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Securities code: 1878

June 8, 2026

(Commencement date of electronic provision measures: May 27, 2026)

To Our Shareholders

Kei Takeuchi
Representative Director, CEO
Daito Trust Construction Co., Ltd.
16-1, Konan 2-chome, Minato-ku, Tokyo

Notice of Convocation of the 52nd Ordinary General Meeting of Shareholders

We hereby inform you that the 52nd Ordinary General Meeting of Shareholders of the Company will be held as described below.

Measures for electronic provision are taken for this meeting, and the matters for electronic provision measures are posted as “Notice of Convocation of the 52nd Ordinary General Meeting of Shareholders” on the website below.

<The Company’s website>

<https://www.kentaku.co.jp/corporate/en/ir/kabunushi.html>

They are also posted on the website of the Tokyo Stock Exchange (TSE) besides the above. Please confirm them by accessing the website of TSE (Listed Company Search) below and entering the issue name (Daito Trust Construction) or securities code (1878) to search, then selecting “Basic information” and “Documents for public inspection/PR information.”

<TSE’s website (Listed Company Search)>

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

If you are not attending the meeting, you may exercise your voting rights in advance via postal mail or the Internet. **Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. on June 25, 2026 (Thursday).**

1. Date and Time: June 26, 2026 (Friday) 11:00 a.m. (Reception desk opens at 10:00 a.m.)

2. Place: 4-1, Shinonome 1-chome, Koto-ku, Tokyo
ROOFLAG Rental Housing Exhibition Hall

3. Agenda for the Meeting:

Matters to be reported:

1. The Business Report, the Consolidated Financial Statements and the audit results of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee for the 52nd Fiscal Term (April 1, 2025 to March 31, 2026)
2. The Non-consolidated Financial Statements for the 52nd Fiscal Term (April 1, 2025 to March 31, 2026)

Matters to be resolved:

Proposal No. 1: Appropriation of Surplus for the 52nd Fiscal Term

Proposal No. 2: Partial Amendment to the Articles of Incorporation

Proposal No. 3: Election of Ten (10) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

Notes:

1. The paper copy of the notice of convocation has been sent to all the shareholders uniformly regardless of the request for the paper copy regarding this meeting. In addition, the sending procedure of materials for general meetings of shareholders may change for subsequent meetings.
2. For those attending, please present the enclosed Voting Rights Exercise Form to the receptionist on arriving at the meeting.
3. If you vote by proxy, please make sure your proxy presents the Letter of Attorney along with the Voting Rights Exercise Form to the receptionist. In addition, pursuant to the provisions of the Articles of Incorporation of the Company, only one (1) shareholder holding the voting right of the Company is entitled to exercise a proxy voting right on your behalf.
4. Please understand that those who are not shareholders entitled to exercise voting rights, such as non-shareholder proxies or accompanying persons, will not be allowed to enter the venue even if they bring the Voting Rights Exercise Form. However, persons (including sign language interpreters), guide dogs, hearing dogs, and assistance dogs accompanying shareholders with disabilities will be allowed to enter the venue.
5. If there are any amendments to the matters for electronic provision measures, the revised version will be posted on the websites where the original versions are posted.
6. As part of our efforts to be environmentally friendly, the attending officers and the meeting staff of the Company will dress in a “cool biz” style (without jacket and tie). Please dress lightly upon attending the meeting.
7. Pursuant to the provisions of law and Article 15, Paragraph 2 of the Articles of Incorporation of the Company, the paper copy to be sent to shareholders does not include the following matters for electronic provision measures: “Main business”, “Employees”, “Main place of business”, “Main creditors and borrowing amounts”, “Other significant matters concerning shares”, “Matters concerning share options of the Company”, “Status of Accounting Auditor” and “Systems to ensure proper business activities and the outline of the operation status of the systems” in Business Report, “Consolidated Statement of Changes in Net Assets and Notes to Consolidated Financial Statements” in Consolidated Financial Statements and “Non-consolidated Statement of Changes in Net Assets and Notes to Non-consolidated Financial Statements” in Non-consolidated Financial Statements.

Proposals and references:

Proposal No. 1: Appropriation of Surplus for the 52nd Fiscal Term

Appropriation of surplus for the 52nd Fiscal Term is reported as follows:

Year-End Dividend

The Company recognizes adequate profit return to shareholders as one of the most important management matters. For dividends, the Company aims to set the payout ratio at 50%, as a means of returning profits based on consolidated business performance.

In light of these standards, the Company will set a dividend of 82.00 yen per share for the year-end dividend of the 52nd Fiscal Term.

The annual dividend to be paid would be 150.40 yen per share (up 7.60 yen per share from the previous fiscal year) including the interim dividend of 68.40 yen per share paid in November last year.

- (1) Type of dividend property
Cash
- (2) Matters regarding dividend property’s allocation to shareholders and total amount
Cash payment of dividend per share: 82.00 yen per common share of the Company
Total amount: 26,742,962,662 yen
- (3) Effective date of dividend payment
June 29, 2026

* The Company carried out a 5-for-1 stock split of its common shares with an effective date of October 1, 2025. Had the stock split not been taken into account, the interim dividend, year-end dividend, and annual dividend for the fiscal year under review would have been 342.00 yen, 410.00 yen, and 752.00 yen per share, respectively.



* Figures for the fiscal years prior to the split are presented assuming that the stock split was carried out at the beginning of each respective fiscal year.

Proposal No. 2: Partial Amendment to the Articles of Incorporation

- 1. Reasons for the amendment
 Additions to the purpose of business set forth in Article 2 (Purpose) of the current Articles of Incorporation shall be made in order to prepare for expansion of the Group’s real estate development business and future diversification of its business activities.
- 2. Description of the amendment
 Description of amendment is as follows:

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>(Purpose)</p> <p>Article 2 The purpose of the Company is to operate the following businesses and to control and manage the business activities of companies operating the following businesses by acquiring and owning shares and interests in said companies.</p> <p>1.-44. (Omitted)</p> <p style="padding-left: 40px;"><Newly established></p> <p><u>45.</u> All businesses incidental or related to the above.</p>	<p>(Purpose)</p> <p>Article 2 The purpose of the Company is to operate the following businesses and to control and manage the business activities of companies operating the following businesses by acquiring and owning shares and interests in said companies.</p> <p>1.-44. (Unchanged)</p> <p><u>45. Investment in specified purpose companies, special purpose companies (as defined in the Ordinance on the Terminology, Forms, and Preparation Methods of Financial Statements, etc.), and real estate investment trusts, as well as purchase, selling, brokerage, and management of equity interests therein.</u></p> <p><u>46.</u> (Unchanged)</p>

Proposal No. 3: Election of Ten (10) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The terms of office of all ten (10) Directors (excluding Directors who are Audit & Supervisory Committee Members) are to expire at the conclusion of this year’s Ordinary General Meeting of Shareholders. For this reason, the Company proposes that shareholders elect ten (10) Directors (excluding Directors who are Audit & Supervisory Committee Members), including four (4) Outside Directors. Each candidate for Director (excluding Directors who are Audit & Supervisory Committee Members) is determined by the Board of Directors based on the recommendations from the Nominating and Remuneration Committee.

Regarding the appointment of Directors (excluding Directors who are Audit & Supervisory Committee Members), the Audit & Supervisory Committee of the Company has carefully considered the content of deliberations at the Nominating and Remuneration Committee and has determined that the candidates and their selection process are appropriate and there are no particular issues to point out.

If all ten (10) candidates of this proposal are elected as originally proposed, seven (7) of the fourteen (14) Directors including those who are Audit & Supervisory Committee Members will qualify as independent outside officers who have satisfied the independence criteria established by the Company, and the Company has judged that they will enable discussions at the Board of Directors based on opinions expressed from an independent and neutral perspective.

The candidates for Directors (excluding Directors who are Audit & Supervisory Committee Members) are as follows.

[Reference] Composition of Board of Directors if elected as originally proposed

Ratio of Outside Directors



Ratio of Female Directors



Candidate No.	Name	Gender (Age)	Years in office	Nature of candidacy	Position and responsibilities in the Company	Attendance at the Board of Directors meetings
1	Kei Takeuchi	Male (60 years old)	12 years	Reappointment	Representative Director, CEO General Manager of Construction Business Sales Headquarters and Tokyo Development Headquarters Committee Member of Governance Committee Committee Member of Nominating and Remuneration Committee	13/13 (100.0%)
2	Yoshihiro Mori	Male (60 years old)	5 years	Reappointment	Director, Managing Executive Officer General Manager of Real Estate Business Headquarters Committee Member of Governance Committee	13/13 (100.0%)
3	Tsukasa Okamoto	Male (58 years old)	3 years	Reappointment	Director, Managing Executive Officer CFO, General Manager of Corporate Management Headquarters Committee Member of Governance Committee	13/13 (100.0%)
4	Yutaka Amano	Male (58 years old)	3 years	Reappointment	Director, Managing Executive Officer General Manager of Business Development Headquarters	13/13 (100.0%)
5	Yoshimasa Tanaka	Male (58 years old)	3 years	Reappointment	Director, Managing Executive Officer General Manager of East Japan Construction Business Headquarters	13/13 (100.0%)
6	Yutaka Takahashi	Male (54 years old)	1 year	Reappointment	Director, Senior Executive Officer General Manager of Construction Business Technical Headquarters	10/10 (100.0%)
7	Atsushi Iritani	Male (60 years old)	5 years	Reappointment Outside Director Independent Officer	Outside Director Chairman of Governance Committee Chairman of Nominating and Remuneration Committee	13/13 (100.0%)
8	Junko Owada	Female (60 years old)	2 years	Reappointment Outside Director Independent Officer	Outside Director Committee Member of Governance Committee Committee Member of Nominating and Remuneration Committee	13/13 (100.0%)
9	Koichi Abe	Male (73 years old)	1 year	Reappointment Outside Director Independent Officer	Outside Director Committee Member of Governance Committee Committee Member of Nominating and Remuneration Committee	10/10 (100.0%)
10	Kyoko Asakawa	Female (63 years old)	1 year	Reappointment Outside Director Independent Officer	Outside Director Committee Member of Governance Committee Committee Member of Nominating and Remuneration Committee	10/10 (100.0%)

(Notes) 1. There is no special interest between each of the candidates and the Company.

2. Candidates, Mr. Atsushi Iritani, Ms. Junko Owada, Mr. Koichi Abe, and Ms. Kyoko Asakawa are candidates for Outside Director.

The Company has designated Mr. Atsushi Iritani, Ms. Junko Owada, Mr. Koichi Abe, and Ms. Kyoko Asakawa as independent officers as they satisfy the independence criteria established by the Company as well as standards for independence established by the Tokyo Stock Exchange and the Nagoya Stock Exchange and has notified said Exchanges accordingly.

