510
Selling, general and administrative expenses		95,241
Operating income		84,269
Non-operating income:		
Interest and dividend income	15,933	
Foreign exchange gains	2,629	
Other non-operating income	1,175	19,738
Non-operating expenses:		
Interest expenses	5,131	
Other non-operating expenses	2,501	7,633
Ordinary income		96,374
Special gains:		
Gain on sale of non-current assets	2,244	
Gain on sales of investment securities	87,920	90,164
Special losses:		
Loss on sale of non-current assets	105	
Loss on devaluation of investment securities	500	605
Income before income taxes		185,934
Income taxes current	48,087	
Income taxes deferred	4,899	52,986
Net income		132,947

Non-Consolidated Statement of Changes in Net Assets

(For the year ended March 31, 2026)

(Millions of Yen)

	Shareholders' equity										
	Common stock	Additional paid-in capital			Retained earnings					Treasury stock	Total shareholders' equity
		Capital reserve	Other additional paid-in capital	Total additional paid-in capital	Legal reserve	Other retained earnings			Total retained earnings		
						Reserve for advanced depreciation of non-current assets	Contingent reserve	Retained earnings brought forward			
Balance as at April 1, 2025	74,365	43,143	–	43,143	18,394	4,457	405,100	40,991	468,943	(36,903)	549,548
Changes during period											
Provision and reversal of reserve for advanced depreciation of non-current assets						(97)		97	–		–
Cash dividends paid								(28,872)	(28,872)		(28,872)
Net income for the year								132,947	132,947		132,947
Reversal of revaluation reserve for land, net of taxes								595	595		595
Purchase of treasury stock										(10,014)	(10,014)
Disposal of treasury stock			2,774	2,774						3,096	5,871
Net changes other than shareholders' equity											
Total changes during period	–	–	2,774	2,774	–	(97)	–	104,767	104,670	(6,917)	100,527
Balance as at March 31, 2026	74,365	43,143	2,774	45,918	18,394	4,360	405,100	145,759	573,614	(43,821)	650,076

(Millions of Yen)

	Valuation and translation adjustments				Total net assets
	Net unrealized gain (loss) on other securities, net of taxes	Deferred gain (loss) on hedging, net of taxes	Revaluation reserve for land, net of taxes	Total valuation and translation adjustments	
Balance as at April 1, 2025	118,144	67	22,868	141,081	690,629
Changes during period					
Provision and reversal of reserve for advanced depreciation of non-current assets					—
Cash dividends paid					(28,872)
Net income for the year					132,947
Reversal of revaluation reserve for land, net of taxes					595
Purchase of treasury stock					(10,014)
Disposal of treasury stock					5,871
Net changes other than shareholders' equity	10,474	(40)	(585)	9,848	9,848
Total changes during period	10,474	(40)	(585)	9,848	110,376
Balance as at March 31, 2026	128,618	27	22,283	150,929	801,006

Notes to Non-Consolidated Financial Statements

1. Summary of Significant Accounting Policies

(1) Valuation basis and method for assets

1) Valuation of securities

The Corporation classifies securities into three different categories; held-to-maturity debt securities, investments in subsidiaries and affiliates, and other securities. The Corporation holds no trading securities. Held-to-maturity debt securities are valued at amortized cost. Investments in subsidiaries and affiliates are valued at cost, cost being determined by the moving average method. Other securities with market quotations are valued at the prevailing market price as at the balance sheet date. Other securities without market quotations are stated at cost, cost being determined by the moving average method. Net unrealized gains on other securities with market quotations are reported net of taxes as a separated component of "Net assets" and the cost of sales is determined by the moving average method.

2) Valuation of inventories

Real estate held for sale: At cost on an individual basis (the carrying value of inventories on the balance sheet is presented at book value after write-down for decline in earnings).

Costs on uncompleted construction contracts: At cost on an individual basis.

Costs on uncompleted real estate development projects: At cost on an individual basis (the carrying value of inventories on the balance sheet is presented at book value after write-down for decline in earnings).

(2) Depreciation method for fixed assets

1) Depreciation method for tangible fixed assets

Depreciation of buildings and structures is computed by the straight-line method.

Depreciation of other tangible fixed assets is computed by the declining balance method. However, depreciation of vessels and leased assets is computed by the straight-line method.

2) Depreciation method for intangible fixed assets

Depreciation of intangible fixed assets is computed by the straight-line method.

3) Depreciation method for long-term prepaid expenses

Depreciation of long-term prepaid expenses is computed by the straight-line method.

(3) Recognizing provision of reserves

1) Allowance for doubtful accounts

For receivables classified as "normal," the allowance for doubtful accounts is provided based on a historical default ratio. For receivables classified as "doubtful" or "bankrupt," the allowance for doubtful accounts is provided based on individual assessment on the probability of collection.

2) Warranty reserve

An allowance to cover the costs of repairs for damages related to completed construction work for which the Corporation is responsible is provided based on previous warranty experience.

3) Reserve for expected losses on construction contracts in process

An allowance is provided for estimated future losses related to the construction contracts in process.

4) Reserve for employees' retirement benefits

The reserve for employees' retirement benefits as at the balance sheet date is determined based on the actuarial valuation of projected benefit obligations and the fair value of the plan assets.

5) Reserve for expected losses on affiliates' businesses

The reserve for expected losses on affiliated businesses as at the balance sheet date is determined based on estimated losses related to affiliated businesses.

(4) Recognizing revenues and costs of construction contracts

For construction contracts, except for those with very short durations, the degree of completion of performance obligations are estimated and revenue is recognized over time based on the degree of completion. The estimated degree of completion is based on the percentage of cost incurred to the total cost of sales of construction contracts.

If, in the early stages of the contract and so forth, it is not possible to reasonably estimate the degree of completion of the performance obligation, but it is probable that the incurred costs will be recovered, revenue is recognized on a cost recovery basis, and for construction contracts with very short durations, revenue is recognized at the time of completion.

(5) Accounting treatment of construction project joint ventures

With regard to the Joint Venture's assets, liabilities, revenues, and costs, amounts are recognized in proportion to one's share.

2. Changes in Accounting Policies

(Non-consolidated balance sheet)

For the year ended March 31, 2025, "Electronically recorded monetary claims" was included in "Notes receivable" under "Current assets." However, starting from the year ended March 31, 2026, it is presented separately for improved clarity.

For the year ended March 31, 2025, "Electronically recorded obligations" was included in "Notes payable" under "Current liabilities." However, starting from the year ended March 31, 2026, it is presented separately for improved clarity.

3. Accounting Estimates

(Revenue recognized in construction contracts and reserve for expected losses on construction contracts in process)

(1) Amounts recognized in the financial statements for the year ended March 31, 2026

Net sales of completed construction contracts recognized as performance obligations are satisfied over time	¥1,343,729 million
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Reserve for expected losses on construction contracts in process	¥63,135 million
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(2) Information about significant accounting estimates for identified items

For construction contracts, except for those with very short durations, the degree of completion of performance obligations are estimated and revenue is recognized over time based on the degree of completion. The estimated degree of completion is based on the percentage of cost incurred to the total cost of sales of construction contracts.

Based on the estimated total revenues from construction contracts on hand and total cost of sales thereof as at the end of period, if it is probable that the total cost of sales of construction contracts will exceed the total revenue from construction contract, and if the amount of excess can be reasonably estimated, then of the excess amount, the remaining amount, after deducting the amount of losses already recognized on such construction contract, is recorded as the reserve for expected losses on construction contracts in process.

When recognizing revenue, as changes in the total cost of sales of construction affect the calculation of the degree of completion of performance obligations, it is necessary to reliably estimate the total cost of sales of construction contracts as on the balance sheet date. However, since construction projects generally take a long period of time to complete, in cases such as when construction material prices, labor costs, etc. increase significantly higher than expected at the time of concluding subcontracting agreements, the business results in the following fiscal year could be affected due to the uncertainty of the estimate of the total cost of sales of construction contracts.