3. The Company has entered into a Limited Liability Agreement with Mr. Atsushi Iritani, Ms. Junko Owada, Mr. Koichi Abe, and Ms. Kyoko Asakawa. The Company will continue the Limited Liability Agreement with them if the reelection of each candidate is approved. Outlines of this Limited Liability Agreement are described below:

- In the event that the Company bears liability for damages caused by neglect of the duty of Director (excluding Executive Directors, etc.), the liability amount shall be the minimum amount set forth in Article 425, Paragraph 1 of the Companies Act.
 - The limited liability stated above shall be applicable only when the Director (excluding Executive Directors, etc.) performs his or her duty in good faith and without material negligence.
4. The Company has entered into an Indemnity Agreement set forth in Article 430-2, Paragraph 1 of the Companies Act with Mr. Kei Takeuchi, Mr. Yoshihiro Mori, Mr. Tsukasa Okamoto, Mr. Yutaka Amano, Mr. Yoshimasa Tanaka, Mr. Yutaka Takahashi, Mr. Atsushi Iritani, Ms. Junko Owada, Mr. Koichi Abe, and Ms. Kyoko Asakawa. The Company shall compensate the expenses described in Paragraph 1-1 and the losses in Paragraph 1-2 within the scope stipulated by laws and regulations. The Company will continue with the said Agreement with them if the election of each candidate is approved.
 5. The Company has entered into a directors and officers liability insurance contract set forth in Article 430-3, Paragraph 1 of the Companies Act with an insurance company to insure all of its Officers. The insurance policy covers legal damages and litigation expenses to be borne by the insureds. If the candidates are appointed as Director, each of them will be insured under the insurance contract. The Company plans to renew the insurance contract with the same conditions during their terms of office.



Reappointment

- Date of birth
November 29, 1965
(60 years old)
- Number of the
Company shares held
39,980 shares
- Terms of office as
Director
12 years (at the
conclusion of this
General Meeting)
- Attendance at the
Board of Directors
meetings
13/13 (100.0%)

Career summary, position and responsibilities in the Company and significant concurrent positions held

April 1989	Joined the Company
April 2007	General Manager of Metropolitan Area Construction Sales Department
April 2010	General Manager of Toukai Construction Sales Department
April 2012	Executive Officer and General Manager of Tenant Recruiting Management Department
June 2014	Director and Executive Officer, General Manager of Tenant Recruiting Management Department
April 2015	Director and Executive Officer, General Manager of Central Japan Construction Business Headquarters
April 2017	Director and General Manager of Real Estate Business Headquarters
April 2020	Managing Director and General Manager of West Japan Construction Business Headquarters
April 2021	Managing Director and General Manager of Construction Business Headquarters
April 2023	Representative Director and Chief Executive Officer, General Manager of Construction Business Headquarters
April 2024	Representative Director, CEO, General Manager of Construction Business Sales Headquarters
April 2026	Representative Director, CEO, General Manager of Construction Business Sales Headquarters and Tokyo Development Headquarters (current position)

Reason for nomination as candidate for Director

Mr. Takeuchi has long been involved in the Daito Group's core business, construction and real estate leasing businesses. Currently, while serving as CEO of the entire Daito Group, as the operating officer in the construction business, he is performing his duties to execute management strategies for the entire Group, and strengthen its business strategies in the metropolitan area, our priority sales area, among other initiatives. Furthermore, based on such experience and insights, he has fully performed his duties of business execution, making decisions on important matters at Board of Directors meetings and overseeing management.

Mr. Takeuchi, therefore, has been nominated as a candidate for Director based on the judgment that he will continue contributing to the further enhancement of the Daito Group's corporate value through the utilization of his abundant experience and insights and strong leadership in management.



Reappointment

- Date of birth
October 24, 1965
(60 years old)
- Number of the
Company shares held
15,105 shares
- Terms of office as
Director
5 years (at the
conclusion of this
General Meeting)
- Attendance at the
Board of Directors
meetings
13/13 (100.0%)

Career summary, position and responsibilities in the Company and significant concurrent positions held

February 1994	Joined the Company
April 2012	General Manager of Tenant Sales Promotion Department (in charge of East Japan Region)
April 2014	Director and General Manager of Credit Department, Daito Building Management Co., Ltd. (currently Daito Kentaku Partners Co., Ltd.)
April 2017	Executive Officer
June 2021	Representative Director and President, Daito Kentaku Leasing Co., Ltd. Director and Executive Officer,
April 2023	Representative Director and President, Daito Kentaku Leasing Co., Ltd. Director and Managing Executive Officer, General Manager of Real Estate Business Headquarters (current position) Representative Director and President, Daito Kentaku Partners Co., Ltd.

Reason for nomination as candidate for Director

Mr. Mori has long been involved in the real estate leasing business, the Daito Group's core business. Currently, as the operating officer of the real estate leasing business, he is performing his duties to formulate area strategies for sustainable growth and improve productivity through digital transformation in real estate operations, among other initiatives. Furthermore, based on such experience and insights, he has fully performed his duties of business execution, making decisions on important matters at Board of Directors meetings and overseeing management.

Mr. Mori, therefore, has been nominated as a candidate for Director based on the judgment that he will continue contributing to the further enhancement of the Daito Group's corporate value through the utilization of his abundant experience and insights in management.



Reappointment

- Date of birth
October 6, 1967
(58 years old)
- Number of the
Company shares held
8,070 shares
- Terms of office as
Director
3 years (at the
conclusion of this
General Meeting)
- Attendance at the
Board of Directors
meetings
13/13 (100.0%)

Career summary, position and responsibilities in the Company and significant concurrent positions held

October 1997	Joined Aoyama Audit Corporation
April 2002	Registered as a certified public accountant
September 2006	Joined PricewaterhouseCoopers Aarata
March 2011	Joined the Company
June 2013	Auditor, Housecom Co., Ltd.
April 2015	General Manager of Accounting Department
April 2020	Executive Officer and General Manager of Accounting Department
April 2023	Senior Executive Officer and General Manager of Finance and Accounting Department
June 2023	Director, Senior Executive Officer and General Manager of Finance and Accounting Department
April 2024	Director, Senior Executive Officer, CFO, General Manager of Corporate Management Headquarters and Group Finance and Accounting Department
April 2026	Director, Managing Executive Officer, CFO, General Manager of Corporate Management Headquarters (current position)

Reason for nomination as candidate for Director

Mr. Okamoto is qualified as a certified public accountant and has been involved in the finance and accounting departments of the Daito Group since he joined the Company. Currently, as CFO and the operating officer of internal control, he is performing his duties to develop the Group's finance strategies, and strengthen its internal control and corporate governance, among other initiatives. Furthermore, based on such experience and insights, he has fully performed his duties of business execution, making decisions on important matters at Board of Directors meetings and overseeing management. Mr. Okamoto, therefore, has been nominated as a candidate for Director based on the judgment that he will continue contributing to the further enhancement of the Daito Group's corporate value through the utilization of his abundant experience and insights and strong expertise in management.



Reappointment

- Date of birth
October 28, 1967
(58 years old)
- Number of the
Company shares held
8,240 shares
- Terms of office as
Director
3 years (at the
conclusion of this
General Meeting)
- Attendance at the
Board of Directors
meetings
13/13 (100.0%)

Career summary, position and responsibilities in the Company and significant concurrent positions held

March 1997	Joined the Company
April 2013	General Manager of Product Development Department
April 2014	General Manager of East Metropolitan Area Construction Business Department
April 2015	General Manager of West Metropolitan Area Construction Business Department
April 2016	General Manager of Product Development Department
April 2019	General Manager of Business Strategy Department
April 2021	Executive Officer and General Manager of Business Strategy Department
April 2023	Senior Executive Officer and General Manager of Real Estate Development Headquarters
June 2023	Director, Senior Executive Officer and General Manager of Real Estate Development Headquarters
April 2024	Director, Senior Executive Officer and General Manager of Business Development Headquarters
April 2026	Director and Managing Executive Officer, General Manager of Business Development Headquarters (current position)

Reason for nomination as candidate for Director

Mr. Amano has long been involved in the sales divisions of the construction business, the Daito Group's core business, the technology departments and the business strategy departments working on new businesses. Currently, as the operating officer of business development departments, he is performing his duties in real estate development, M&A activities both in Japan and overseas, and expansion into new business territories, among other initiatives. Furthermore, based on such experience and insights, he has fully performed his duties of business execution, making decisions on important matters at Board of Directors meetings and overseeing management.

Mr. Amano, therefore, has been nominated as a candidate for Director based on the judgment that he will continue contributing to the further enhancement of the Daito Group's corporate value through the utilization of his abundant experience and insights in management.



Reappointment

- Date of birth
May 8, 1968
(58 years old)
- Number of the
Company shares held
7,965 shares
- Terms of office as
Director
3 years (at the
conclusion of this
General Meeting)
- Attendance at the
Board of Directors
meetings
13/13 (100.0%)

Career summary, position and responsibilities in the Company and significant concurrent positions held

April 1991	Joined the Company
April 2018	General Manager of Sales Management Department
April 2019	General Manager of Chugoku and Shikoku Area Construction Business Department
April 2021	General Manager of Chugoku Area Construction Business Department
April 2022	Executive Officer and General Manager of Chugoku Area Construction Business Department
April 2023	Senior Executive Officer and General Manager of General Administration Headquarters
June 2023	Director, Senior Executive Officer and General Manager of General Administration Headquarters
April 2025	Director, Senior Executive Officer and General Manager of Human Resource Management Headquarters
April 2026	Director and Managing Executive Officer, General Manager of East Japan Construction Business Headquarters (current position)

Reason for nomination as candidate for Director

Mr. Tanaka has long been involved in the sales divisions of the construction business, the Daito Group's core business, as well as promoting human capital management in the HR department and general administration. Currently, as the operating officer responsible for overseeing the East Japan area, he is performing his duties to expand construction orders and reform sales and business processes, among other initiatives. Furthermore, based on such experience and insights, he has fully performed his duties of business execution, making decisions on important matters at Board of Directors meetings and overseeing management.

Mr. Tanaka, therefore, has been nominated as a candidate for Director based on the judgment that he will continue contributing to the further enhancement of the Daito Group's corporate value through the utilization of his abundant experience and insights in management.