4. Notes to Non-Consolidated Balance Sheet

(1) Assets pledged as collateral

Assets pledged as collateral for borrowings at affiliated companies and others

Current assets "Other"	¥0 million
Investments in subsidiaries and affiliates	¥349 million
Long-term loans	¥287 million
Total	¥637 million

- (2) Accumulated depreciation of tangible fixed assets ¥165,521 million
- (3) Receivables from and payables to subsidiaries and affiliates
- | | |
|---|-----------------|
| Short-term receivables from subsidiaries and affiliates | ¥16,704 million |
| Long-term receivables from subsidiaries and affiliates | ¥1,871 million |
| Short-term payables to subsidiaries and affiliates | ¥35,084 million |
| Long-term payables to subsidiaries and affiliates | ¥1,065 million |
- (4) Revaluation reserve for land
- Land used for business is subject to revaluation in accordance with the Act on Revaluation of Land.
- Method of revaluation: Determine the revalued amount by reasonably adjusting the assessed value of fixed assets for taxation purposes as specified in Article 2, item (iii) of the Order for Enforcement of the Act on Revaluation of Land
- Revaluation date: March 31, 2002

5. Notes to Non-Consolidated Statement of Income

- | | |
|---|------------------|
| (1) Revenue from sales to subsidiaries and affiliates | ¥13,770 million |
| (2) Purchase of goods from subsidiaries and affiliates included in cost of sales | ¥112,538 million |
| (3) Provision of reserve for expected losses on construction contracts in process included in cost of sales | ¥4,650 million |
| (4) Amount of transactions other than operational transactions with subsidiaries and affiliates | ¥8,000 million |
| (5) Research and development costs | ¥22,108 million |

6. Note to Non-Consolidated Statement of Changes in Net Assets

Type and number of treasury shares as at March 31, 2026

Common stock	37,488,136 shares
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7. Deferred Tax Accounting

The main factors for deferred tax assets are non-deductible portion of reserves and allowances and deductible temporary differences from losses on write-down of assets. The main factor for deferred tax liabilities is net unrealized gain on other securities.

8. Related Party Transactions

Subsidiary

(1) Nature of transaction

Category	Name	Capital or investment (Millions of Yen)	Type of business	% of voting rights held (held by others)	Relation -ship	Nature of transaction	Amounts of transaction (Millions of Yen)	Account	Balance as at March 31, 2026 (Millions of Yen)
Subsidiary	Shimizu Finance Co., Ltd.	100	Credit and finance	Direct 100%	Interlocking directorate, deposit of funds, etc.	Deposit of funds	92,000	Deposits received	15,000

- (2) Terms and conditions of transaction and policy for determining them
- Interest on deposits is determined reasonably in consideration of market interest rates.

9. Revenue Recognition

(Basic information for understanding revenue from contracts with customers)

Noted under 1. Summary of Significant Accounting Policies (4).

10. Amounts per Share

- | | |
|--|-----------|
| (1) Net assets per share of common stock | ¥1,179.34 |
| (2) Basic net income per share of common stock | ¥196.02 |

11. Other Information

The accounts of non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets, and notes to non-consolidated financial statements presented herein are expressed in Japanese yen by rounding down to the nearest million.

Accounting Auditor's Report on Consolidated Financial Statements**Report of Independent Auditors**

May 11, 2026

Tatsuya Shimmura
President and Representative Director
SHIMIZU CORPORATION

Ernst & Young ShinNihon LLC
Tokyo Office

Hideyuki Inoue
Certified Public Accountant
Designated and Engagement Partner

Naohiko Sawabe
Certified Public Accountant
Designated and Engagement Partner

Audit Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to the consolidated financial statements of SHIMIZU CORPORATION (the "Corporation") applicable to the fiscal year from April 1, 2025 through March 31, 2026.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and results of operations of the Group, which consisted of the Corporation and its consolidated subsidiaries, applicable to the fiscal year ended March 31, 2026, in accordance with accounting principles generally accepted in Japan.

Basis for Audit 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 Corporation and its subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan (including those that are relevant to audits of the financial statements of public interest entities), 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

Other information comprises the Business Report and supplementary schedules. Management's responsibility is to prepare and present the other information. Moreover, the responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to supervise the Directors' execution of duties in maintaining and operating 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, Audit & Supervisory Board Members and the Audit & Supervisory Board 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 designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the 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 whether it is appropriate to prepare the consolidated financial statements with the assumption of the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

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

Our responsibilities 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 on the consolidated financial statements based on our audit from an independent point of view. 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 decisions of users taken on the basis of the consolidated financial statements.

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. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- In making those risk assessments, we consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements 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 notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. 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 of the consolidated financial statements and the notes thereto are in accordance with accounting standards generally accepted in Japan, as well as evaluate the overall presentation, structure and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly represent the underlying transactions

and accounting events.

- Plan and perform the audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Corporation and its consolidated subsidiaries to provide a basis for expressing our opinion on the consolidated financial statements. We are responsible for the direction, supervision and inspection of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, any measures taken to eliminate obstruction factors and related safeguards applied to reduce obstruction factors to an acceptable level.

Conflicts of Interest

We have no interest in the Corporation and its consolidated subsidiaries which should be disclosed in compliance with the Certified Public Accountants Act.

Accounting Auditor's Report on Non-consolidated Financial Statements**Report of Independent Auditors**

May 11, 2026

Tatsuya Shimmura
President and Representative Director
SHIMIZU CORPORATION

Ernst & Young ShinNihon LLC
Tokyo Office

Hideyuki Inoue
Certified Public Accountant
Designated and Engagement Partner

Naohiko Sawabe
Certified Public Accountant
Designated and Engagement Partner

Audit Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, the notes to the financial statements and the related supplementary schedules (hereafter collectively referred to as the “non-consolidated financial statements, etc.”) of SHIMIZU CORPORATION (the “Corporation”) applicable to the 124th fiscal year from April 1, 2025 through March 31, 2026.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations applicable to the fiscal year ended March 31, 2026, in accordance with accounting principles generally accepted in Japan.

Basis for Audit 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 Non-consolidated Financial Statements, Etc. section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements, etc. in Japan (including those that are relevant to audits of the financial statements of public interest entities), 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

Other information comprises the Business Report and supplementary schedules. Management's responsibility is to prepare and present the other information. Moreover, the responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to supervise the Directors' execution of duties in maintaining and operating the reporting process for the other information.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements, Etc.

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

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of the Corporation's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. 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 on the non-consolidated financial statements, etc. based on our audit from an independent point of view. 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 decisions of users taken on the basis of the non-consolidated financial statements, etc.

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 non-consolidated financial statements, etc., whether due to fraud or error, design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- In making those risk assessments, we consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the non-consolidated financial statements, etc. is not expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements, etc. and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation'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 notes to the non-consolidated financial statements, etc. or, if the notes to the non-consolidated financial statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. 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 Corporation to cease to continue as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements, etc. and the notes thereto are in accordance with accounting standards generally accepted in Japan, as well as evaluate the overall presentation, structure and content of the non-consolidated financial statements, etc., including the related notes thereto, and whether the non-consolidated financial statements, etc. fairly represent the underlying transactions and accounting events.

We communicate with the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, any measures taken to eliminate obstruction factors and related safeguards applied to reduce obstruction factors to an acceptable level.

Conflicts of Interest

We have no interest in the Corporation which should be disclosed in compliance with the Certified Public Accountants Act.