Reappointment

- Date of birth
February 27, 1972
(54 years old)
- Number of the
Company shares held
5,760 shares
- Terms of office as
Director
1 year (at the
conclusion of this
General Meeting)
- Attendance at the
Board of Directors
meetings
10/10 (100.0%)

Career summary, position and responsibilities in the Company and significant concurrent positions held

April 1995	Joined the Company
April 2014	General Manager of Corporate Planning Division
April 2015	General Manager of Sales Planning Department
April 2018	General Manager of Real Estate Development Department
January 2021	Vice President and Director, INVALANCE Ltd.
April 2023	Executive Officer President and Representative Director, INVALANCE Ltd.
May 2025	Senior Executive Officer and General Manager of Construction Business Technical Headquarters
June 2025	Director and Senior Executive Officer, General Manager of Construction Business Technical Headquarters (current position)

Reason for nomination as candidate for Director

Mr. Takahashi was long involved in the construction and corporate planning divisions of the construction business, the Daito Group's core business, and has held a wide range of positions, including serving as President and Representative Director of INVALANCE Ltd., a subsidiary of the Company that plays a central role in the real estate development business. Currently, as the operating officer responsible for the technology division, he is performing his duties to establish a robust design and construction framework and implement the Daito Group's decarbonization and energy strategy, among other initiatives. Furthermore, based on such experience and insights, he has fully performed his duties of business execution, making decisions on important matters at Board of Directors meetings and overseeing management. Mr. Takahashi, therefore, has been nominated as a candidate for Director based on the judgment that he will continue contributing to the further enhancement of the Daito Group's corporate value through the utilization of his abundant experience and insights in management.



Reappointment
 Outside Director
 Independent Officer

- Date of birth
January 2, 1966
(60 years old)
- Number of the
Company shares held
0 shares
- Terms of office as
Outside Director
5 years (at the
conclusion of this
General Meeting)
- Attendance at the
Board of Directors
meetings
13/13 (100.0%)

Career summary, position and responsibilities in the Company and significant concurrent positions held

September 1988	Joined Barclays Securities Japan Limited
October 1992	Joined Inoue Saito Eiwa Audit Corporation (currently KPMG AZSA LLC.)
April 1998	Appointed to public prosecutor
September 2007	Registered with Daini Tokyo Bar Association; Atsumi & Sakai
July 2009	Tokyo Regional Taxation Bureau (fixed-term public employee)
July 2012	Atsumi & Sakai
January 2016	Joined Nagashima Ohno & Tsunematsu
March 2020	Outside Director and Audit & Supervisory Committee Member, AKARU-TASU HOLDINGS Co., Ltd. (current position)
June 2021	Outside Director, the Company (current position)
March 2022	Outside Audit & Supervisory Board Member, TRAINOCATE Holdings, Ltd.
July 2025	Representative Attorney, Iritani Law Office (current position)

Reason for nomination as candidate for Outside Director and outline of expected roles

Mr. Iritani has been engaged in crisis management operations such as financial legal affairs and compliance as an attorney, and has also been involved in audit operations at financial institutions as a certified public accountant. Thus, he has extensive experience and broad insights. Based on such experience and insights, Mr. Iritani is fully performing his duties of making decisions on important matters at Board of Directors meetings and overseeing business execution by providing sound advice from various perspectives. In addition, as Chairman of the Nominating and Remuneration Committee and the Governance Committee of the Company, he has proactively been involved in ensuring transparency and fairness of nomination and remuneration and strengthening corporate governance.

Therefore, Mr. Iritani has been nominated as a candidate for Outside Director in the expectation that he will continue to contribute to strengthening corporate governance, provide sound advice and supervise management, based on his strong expertise and experience.



Reappointment
Outside Director
Independent Officer

- Date of birth
August 31, 1965
(60 years old)
- Number of the
Company shares held
0 shares
- Terms of office as
Outside Director
2 years (at the
conclusion of this
General Meeting)
- Attendance at the
Board of Directors
meetings
13/13 (100.0%)

Career summary, position and responsibilities in the Company and significant concurrent positions held

April 1989	Joined Nippon Telegraph and Telephone Corporation
August 2001	Joined Recruit Group - Personnel Measurement Institute Co., Ltd.
April 2009	Executive Officer, Recruit Management Solutions Co., Ltd.
April 2013	Executive Officer, Recruit Career Co., Ltd.
July 2016	Advisor, TOKYO ICHIBAN FOODS CO., LTD. (current position)
June 2020	External Director, ARBEIT-TIMES CO., LTD.
May 2021	Outside Director, AEON MALL Co., Ltd.
January 2023	Outside Director, H.I.S. Co., Ltd. (current position)
June 2024	Outside Director, the Company (current position)

Reason for nomination as candidate for Outside Director and outline of expected roles

Ms. Owada has been engaged in the development and operations of HR tech at the Recruit Group, Hitachi, Ltd., and others, and has gained extensive insights in the areas of human resource systems and human resource strategies. In addition, she holds a British MBA and has assumed positions as advisor and outside director at listed companies. Thus, she has broad insights into corporate management. Based on such experience and insights, Ms. Owada is fully performing her duties of making decisions on important matters and overseeing management at Board of Directors meetings by providing sound advice from various perspectives.

Therefore, Ms. Owada has been nominated as a candidate for Outside Director with the expectation that she will continue to provide advice on the Company's human capital management and IT and DX strategies and supervise management, based on her abundant experience and insights.



Reappointment
Outside Director
Independent Officer

- Date of birth
February 21, 1953
(73 years old)
- Number of the
Company shares held
0 shares
- Terms of office as
Outside Director
1 year (at the
conclusion of this
General Meeting)
- Attendance at the
Board of Directors
meetings
10/10 (100.0%)

Career summary, position and responsibilities in the Company and significant concurrent positions held

April 1977	Joined Toray Industries, Inc.
June 2005	Vice President (Member of the Board), Toray Industries, Inc.
June 2009	Senior Vice President (Member of the Board), Toray Industries, Inc.
June 2011	Senior Vice President (Member of the Board & Member of the Executive Committee), Chief Technology Officer, Toray Industries, Inc.
June 2013	Senior Vice President and Representative Member of the Board, Chief Technology Officer, Toray Industries, Inc.
June 2014	Executive Vice President and Representative Member of the Board, Chief Technology Officer, Toray Industries, Inc.
June 2022	Executive Vice President, Toray Industries, Inc. Chairman and Representative Member of the Board, Toray Research Center, Inc.
June 2024	Advisor and Honorary Chief Technology Officer, Toray Industries, Inc. Special Advisor, Toray Research Center, Inc.
April 2025	Special Advisor, Linkers Corporation (current position)
April 2025	Special Advisor, NafiaS Inc. (current position)
May 2025	Director, KoA Kikaku Co., Ltd. (current position)
June 2025	Outside Director, the Company (current position)
December 2025	Senior Advisor, Dream Incubator Inc. (current position)

Reason for nomination as candidate for Outside Director and outline of expected roles

Mr. Abe has long engaged in corporate management at Toray Industries, Inc. and its group companies, and has abundant experience in management at listed companies and broad insight. He has contributed to steady implementation of the company's management vision and growth strategies. He has deep professional skills and knowledge, especially in research, technology, and all aspects of production technology. Based on such experience and insights, Mr. Abe is fully performing his duties of making decisions on important matters at Board of Directors meetings and overseeing management by providing sound advice from various perspectives.

Therefore, Mr. Abe has been nominated as a candidate for Outside Director with the expectation that he will continue to provide advice on the Company's management strategies and technical fields and supervise management, based on his abundant experience and insights.



Reappointment
 Outside Director
 Independent Officer

- Date of birth
 December 1, 1962
 (63 years old)
- Number of the
 Company shares held
 0 shares
- Terms of office as
 Outside Director
 1 year (at the
 conclusion of this
 General Meeting)
- Attendance at the
 Board of Directors
 meetings
 10/10 (100.0%)

Career summary, position and responsibilities in the Company and significant concurrent positions held

April 1985	Joined Ministry of Agriculture, Forestry and Fisheries
August 2015	Director-General of Resources Management Department, Fisheries Agency
July 2019	Director-General for Policy Coordination, Minister's Secretariat
August 2020	Deputy Director-General, Forestry Agency
April 2021	Director-General of Policy Research Institute, Ministry of Agriculture, Forestry and Fisheries
October 2023	Advisor (in charge of Sustainability Management Department), Meiji Holdings Co., Ltd. (current position)
June 2025	Outside Director, the Company (current position)

Reason for nomination as candidate for Outside Director and outline of expected roles

Ms. Asakawa has abundant experience and broad insight into government policies through her field work and in key positions at the Ministry of Agriculture, Forestry and Fisheries, the Fisheries Agency, the Forestry Agency and other organizations. She has contributed to the development of Japan's agriculture, forestry and fisheries industry through policy formulation in various fields, international negotiations, field management of national forests, and sales of cross-laminated timber (CLT). Furthermore, since retiring, she has been involved in promoting corporate sustainability at a business company as an Advisor. Based on such experience and insights, Ms. Asakawa is fully performing her duties of making decisions on important matters at Board of Directors meetings and overseeing management by providing sound advice from various perspectives.

Therefore, Ms. Asakawa has been nominated as a candidate for Outside Director with the expectation that she will continue to provide advice on the Company's sustainability promotion and new value creation in regional revitalization and supervise management, based on her abundant experience and insights.

[Reference] Composition of the Board of Directors if Proposal No. 3 is approved

Amidst a rapidly changing environment, the Company continues to provide all people with peace of mind in their lifestyle by realizing the Group's Purpose, VISION 2030, the Medium-Term Management Plan, and other goals. To that end, the Board of Directors, which spearheads corporate management, is composed of diverse talents who possess the following knowledge, experience, and abilities.

We expect each Director to demonstrate skills (knowledge and experience) in the following areas in particular. We believe that the Board of Directors as a whole is equipped with the necessary skills.

	Name	Expertise/Career	Corporate management	Business strategy/Marketing	Technology/R&D/Quality control	Finance/Accounting	Sustainability	Legal affairs/Compliance/Internal control	International/Overseas business	Human capital management	IT/DX
Directors	Kei Takeuchi Male	–	●	●	●			●		●	
	Yoshihiro Mori Male	–	●	●			●			●	●
	Tsukasa Okamoto Male	Certified public accountant	●			●		●			
	Yutaka Amano Male	–	●	●	●				●		
	Yoshimasa Tanaka Male	–	●				●			●	●
	Yutaka Takahashi Male	–	●	●	●						
	Atsushi Iritani Outside Director Male	Attorney/Certified public accountant Former prosecutor				●	●	●	●		
	Junko Owada Outside Director Female	Former corporate manager at a listed company						●	●	●	●
	Koichi Abe Outside Director Male	Former corporate manager at a listed company	●	●	●		●	●			
	Kyoko Asakawa Outside Director Female	Former government official		●	●		●	●			
Directors (Audit & Supervisory Committee Members)	Masa Matsushita Outside Director Male	Attorney Former corporate manager at a listed company	●	●		●		●	●		
	Shuji Kawai Male	–	●			●		●	●		
	Kenji Kobayashi Outside Director Male	Certified public accountant Corporate manager	●	●		●		●	●		
	Chieko Ouchi Outside Director Female	Former corporate manager at a listed company		●			●	●		●	

*The table above does not present all the knowledge possessed by each of the persons, but shows up to five areas which enable them to demonstrate more expertise based on their experience, etc.