Audit Report of the Audit & Supervisory Board

Audit Report

With respect to the Directors' performance of their duties during the 124th business year (from April 1, 2025 to March 31, 2026), the Audit & Supervisory Board has prepared this audit report after deliberations based on the audit reports prepared by each Audit & Supervisory Board Member, and hereby reports as follows:

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

- (1) The Audit & Supervisory Board has established the audit policies, assignment of duties, 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 has received reports from the Directors, etc. and the accounting auditor regarding the status of performance of their duties, and requested explanations as necessary.
- (2) In conformity with the Audit & Supervisory Board Member auditing standards established by the Audit & Supervisory Board, and in accordance with the audit policies and assignment of duties, etc., each Audit & Supervisory Board Member endeavored to facilitate mutual understanding with the Directors, executive officers, audit division and other employees, etc., endeavored to collect information and maintain and improve the audit environment, and conducted audits in the following methods.
 - 1) Each Audit & Supervisory Board Member attended the meetings of the Board of Directors and other important meetings, received reports on the status of performance of duties from the Directors, Executive Officers and other employees, etc. and requested explanations as necessary, inspected important approval/decision documents, and investigated the status of the corporate affairs and assets at the head office and other principal business locations. With respect to the subsidiaries, each Audit & Supervisory Board Member received reports on their respective business and so forth from relevant internal business departments, visited principal subsidiaries as necessary, received explanations on the status of the subsidiaries from Directors, Audit & Supervisory Board Members, etc. of the subsidiaries, and exchanged opinions.
 - 2) Each Audit & Supervisory Board Member conducted audits on matters mentioned in the business report. Such matters consist of the contents of the Board of Directors' resolutions regarding the development and maintenance of the system to ensure that the Directors' performance of their duties complied with applicable laws and regulations and the Articles of Incorporation of the Corporation and other systems that are set forth in Article 100, paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of a corporate group consisting of a stock company and its subsidiaries, and the systems developed and maintained based on such resolutions (internal control systems).
 - 3) Each Audit & Supervisory Board Member monitored and verified whether the accounting auditor maintained its independence and properly conducted its audit, received a report from the accounting auditor on the status of its performance of duties, and requested explanations as necessary. Each Audit & Supervisory Board Member was notified by the accounting auditor that it had established a "system to ensure that the performance of the duties of the accounting auditor was properly conducted" (the matters set forth in the items of Article 131 of the Ordinance on Accounting of Companies) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council), and requested explanations as necessary.

Based on the above-described methods, each Audit & Supervisory Board Member examined the business report and the annexed detailed statements thereto, financial statements (balance sheet, statement of income, statement of changes in net assets, and notes to financial statements) and the annexed detailed statements thereto, as well as the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets, and

notes to consolidated financial statements), for the business year under consideration.

2. Results of Audit

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

- 1) We acknowledge that the business report and the annexed detailed statements thereto fairly present the status of the Corporation in conformity with the applicable laws and regulations and the Articles of Incorporation of the Corporation.
- 2) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the Articles of Incorporation of the Corporation was found with respect to the Directors' performance of their duties.
- 3) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the contents in the business report and Directors' performance of their duties concerning the internal control systems.

(2) Results of Audit of Financial Statements and Their Annexed Detailed Statements

We acknowledge that the methods and results of audit performed by the accounting auditor Ernst & Young ShinNihon LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the accounting auditor Ernst & Young ShinNihon LLC, are appropriate.

May 12, 2026

Audit & Supervisory Board of SHIMIZU CORPORATION

Hiroshi Kobayashi [seal]
Audit & Supervisory Board
Member (standing)

Tomohiko Hirayama [seal]
Audit & Supervisory Board
Member (standing)

Kaoru Ishikawa [seal]
Audit & Supervisory Board
Member

Toshie Ikenaga [seal]
Audit & Supervisory Board
Member

Ko Shikata [seal]
Audit & Supervisory Board
Member

Note: Audit & Supervisory Board Members Kaoru Ishikawa, Toshie Ikenaga, and Ko Shikata are Outside Audit & Supervisory Board Members as specified in Article 2, Item 16, and Article 335, Paragraph 3 of the Companies Act.