Skills expected	Reason for selection
Corporate management	To appropriately and promptly identify opportunities and risks, and carry out appropriate decision-making and oversight aimed at sustainably increasing corporate value in a rapidly changing environment
Business strategy/Marketing	To understand from market changes the ideal form of a secure lifestyle, materialize services including new businesses, and provide them to customers
Technology/R&D/Quality control	To improve technology aimed at realizing a safe and secure lifestyle, and accurately realize and offer it to customers
Finance/Accounting	To generate cash flows through sustainable profit growth and effective use of assets, and strengthen a stable financial base based on business characteristics and risks
Sustainability	To solve social issues through ESG initiatives aimed at the realization of a sustainable society
Legal affairs/Compliance/Internal control	To establish internal control, accurately control risks, and ensure sound management activities through compliance with laws and regulations
International/Overseas business	To lead and manage business across borders in order to expand globally
Human capital management	To enhance the capabilities of employees, who are the source of corporate value improvement, and foster an organizational culture that allows them to fully utilize their capabilities
IT/DX	To employ the latest technology to improve productivity and efficiency and support the transformation of core businesses and the creation of new businesses

[Reference] Guidelines for Selecting Outside Officers

Outside Officers and Candidates as Outside Officers of the Company shall be selected from those who satisfy the following guidelines established by the Company.

1. Can directly supervise the discussions and decisions by the Board of Directors on, among others, management, corporate legal affairs, and governance issues;
2. Can reflect their own knowledge and insights in the development of a growth strategy, the establishment of a management strategy, the achievement of a mid-term business plan, etc.; and
3. Can provide advice and guidance on other corporate management issues based on their own knowledge, expertise and experience.

[Reference] Independence Criteria for Outside Officers

Outside Officers and Candidates as Outside Officers of the Company shall be selected from those who satisfy the following independence criteria established by the Company.

The following 1. applies to the present and for an indefinite past period and 2. through 5. apply to the present and for the period of past 10 years.

1. Persons related to the Daito Group
Not a director (excluding outside directors), audit & supervisory board member (excluding outside audit & supervisory board member), accounting advisor, executive officer, or employee (hereinafter “director, etc.”) of any subsidiary (Note 1) or affiliate (Note 2) of the Company (hereinafter the “the Daito Group”).
2. Persons with voting rights
 - (1) Not a shareholder holding 10% or more of the voting rights in the Company or a director, etc., of such a shareholder; and
 - (2) Not a director, etc., of a company in which the Daito Group holds 10% or more of the voting rights.
3. Persons with a trade relationship
 - (1) Not a director, etc., of a company with which the Daito Group has carried out transactions in the total amount that is equivalent to 2% or more of the consolidated net sales of either party;
 - (2) Not a director, etc., of a financial institution that is a major lender (with a lending balance equivalent to 2% or more of the consolidated total assets of the Company) to the Daito Group; and
 - (3) Not a director, etc., of a lead underwriter of the Daito Group.
4. Providers of expert services (lawyers, certified public accountants, consultants, etc.)
 - (1) Not a certified public accountant who is an accounting auditor of the Daito Group, or partner or employee of an audit firm; and
 - (2) Not a person who receives a total annual fee of 10 million yen or more from the Daito Group as a lawyer, certified public accountant, tax accountant or any other consultant in addition to the remuneration he/she receives from the Daito Group as a Director or Audit & Supervisory Board Member.
5. Others
 - (1) Not a relative within the second degree of kinship of any of the persons listed in 1 through 4 above (excluding those who are not significant);
 - (2) Not a director, etc., of a company with which the Daito Group has a relationship in which officers are exchanged between the parties; and
 - (3) Not a director, etc., of a company with which the Daito Group has a cross-holding of shares.

(Notes)

1. A “subsidiary” is a subsidiary prescribed in Article 8, Paragraph 3 of the Ordinance on Terminology, Forms and Preparation of Financial Statements, etc.
2. An “affiliate” is an affiliate prescribed in Article 8, Paragraph 5 of the Ordinance on Terminology, Forms and Preparation of Financial Statements, etc.

(Appendix) Business Report

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

1. Current State of Enterprise Group

(1) Business Progress and Results

(i) Overview of Business Environment

During the fiscal year ended March 31, 2026, the Japanese economy remained resilient overall, supported by steady capital investment and private consumption underpinned by wage increases. However, uncertainty persists in the domestic and international business environment, with rising interest rates and the continuing depreciation of the yen, as well as concerns about the trend in material prices amid heightened tensions in the Middle East.

New housing starts decreased by 12.8% year-on-year to 711,171 on a cumulative basis for the period from April 2025 to March 2026, and the number of housing starts of rental residential properties, on which the Daito Group is focused, was also sluggish at 308,906, a decrease of 13.4% year-on-year, partly due to the impact of revisions to the review standards under the Building Standards Act.

In this business environment, in line with “New Challenges as a Group,” which is the basic policy of the Medium-Term Management Plan (FY2024 to FY2026), the Group promoted human capital management and worked to secure orders and improved profitability in the Construction Business, expanded revenue from managed stock and maintained and improved occupancy rates in the Real Estate Leasing Business, and further strengthened and expanded the Real Estate Development Business, which is a focus area.

(ii) Overview of Daito Group

During the fiscal year ended March 31, 2026, the Company recorded net sales of 1,984,743 million yen (up 7.7% year-on-year), operating profit of 135,256 million yen (up 13.8% year-on-year), ordinary profit of 139,169 million yen (up 7.5% year-on-year), and profit attributable to owners of parent of 99,030 million yen (up 5.5% year-on-year).




■ Segment Sales

Other Business

(Financial Business + Other Businesses)

4.6%


90.2 billion yen

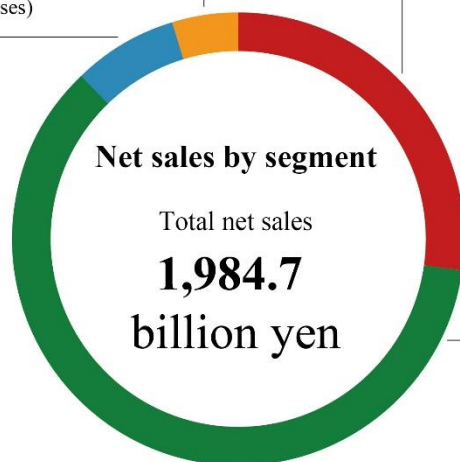
Up 5.7% year-on-year 

**Real Estate
Development Business**

7.4%

147.0 billion yen


Up 186.5% year-on-year 



Construction Business

27.4%


544.2 billion yen

Up 0.6% year-on-year 

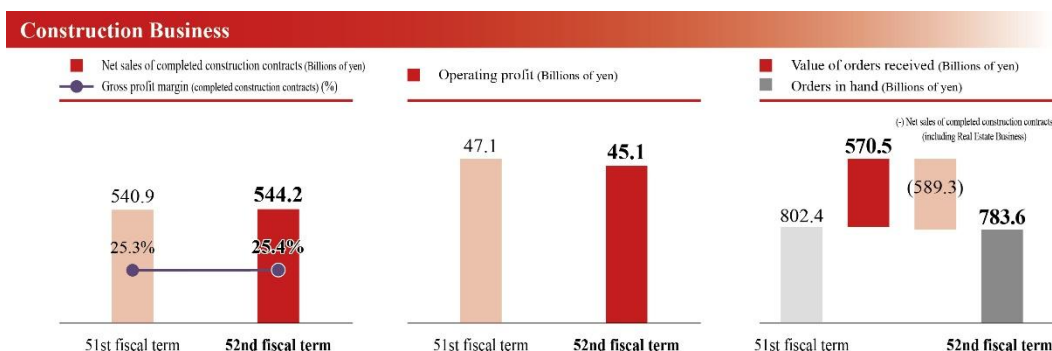
**Real Estate
Leasing Business**

60.6%

1,203.0 billion yen

Up 3.3% year-on-year 

(iii) Progress and Results by Segment



■ Net sales of completed construction contracts increased by 0.6% year-on-year to 544,283 million yen and gross profit on completed construction contracts increased by 1.0% year-on-year to 138,187 million yen, resulting from the steady progress in construction. While the gross profit margin for completed construction contracts increased by 0.1 point year-on-year to 25.4%, operating profit decreased by 4.2% year-on-year to 45,148 million yen due to higher personnel expenses.

■ Orders received decreased by 4.4% year-on-year to 570,514 million yen, mainly due to the review of the sales area considering the rising construction costs and the tenant placement situation. Orders in hand as of March 31, 2026 decreased by 2.3% year-on-year to 783,634 million yen.

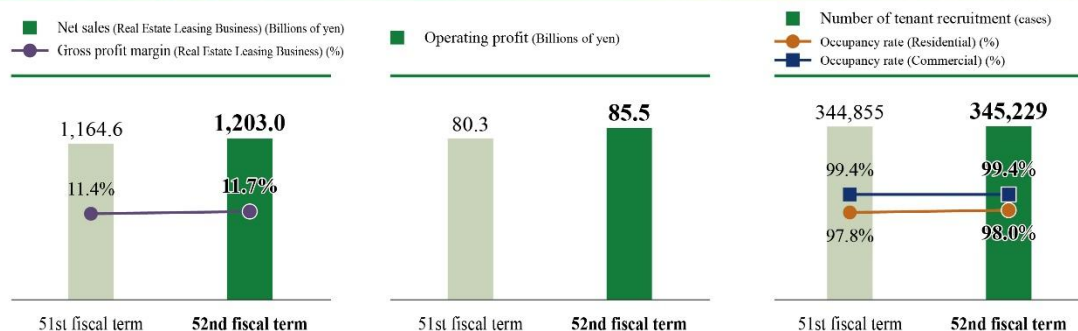
[Future Initiatives]

We will continue to shift our sales areas to urban areas where higher rents can be commanded, in response to rising construction costs and interest rates, and to strengthen sales to high-net-worth individuals through referrals from financial institutions and tax accountants.

In addition, we will continue to actively work to provide environmentally friendly rental housing, such as cross-laminated timber (CLT) housing and net zero energy house (ZEH).



Real Estate Leasing Business



■ Net sales in real estate leasing business increased by 3.3% year-on-year to 1,203,091 million yen, and operating profit increased by 6.5% year-on-year to 85,554 million yen. This is mainly due to an increase in rental revenues from Daito Kentaku Partners Co., Ltd., which handles whole-building lease operations, resulting from an increase in whole-building lease properties under our Lease Management Trust System and high occupancy rates.

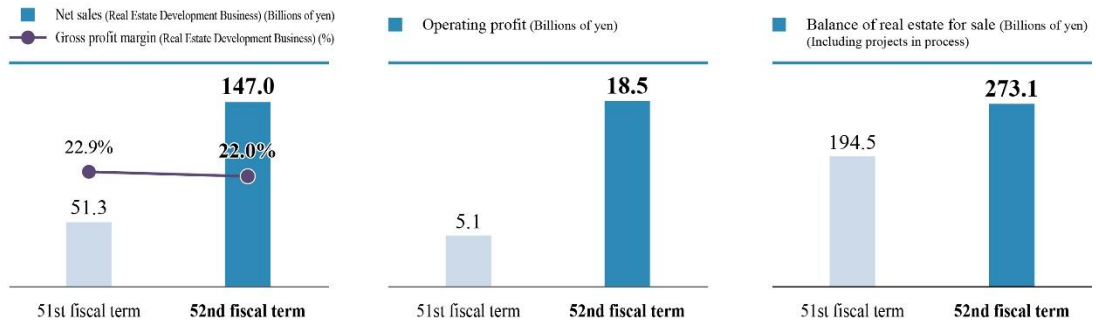
■ The number of tenant recruitment increased by 0.1% year-on-year to 345,229. The rent basis occupancy rate of our leased residential properties as of March 31, 2026 increased 0.2 points year-on-year to 98.0%, and the rent basis occupancy rate of our leased commercial properties remained flat year-on-year at 99.4%.

[Future Initiatives]

The leasing brokerage business has been performing steadily, driven by an increase in franchise stores operating under the leasing brokerage brand “E-Heya Net.” Going forward, we will work to further improve profitability by strengthening collaboration within the Group and promoting the efficiency of marketing and leasing brokerage operations through DX.



Real Estate Development Business



■ Net sales in real estate development business increased by 186.5% year-on-year to 147,083 million yen and operating profit increased by 259.8% year-on-year to 18,535 million yen mainly due to the effect of the consolidation of Ascot Corp. as a subsidiary and the increase in the number of income-generating properties sold.

■ The number of investment-purpose condominiums sold increased by 102.3% year-on-year to 1,471 units, the number of income-generating properties sold increased by 122.2% year-on-year to 120 units and 252.8% year-on-year to 127 units in the purchase and resale business and in the development and sale business, respectively. As a result, the balance of real estate for sale increased 42.3% year-on-year to 273,174 million yen.

[Future Initiatives]

We will continue to expand the supply of rental housing, our core product, through diverse sales methods, including the purchase and renovation for resale of existing apartments and development sales in which land and newly built apartments are sold as a package, while leveraging the know-how of developers within the Group to promote the development and sales of non-residential properties, such as logistics facilities, hotels, and healthcare facilities.



Other Business (Financial Business and Other Businesses)



■ Net sales increased by 5.7% year-on-year to 90,283 million yen, mainly due to an increase in the total number of operating meters in the gas supply business and an increase in the number of day care service users in the nursing care business. On the other hand, operating profit decreased by 1.8% year-on-year to 19,519 million yen due to upfront costs associated with the opening of new facilities in the nursing care and childcare business.

■ The cumulative number of housing units with gas supply, including LP gas and town gas, increased by 4.4% year-on-year to 536,000 units. In addition, Care Partner Co., Ltd. opened 15 new group homes, bringing the total number of welfare facilities to 120 (up 14.3% year-on-year).

[Future Initiatives]

We have actively promoted sales of group homes for the elderly as part of the Construction Business. Once these buildings are completed, Care Partner, one of our group companies, will handle tenant recruitment and operations.

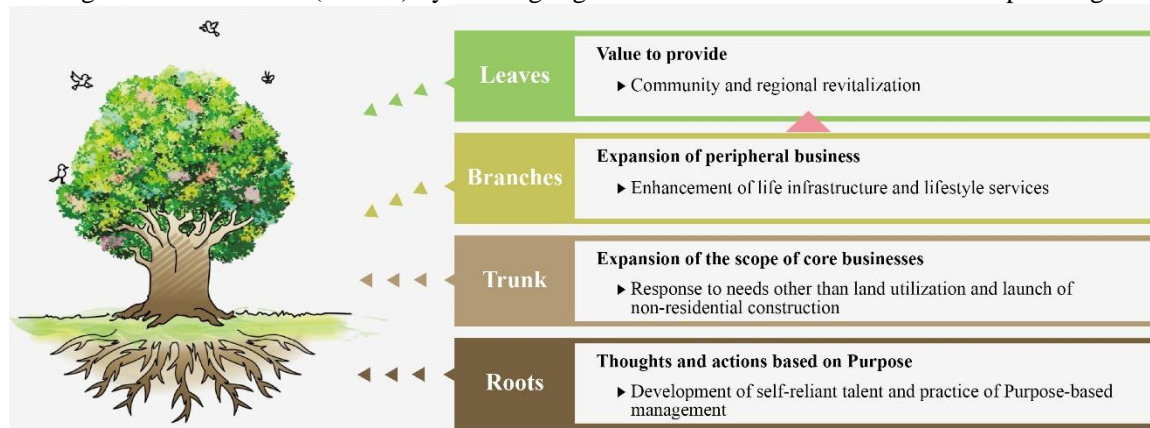
We will continue to expand our business areas by pursuing further synergies within the Group, while adapting to changes in society.



(2) Future Outlook and Business Strategies

■ Overall picture of “DAITO Group VISION 2030”

The Daito Group marked its 50th anniversary in 2023, and as a new step on the path to the next 50 years toward reaching the mark of a 100-year Group, we have created the image of what we want to be in 2030 as the “DAITO Group VISION 2030.” Under VISION 2030, we will maximize the power of employees grounded in thoughts and actions based on our Purpose (Roots) and expand the scope of our core businesses (Trunk) and life infrastructure and lifestyle services (Branches). Furthermore, we aim to achieve community and regional revitalization (Leaves) by creating organic links between a solid trunk and spreading branches.



■ Positioning of the Medium-Term Management Plan

In 2024, we developed a new Medium-Term Management Plan for the initial three years (from FY2024 to FY2026) of our roadmap to achieve the “DAITO Group VISION 2030.” Under the slogan of “New Challenges as a Group,” we are promoting management to maximize our corporate value toward 2030.



■ Outline of the Medium-Term Management Plan

The Medium-Term Management Plan is centered around three pillars: promotion of human capital management, establishment of a strong core business and tackling new focus areas. In the plans for FY 2026, the final year of the plan, we project sales of 2.05 trillion yen and operating profit of 142.0 billion yen, both exceeding the initial targets set at the start of the Medium-Term Management Plan of 2.0 trillion yen in net sales and 140.0 billion yen in operating profit.

1	Promote human capital management: Enhancement of [employees' ease of work] and [job satisfaction] → Maximizing the power of employees	<ul style="list-style-type: none"> • Granting stocks to employees • Initiatives aimed at resolving social issues 	<ul style="list-style-type: none"> • Developing a work environment where everyone can thrive
2	Establish a strong core business	<ul style="list-style-type: none"> • Responding to major social changes • Maintaining and expanding construction volumes 	<ul style="list-style-type: none"> • Creating a virtuous circle from stock to flow
3	Tackle focus areas of the Medium-Term Management Plan	<ul style="list-style-type: none"> • Expanding real estate development business • Expanding overseas business 	<ul style="list-style-type: none"> • Promoting community development unique to the Daito Group

■ FY2026 targets

Net sales	2.05 trillion yen	Operating profit	142.0 billion yen	ROE	20.0%
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■ Key management indicators

Key Indicators		Medium-term Management Plan Targets and Policies
Financials	Equity ratio	Maintaining 35% or above
	Debt-to-equity ratio	Maintaining 0.3 or below
	Long-term debt	Procurement as required
Investment	Capital investment	60.0 billion yen or more in 3 years (of which, 30.0 billion yen or more in IT and DX)
	Business investment	100.0 billion yen or more in 3 years
Shareholder Returns	Payout ratio	Dividend 50%
	Acquisition of treasury stock	Implemented on a flexible basis (to be determined on a single-fiscal-year basis)
Non-financials	Employee engagement score	62.0 (AA)
	Percentage of female management personnel	10.0%
	Number of project partnerships with municipalities	10 hubs
	Greenhouse gas emissions reduction rate	41%
	Percentage of female directors	20%

■ Initiatives toward the Medium-Term Management Plan

(1) Promote human capital management: enhancement of employees' ease of work and job satisfaction

- We have worked to create an environment where employees can achieve a healthy work-life balance. As part of these efforts, we have expanded our support systems to ensure employees can continue working with peace of mind, including the provision of a lump-sum payment of 1 million yen when an employee is diagnosed with cancer and a support allowance for employees taking childcare or nursing care leave. We have also implemented a base salary increase for the third consecutive year, working to enhance employees' ease of work and job satisfaction.
- In terms of initiatives related to SDGs, our efforts in supplying ZEH rental housing and operating biomass power plants have been recognized, and we have been selected as a CDP* AAA-rated company, the highest rating. We will continue to promote initiatives aimed at achieving 100% renewable energy usage at our offices.
- As a result of these initiatives, the score for the employee engagement survey reached 64.9 points for the fiscal year under review, significantly exceeding the Medium-Term Management Plan target of 60.7 points and marking a record high. We will continue to strive to maximize the power of all employees of the Group and increase corporate value while enhancing employees' ease of work and job satisfaction.

* An international NGO that assesses companies' responses to climate change and their information disclosure.



(2) Establish a strong core business

- As the market environment for the Company changes rapidly due to rising prices compounded by the impact of international conditions, with construction costs, rents, and interest rates, the three key factors affecting the viability of rental housing management for our owners have risen significantly over the past several years, and this trend is expected to continue. In this environment, we believe that adapting to changes in the business environment is key to further strengthening our core rental housing business.
- During the fiscal year under review, we optimized our sales activities based on area characteristics and shifted our priority sales areas to major metropolitan areas and the centers of regional cities where stable future leasing demand and continued rent increases are expected. We also promoted proposals for the rebuilding of aging properties that have reached the appropriate age for rebuilding, working to expand our managed stock.
- Furthermore, in response to the diversification of customer needs, “real estate sales,” in which land and rental housing are sold as a package, have been growing in addition to our traditional construction orders. Going forward, we will expand the supply of rental housing through two approaches: construction orders and real estate sales.



(3) Tackle focus areas of the Medium-Term Management Plan

- In the real estate development business, we have welcomed developers with strengths in condominium development and land acquisition centered on the metropolitan area, including Ascot Corp., into the Daito Group, and by incorporating the development capabilities of each group company, have diversified the types of properties we handle to include commercial facilities, apartment hotels, and logistics facilities. Going forward, we will leverage the Group's strengths to expand our development properties.
- In our overseas business, as the first step on our roadmap toward becoming the world's No. 1 in managed units, we have launched a purchase, renovation, and resale business in the United States. During the fiscal year under review, we advanced the procurement of existing properties and improved their added value through renovation. Going forward, we will focus on selling properties while strengthening collaboration with local companies to drive business expansion.
- We are advancing the development of the first community development project, "Chiba Zoological Park ZEH Town," in Chiba City, Chiba Prefecture. In collaboration with Chiba City and the Ministry of the Environment, we are aiming to create a "regional zero carbon electricity" community development model, the first privately led initiative of its kind in Japan, with a planned opening in FY2028. In addition, specific projects have also been launched in multiple regions across Japan, and we will continue to collaborate with local governments and different industries to carry out community development that is unique to the Daito Group.



(3) Capital Investment, etc.

In the fiscal year ended March 31, 2026, total capital investment amounted to 33,380 million yen, which primarily consisted of installation of solar power generation facilities and LP gas facilities.

(4) Financing

Given the expiration of commitment line agreements, the Daito Group has again executed commitment line agreements worth 40.0 billion yen (for a period of one year) during the fiscal year under review for the purpose of securing stable and flexible methods for fund procurement and further stabilizing the financial base.

(5) Trends in Assets and Income

(i) Trends in Assets and Income of Enterprise Group

Category	49th fiscal term: Fiscal year ended March 31, 2023	50th fiscal term: Fiscal year ended March 31, 2024	51st fiscal term: Fiscal year ended March 31, 2025	52nd fiscal term: Fiscal year ended March 31, 2026 (under review)
Net sales (million yen)	1,657,626	1,731,467	1,842,357	1,984,743
Operating profit (million yen)	100,000	104,819	118,875	135,256
Ordinary profit (million yen)	103,898	108,720	129,455	139,169
Profit attributable to owners of parent (million yen)	70,361	74,685	93,858	99,030
Basic earnings per share (yen)	206.21	222.12	285.66	299.01
Total assets (million yen)	1,061,909	1,080,069	1,221,992	1,367,502
Net assets (million yen)	404,933	405,800	467,365	496,598

(Note) The Company carried out a 5-for-1 stock split of its common shares, with an effective date of October 1, 2025. "Basic earnings per share" are calculated assuming that the stock split was conducted at the beginning of the 49th fiscal term.

(ii) Trends in Assets and Income of the Company

Category	49th fiscal term: Fiscal year ended March 31, 2023	50th fiscal term: Fiscal year ended March 31, 2024	51st fiscal term: Fiscal year ended March 31, 2025	52nd fiscal term: Fiscal year ended March 31, 2026 (under review)
Net sales (million yen)	470,003	506,384	552,061	577,799
Operating profit (million yen)	3,859	8,046	19,750	18,713
Ordinary profit (million yen)	55,820	62,881	108,361	94,711
Profit (million yen)	59,219	58,627	99,914	86,665
Basic earnings per share (yen)	173.56	174.36	304.09	261.67
Total assets (million yen)	686,272	684,797	762,514	861,079
Net assets (million yen)	153,913	134,456	203,290	216,854

(Note) The Company carried out a 5-for-1 stock split of its common shares, with an effective date of October 1, 2025. "Basic earnings per share" are calculated assuming that the stock split was conducted at the beginning of the 49th fiscal term.

2. The Company's Stock

- (1) Number of shares authorized 1,378,000,000 shares
- (2) Number of shares issued 326,133,691 shares
(excluding treasury stock: 18,461,204 shares)
- (3) Number of shareholders 33,945 shareholders
- (4) Principal shareholders

Name of shareholder	Number of shares owned (thousand shares)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	47,025	14.42%
STATE STREET BANK AND TRUST COMPANY 505001	19,941	6.11%
HIKARI TSUSHIN, INC.	18,557	5.69%
Custody Bank of Japan, Ltd. (Trust account)	18,427	5.65%
NORTHERN TRUST CO. (AVFC) RE SILCHESTER INTERNATIONAL INVESTORS INTERNATIONAL VALUE EQUITY TRUST	13,191	4.04%
Co-op Suppliers' Stock Holding	8,183	2.51%
Daito Trust Construction Employees' Shareholding Association	8,013	2.46%
NORTHERN TRUST CO. (AVFC) RE U. S. TAX EXEMPTED PENSION FUNDS	7,758	2.38%
JPMorgan Securities Japan Co., Ltd.	6,906	2.12%
NORTHERN TRUST CO. (AVFC) RE NON TREATY CLIENTS ACCOUNT	6,379	1.96%

- (Notes) 1. Shareholding ratio is calculated after deducting treasury stock (18,461 thousand shares).
2. The Company holds 18,461 thousand shares of treasury stock, excluding 1,258 thousand shares held by the J-ESOP and 517 thousand shares held by the Board Incentive Plan (BIP).

(5) Shares transferred to the Company's officers as compensation for execution of their duties during the fiscal year under review

Category	Number of shares	Number of persons who are subject to transfer
Directors (excluding Outside Directors)	33,540 shares	6 persons

- (Note) Part of transferred shares were converted into money in the Board Incentive Plan and the amount equivalent to the conversion were delivered.

3. Corporate Officers

(1) Names, etc., of Directors

Position	Name	Responsibilities and Significant Concurrent Positions Held
Representative Director	Kei Takeuchi	Chief Executive Officer General Manager of Construction Business Sales Headquarters Committee Member of Nominating and Remuneration Committee Committee Member of Governance Committee
Director	Yoshihiro Mori	Managing Executive Officer General Manager of Real Estate Business Headquarters Committee Member of Governance Committee
Director	Tsukasa Okamoto	Senior Executive Officer, CFO, General Manager of Corporate Management Headquarters and Group Finance and Accounting Department Committee Member of Governance Committee
Director	Yutaka Amano	Senior Executive Officer General Manager of Business Development Headquarters
Director	Yoshimasa Tanaka	Senior Executive Officer General Manager of Human Resource Management Headquarters
Director	Yutaka Takahashi	Senior Executive Officer General Manager of Construction Business Technical Headquarters
Director (Outside)	Atsushi Iritani	Chairman of Nominating and Remuneration Committee Chairman of Governance Committee Representative Attorney, Iritani Law Office Outside Director and Audit & Supervisory Committee Member, AKARU-TASU HOLDINGS Co., Ltd.
Director (Outside)	Junko Owada	Committee Member of Nominating and Remuneration Committee Committee Member of Governance Committee Outside Director, H.I.S. Co., Ltd.
Director (Outside)	Koichi Abe	Committee Member of Nominating and Remuneration Committee Committee Member of Governance Committee Director, KoA Kikaku Co., Ltd.
Director (Outside)	Kyoko Asakawa	Committee Member of Nominating and Remuneration Committee Committee Member of Governance Committee
Director (Outside) (Standing Audit & Supervisory Committee Member)	Masa Matsushita	Chairman of Audit & Supervisory Committee Committee Member of Governance Committee Outside Director, Cypress Holdings, Inc. Outside Auditor, TEHARA Industry Co., Ltd. Outside Auditor, Asilla, Inc.
Director (Audit & Supervisory Committee Member)	Shuji Kawai	Committee Member of Governance Committee
Director (Outside) (Audit & Supervisory Committee Member)	Kenji Kobayashi	Committee Member of Governance Committee Representative, Kenji Kobayashi Certified Public Accountant Office Joint CEO, BVCJ, Co., Ltd. Outside Auditor, Hotel Management International K.K.
Director (Outside) (Audit & Supervisory Committee Member)	Chieko Ouchi	Committee Member of Governance Committee Outside Director, nosh Co., Ltd. Outside Director, Kyodo Printing Co., Ltd.

- (Notes)
1. Mr. Yutaka Takahashi, Mr. Koichi Abe, and Ms. Kyoko Asakawa were newly elected and appointed as Directors at the 51st Ordinary General Meeting of Shareholders of the Company held on June 26, 2025.
 2. Mr. Masafumi Tate retired upon expiration of his term as Director at the conclusion of the 51st Ordinary General Meeting of Shareholders of the Company held on June 26, 2025.
 3. Mr. Takashi Shoda retired upon expiration of his term as Director who is an Audit & Supervisory Committee Member at the conclusion of the 51st Ordinary General Meeting of Shareholders of the Company held on June 26, 2025.
 4. Mr. Atsushi Iritani, Ms. Junko Owada, Mr. Koichi Abe, Ms. Kyoko Asakawa, Mr. Masa Matsushita, Mr. Kenji Kobayashi, and Ms. Chieko Ouchi are Outside Directors.
 5. Audit & Supervisory Committee Member Mr. Kenji Kobayashi is qualified as Certified Public Accountant and has considerable financial and accounting knowledge.
 6. The Company has designated Directors Mr. Atsushi Iritani, Ms. Junko Owada, Mr. Koichi Abe, Ms. Kyoko Asakawa, Mr. Masa Matsushita, Mr. Kenji Kobayashi, and Ms. Chieko Ouchi as independent officers under the provisions set forth by the Tokyo Stock Exchange and the Nagoya Stock Exchange and has notified said Exchanges accordingly.
 7. The Company has selected Mr. Masa Matsushita and as standing Audit & Supervisory Committee Member in order to enable information gathering from Directors (excluding Audit & Supervisory Committee

Members), information sharing at the important internal meetings and sufficient cooperation between the internal auditing department and Audit & Supervisory Committee and to strengthen the audit and supervisory functions of Audit & Supervisory Committee Members.

8. Changes in Directors' positions, responsibilities and significant concurrent positions held after the last date of the fiscal year are as follows.

Position	Name	Responsibilities and Significant Concurrent Positions Held
Representative Director	Kei Takeuchi	Chief Executive Officer General Manager of Construction Business Sales Headquarters General Manager of Tokyo Development Headquarters Committee Member of Nominating and Remuneration Committee Committee Member of Governance Committee
Director	Tsukasa Okamoto	Managing Executive Officer, CFO General Manager of Corporate Management Headquarters Committee Member of Governance Committee
Director	Yoshimasa Tanaka	Managing Executive Officer General Manager of East Japan Construction Business Headquarters

(2) Outline of Limited Liability Agreements

The Company has entered into a Limited Liability Agreement with all of its Directors (excluding those who serve as Executive Directors, etc.), the outline of which is as described below:

- In the event that the Company bears liability for damages caused by neglect of the duty of Director (excluding those who serve as Executive Director, etc.), the liability amount shall be the minimum amount set forth in Article 425, Paragraph 1 of the Companies Act.
- The limited liability stated above shall be applicable only when the Director (excluding those who serve as Executive Director, etc.) performs his or her duty in good faith and without material negligence.

(3) Outline of Indemnity Agreement

The Company has entered into an Indemnity Agreement set forth in Article 430-2, Paragraph 1 of the Companies Act with Mr. Kei Takeuchi, Mr. Yoshihiro Mori, Mr. Tsukasa Okamoto, Mr. Yutaka Amano, Mr. Yoshimasa Tanaka, Mr. Yutaka Takahashi, Mr. Atsushi Iritani, Ms. Junko Owada, Mr. Koichi Abe, Ms. Kyoko Asakawa, Mr. Masa Matsushita, Mr. Shuji Kawai, Mr. Kenji Kobayashi, and Ms. Chieko Ouchi. The Company shall compensate the expenses described in Paragraph 1-1 and the losses in Paragraph 1-2 within the scope stipulated by laws and regulations. However, the Company stipulates that indemnity is unpaid in case of their performing his or her duty in bad faith or with material negligence.

(4) Outline of Directors and Officers Liability Insurance Contract

The Company has entered into a directors and officers liability insurance contract set forth in Article 430-3, Paragraph 1 of the Companies Act with an insurance company to insure all of Directors and Audit & Supervisory Board Members of the Company and its subsidiaries. The insurance premiums are fully borne by the Company. The insurance policy covers legal damages and litigation expenses to be borne by the insureds.

(5) Remuneration of Directors for the fiscal year under review

(i) Determination policy for remuneration of individual Directors

At the Board of Directors meeting held in April 2025, the Company prescribed a determination policy for remuneration, etc. of individual Directors (excluding Directors who are Audit & Supervisory Committee Members) and the outline is as below. Remuneration, etc. for Directors who are Audit & Supervisory Committee Members shall be determined pursuant to the deliberation by Directors who are Audit & Supervisory Committee Members within the scope of the amount approved at the General Meeting of Shareholders.

a. Basic policy for remuneration of officers

Regarding remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) of the Company, we shall make a simple remuneration plan with the function of incentives contributing to mid- to long- term enhancement of corporate value to achieve the Company's management policy. At the same time, remuneration requires a level to maintain the speed of corporate reform of the Company and to gain and maintain excellent human resources to contribute to sustainable growth. Specifically, the basic policy is as follows:

- Incentive systems to strongly promote the achievement of the Company's management policy
- Strengthening the awareness of contribution to improvement in corporate performance and enhancement of corporate value
- Sharing of common interests with shareholders and investors
- Competitive compared with the remuneration level of similar scale enterprises in Japan and at a level to gain and maintain excellent human resources
- Remuneration determination process with high transparency and objectivity and fulfilling accountability to stakeholders

b. Remuneration level

Remuneration level shall be set to be competitive by researching and analyzing the level of benchmark enterprises by utilizing the database of external research institutions, while considering the Company's management conditions, etc.

c. Composition of Remuneration

Based on the basic policy above, the composition of remuneration focuses on incentives. Specifically, the remuneration of Directors (excluding Outside Directors) is composed of basic remuneration, performance-linked bonuses and stock compensation and its proportion is 1 : 0.6 : 1 (in case of 100% of achievement rate for performance targets). In the future, the target proportion is 1 : 2-3 : 2-3.

Meanwhile, for Outside Directors (excluding Directors who are Audit & Supervisory Committee Members), remuneration is composed of basic remuneration and stock compensation. However, remuneration is not linked to performance considering their roles are to supervise the business executors appropriately.

(ii) Resolution by the General Meeting of Shareholders on remuneration of Directors

a. Remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members)

Monetary remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members) is capped at 2.0 billion yen per year (including Outside Director remuneration capped at 100 million yen) as the total of basic remuneration and performance-linked bonuses, as resolved at the 49th Ordinary General Meeting of Shareholders of the Company held on June 27, 2023. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) as of the resolution at the said General Meeting of Shareholders was eight (including two Outside Directors).

Separately from the aforementioned amount of monetary remuneration, stock compensation of Directors (excluding Directors who are Audit & Supervisory Committee Members) is capped at 1,200,000 points (number of shares) to be granted to Directors for a three-year covered period (including 10,500 points for Outside Directors) (provided that the granting of points is conditional upon the achievement of certain conditions set by the Company based on the Medium-Term Management Plan, etc. at that time; for the period from the fiscal year ended March 31, 2026 to the fiscal year ending March 31, 2027, the conditions are ROE of 20% or higher and a payout ratio of 50% or higher) or 3.3 billion yen in cash (including 30 million yen for Outside Directors) which is contributed to the Board Incentive Plan (BIP), as resolved at the 51st Ordinary General Meeting of Shareholders of the Company held on June 26, 2025. The number of Directors (excluding Directors who are Audit & Supervisory Committee Members) as of the resolution at the said General Meeting of Shareholders was ten (including four Outside Directors).

b. Remuneration of Directors who are Audit & Supervisory Committee Members

Directors who are Audit & Supervisory Committee Members' monetary remuneration is capped at 200 million yen per year as resolved at the 49th Ordinary General Meeting of Shareholders of the Company held on June 27, 2023. The number of Directors who are Audit & Supervisory Committee Members at the resolution of the said General Meeting of Shareholders was four (including three Outside Audit & Supervisory Committee Members).

(iii) Delegation of authority to determine remuneration for individual Directors

For the fiscal year under review, the Company resolved at the Board of Directors' meeting held on June 26, 2025 to delegate the authority of determining remuneration for individual Directors to Mr. Kei Takeuchi serving as Representative Director.

The delegation authorizes the Representative Director to give final approval to the results of the mutual evaluations of Directors, and evaluations of individual Directors made upon consulting the Nominating and Remuneration Committee and receiving its recommendations. Based on these evaluation results, the amount of basic remuneration, bonuses, and the number of shares to be allotted as stock compensation to individual Directors are determined.

The Company delegated the authority as above because the Representative Director is the most suitable for evaluating performance of the whole Company and business execution of each Director.

In order to ensure that the authority is properly exercised by the Representative Director, the Board of Directors consulted the Nominating and Remuneration Committee and received its recommendations on the evaluations of each Director and the draft of remuneration amounts.

(iv) Amount of Remuneration, etc., of Directors

Category	Number of persons paid	Basic remuneration	Performance-linked Bonuses	Stock compensation	Total
Directors (other than Audit & Supervisory Committee Members) [of which, Outside Directors]	12 [5]	¥366 million [¥56 million]	¥215 million [-]	¥310 million [¥4 million]	¥892 million [¥60 million]
Directors (Audit & Supervisory Committee Members) [of which, Outside Directors]	5 [4]	¥111 million [¥78 million]	- [-]	- [-]	¥111 million [¥78 million]
Total [of which, Outside officers]	17 [9]	¥477 million [¥134 million]	¥215 million [-]	¥310 million [¥4 million]	¥1,003 million [¥139 million]

- (Notes)1. The amount paid to Directors indicated in the above table does not include the employee salary portion of Directors concurrently serving as employees.
2. Stock compensation granted to Outside Directors (excluding Directors who are Audit & Supervisory Committee Members) are non-performance-linked and fixed in consideration of their roles.
3. The headcount as of the end of the fiscal year under review is fourteen (14) Directors, including four (4) Directors who are Audit & Supervisory Committee Members.

(v) Details of remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members)

a. Basic remuneration

For Executive Directors, basic remuneration based on job titles is granted monthly. For Outside Directors, basic remuneration based on their duties is granted monthly.

b. Performance-linked bonuses (short-term performance-linked monetary remuneration)

Bonuses on performance are granted during the specified period annually as short-term incentives in each fiscal term according to the achievement rate of targets with the range of 0 % to 130 %. However, the bonuses shall be granted within the ranges of multiplying the consolidated profit (profit attributable to owners of parent) by a specific ratio to share common interests with shareholders. The bonuses are not payable if consolidated profit for the fiscal year under review falls short of 50.0 billion yen.

The evaluation indicators to measure the achievement of targets are selected based on the Medium-Term Management Plan and materiality, and care is taken to ensure that the bonuses serve as appropriate incentive remuneration toward the achievement of the Medium-Term Management Plan and materiality by incorporating non-financial indicators and individual evaluations in addition to financial indicators.

The evaluation indicators and results for the fiscal year under review are shown in the “Structure of performance-linked remuneration, evaluation indicators, results, etc. for the fiscal year under review” below.

c. Stock compensation (medium- to long-term performance-linked non-monetary remuneration)

In place of the previous stock option scheme as stock-linked compensation, the Company introduced a medium- to long-term performance-linked stock compensation plan pursuant to the resolution passed at the 45th Ordinary General Meeting of Shareholders of the Company held on June 25, 2019, for the purpose of raising Directors' willingness to contribute to the medium- to long-term improvement in the financial performance and enhancement of the enterprise value of the Company by clarifying the linkage between the financial performance and the shareholder value of the Company and sharing of common interests with shareholders.

The plan was subsequently partially amended pursuant to resolutions passed at the 49th Ordinary General Meeting of Shareholders held on June 27, 2023, and the 51st Ordinary General Meeting of Shareholders held on June 26, 2025, respectively, resulting in the current stock compensation plan.

The plan covers the three consecutive fiscal years (hereinafter referred to as the "Covered Period"). The initial Covered Period following the revision (hereinafter referred to as the "Initial Target Period after Revision") shall be the two fiscal years remaining in the Company's current Medium-Term Management Plan (from the fiscal year ended March 31, 2026 to the fiscal year ending March 31, 2027).

The Company will contribute up to a total of 3.3 billion yen (including 30 million yen for Outside Directors) per Covered Period (up to 2.2 billion yen (including 20 million yen for Outside Directors) for the Initial Target Period after Revision (two fiscal years)) as compensation to Directors, etc. to establish the trust (BIP Trust) with a trust period of three years (two years for the Initial Target Period after Revision), the beneficiaries of which are Directors, etc. who meet the beneficiary requirements. The trust will acquire Company shares from the stock market or from the Company (through new share issuance or disposal of treasury shares, excluding treasury shares acquired for the purpose of cancellation as shareholder returns) in accordance with the instructions of the trust administrator, using the contributed funds as the source of funds. The Company will grant points to Directors, etc. during the trust period, and the trust will transfer and deliver Company Shares, etc. to Directors, etc.

The plan is comprised of a performance-linked portion and a non-performance-linked portion. Executive Directors, etc. will be granted points under both 1) the performance-linked portion and 2) the non-performance-linked portion, while Outside Directors will be granted points under 2) the non-performance-linked portion, according to the cumulative value of each type of points. The granting of points under 1) and 2) to Executive Directors, etc. is conditional upon the achievement of certain conditions set by the Company based on the Medium-Term Management plan, etc. (For the Initial Target Period after Revision, the conditions will continue to be the achievement of ROE 20% and a payout ratio of 50%; for any subsequent Covered Periods, the conditions will be decided separately by the Board of Directors after deliberation by the Nomination and Remuneration Committee based on the Company's Medium-Term Management Plan, etc. at that time, and the details will be appropriately disclosed.)

1) Performance-linked portion

Points to be determined based on job titles are granted every year during the trust period and are multiplied by the achievement level of the Company's performance targets, etc. after the expiry of the Covered Period. The transfer and delivery of Company Shares, etc. related to the performance-linked portion shall be made after the expiry of the Covered Period (or upon a certain time after the retirement of the position, if an Executive Director, etc. resigns during the trust period).

2) Non-performance-linked portion

Points to be determined based on job titles are granted every year during the trust period. The transfer and delivery of Company Shares, etc. related to the non-performance-linked portion shall be made upon a certain time after the retirement of Directors, etc.

One point shall be equivalent to one share of the Company's common shares; provided, however, that, if the Company shares held in the trust increase or decrease due to a stock split, a gratis allotment of shares, a consolidation of shares, etc., the Company will adjust the number of Company shares to be

transferred and delivered per point according to the rate of such increase or decrease.

Upon the expiry of the Initial Target Period after Revision, the Company plans to continue the plan by setting up a new trust or amending the trust agreement and making an additional trust (such amendment to the trust agreement and additional trust, if any, shall be deemed equivalent to the establishment of the trust).

In the case of the plan being continued by amending the trust agreement, the trust period shall be extended for three years as the new Covered Period. The Company shall make an additional contribution within the total amount of 3.3 billion yen (including 30 million yen for Outside Directors) for each extended trust period and continue to grant points to Directors, etc. during such extended trust period, whereas the Trust shall continue to transfer and deliver the Company Shares, etc. to Directors, etc. during such extended trust period; provided, however, that, in the case such additional contribution is made, if the Company Shares, etc. and money remain in the trust property at the end of the trust period before such extension (excluding the Company Shares, etc. that correspond to the points granted but have not been transferred and delivered to Directors, etc.) (hereinafter referred to as “Remaining Shares, etc.”), the total amount of such Remaining Shares, etc., and the trust money to be additionally contributed by the Company shall be within the range of 3.3 billion yen (including 30 million yen for Outside Directors).

In addition, if Directors, etc. who may potentially meet the beneficiary requirements are still in office at the end of the trust period, no further points will be granted to such Directors, etc. thereafter; however, the trust period may be extended for a maximum of 10 years until the transfer and delivery of Company Shares, etc. to such Directors, etc. is completed.

The evaluation indicators and results for the fiscal year under review are shown in the “Structure of performance-linked remuneration, evaluation indicators, results, etc. for the fiscal year under review” below.

(vi) Forfeiture, etc. of compensation, etc.

In case of the resolution of the Board of Directors for a retrospective amendment to account settlement due to material error or misconduct in accounting, or the judgement of the Board of Directors to admit the occurrence of a material violation of the delegation contracts between the Company and the Director during the Director’s office, the Nominating and Remuneration Committee is consulted by Board of Directors, and deliberates whether to confiscate all or part of the right to receive bonuses or stock compensation (malus) or not, whether to demand the return of all or part of the granted bonuses and stock compensation (clawback) or not, and shall make recommendations to Board of Directors based on the result. In addition, if a Director moves to the competing company without the Company’s permission, the Nominating and Remuneration Committee will be consulted by the Board of Directors, and shall deliberate whether to demand the return of all or part of stock compensation or not, and shall make recommendations to Board of Directors based on the result.

The Board of Directors shall resolve whether to confiscate all or part of the right to receive bonuses or stock compensation or not, whether to demand the return of all or part of the granted bonuses and stock compensation to the Director or not, considering the recommendation results from Nominating and Remuneration Committee.

(Reference) Structure of performance-linked remuneration, evaluation indicators, results, etc. for the fiscal year under review

Type		Evaluation indicator	Evaluation method	Result of the fiscal year under review	Evaluation coefficient
Performance-linked bonuses	Financials	Consolidated profit	Payment condition: Consolidated profit of 50.0 billion yen or more	99.0 billion yen	Achieved
		Consolidated operating profit	Achievement rate compared with the targets at the beginning of the term	108.2%	1.12
	Non-financials	Key sales indicators	Determined based on a table in accordance with the results of key sales indicators of construction business and real estate leasing business	–	1.25
		Percentage of providing ZEH	Achievement rate compared with the targets at the beginning of the term	103.4%	1.05
		Employee engagement score (Note) 1	Determined based on a table in accordance with the results	64.9 (AA)	1.20
		Compliance penetration level		91.8%	1.10
	–	Individual evaluation (Note) 2	Determined based on individual performance results and Directors' mutual evaluation	–	–
Stock compensation	Financials	• ROE • Payout ratio	Payment condition: ROE of 20% or higher and payout ratio of 50% or higher	20.5% 50%	Achieved
		Growth rate of consolidated operating profit	Determined based on a table in accordance with the results (average during the covered period)	113.8%	1.23
	Non-financials	Achievement rate of CO ₂ emissions reduction target (Note) 3	Determined based on a table in accordance with the results (evaluation coefficient is the average during the covered period)	75.8%	0.59
		Percentage of female management personnel		9.8%	1.10
		Employee engagement score (Note) 1		64.9 (AA)	1.30
		Compliance penetration level		91.8%	1.10

- (Notes) 1. Outcomes from an employee engagement survey conducted by an external organization are used as results.
2. The Nominating and Remuneration Committee leads the initiative of Directors' mutual evaluation to ensure transparency.
3. Refers to the achievement rate of CO₂ emissions reduction target compared with CO₂ emissions in FY2017. The results were determined for the period of 12 months from January through December last year.

(6) Outside Officers**(i) Important concurrent positions and relationship with the Company****a. Outside Directors**

Name	Parties with which important concurrent positions are held and details of positions held concurrently	Relationship between such parties and the Company
Atsushi Iritani	Representative Attorney, Iritani Law Office	There is no special relationship between these parties and the Company.
	Outside Director and Audit & Supervisory Committee Member, AKARU-TASU HOLDINGS Co., Ltd.	
Junko Owada	Outside Director, H.I.S. Co., Ltd.	There is no special relationship between these parties and the Company.
Koichi Abe	Director, KoA Kikaku Co., Ltd.	There is no special relationship between these parties and the Company.
Kyoko Asakawa	—	—

b. Outside Directors (Audit & Supervisory Committee Members)

Name	Parties with which important concurrent positions are held and details of positions held concurrently	Relationship between such parties and the Company
Masa Matsushita	Outside Director, Cypress Holdings, Inc.	There is no special relationship between these parties and the Company.
	Outside Auditor, TEHARA Industry Co., Ltd.	
	Outside Auditor, Asilla, Inc.	
Kenji Kobayashi	Representative, Kenji Kobayashi Certified Public Accountant Office	There is no special relationship between these parties and the Company.
	Joint CEO, BVCJ, Co., Ltd.	
	Outside Auditor, Hotel Management International K.K.	
Chieko Ouchi	Outside Director, nosh Co., Ltd.	There is no special relationship between these parties and the Company.
	Outside Director, Kyodo Printing Co., Ltd.	

(ii) Main activities during the fiscal year under review

a. Outside Directors

Name	Attendance at Board of Directors meetings (Attendance ratio)	Main activities and outline of duties performed in expected roles
Atsushi Iritani	13 times out of 13 meetings (100.0%)	<p>In the Board of Directors meetings, he actively stated opinions by making the most of his extensive experience and insights of legal affairs, compliance and others, thereby fulfilling the role expected of him in important decision-making and supervision of management.</p> <p>In addition, as Chairman of the Nominating and Remuneration Committee, he was proactively involved in ensuring transparency and fairness of nomination and remuneration. As Chairman of the Governance Committee, he was also proactively involved in strengthening the Company's corporate governance.</p>
Junko Owada	13 times out of 13 meetings (100.0%)	<p>In the Board of Directors meetings, she actively stated opinions by making the most of her extensive experience and insights in human resource strategies, IT/DX and others, thereby fulfilling the role expected of her in important decision-making and supervision of management.</p> <p>In addition, as a Committee Member of the Nominating and Remuneration Committee, she was involved in ensuring transparency and fairness of nomination and remuneration. As a Committee Member of the Governance Committee, she was also involved in strengthening the Company's corporate governance.</p>
Koichi Abe	10 times out of 10 meetings (100.0%)	<p>In the Board of Directors meetings, he actively stated opinions by making the most of his extensive experience and insights of corporate management, technology development and others, thereby fulfilling the role expected of him in important decision-making and supervision of management.</p> <p>In addition, as a Committee Member of the Nominating and Remuneration Committee, he was involved in ensuring transparency and fairness of nomination and remuneration. As a Committee Member of the Governance Committee, he was also involved in strengthening the Company's corporate governance.</p>
Kyoko Asakawa	10 times out of 10 meetings (100.0%)	<p>In the Board of Directors meetings, she actively stated opinions by making the most of her extensive experience and insights of government policies and others, thereby fulfilling the role expected of her in important decision-making and supervision of management.</p> <p>In addition, as a Committee Member of the Nominating and Remuneration Committee, she was involved in ensuring transparency and fairness of nomination and remuneration. As a Committee Member of the Governance Committee, she was also involved in strengthening the Company's corporate governance.</p>

b. Outside Directors (Audit & Supervisory Committee Members)

Name	Attendance at Board of Directors meetings (Attendance ratio)	Attendance at Audit & Supervisory Committee meetings (Attendance ratio)	Main activities and outline of duties performed in expected roles
Masa Matsushita	13 times out of 13 meetings (100.0%)	14 times out of 14 meetings (100.0%)	<p>In the Board of Directors meetings, he actively stated his opinions based on his extensive experience and insights in corporate legal affairs and finance, thereby fulfilling the role expected of him in important decision-making and supervision of management.</p> <p>In the Audit & Supervisory Committee meetings, he actively exchanged opinions on audit policies as Chairman of the Audit & Supervisory Committee, and proactively conducted audits as Standing Audit & Supervisory Committee Member, through actions such as attending important internal meetings and visiting key offices and subsidiaries.</p> <p>In addition, as a Committee Member of the Governance Committee, he was involved in strengthening the Company's corporate governance.</p>
Kenji Kobayashi	13 times out of 13 meetings (100.0%)	14 times out of 14 meetings (100.0%)	<p>In the Board of Directors meetings, he actively stated his opinions by making the most of his extensive experience and insights in finance and accounting and corporate management, thereby fulfilling the role expected of him in important decision-making and supervision of management.</p> <p>In the Audit & Supervisory Committee meetings, he actively exchanged opinions on audit policies and proactively conducted audits through actions such as interviews with Executive Directors.</p> <p>In addition, as a Committee Member of the Governance Committee, he was involved in strengthening the Company's corporate governance.</p>
Chieko Ouchi	13 times out of 13 meetings (100.0%)	11 times out of 11 meetings (100.0%)	<p>In the Board of Directors meetings, she actively stated her opinions by making the most of her extensive experience and insights in corporate management and human resource management, thereby fulfilling the role expected of her in important decision-making and supervision of management.</p> <p>In the Audit & Supervisory Committee meetings, she actively exchanged opinions on audit policies and proactively conducted audits through actions such as interviews with Executive Directors.</p> <p>In addition, as a Committee Member of the Governance Committee, she was involved in strengthening the Company's corporate governance.</p>

(iii) Family Relationships of Outside Directors and Outside Audit & Supervisory Committee Members

None of the Outside Directors or Outside Audit & Supervisory Committee Members is an executive person of a subsidiary, associate or major business partner of the Company, or a spouse, any family within the third degree of kinship of a Director or Audit & Supervisory Committee Member of the Company or a similar person.

4. Company Structure and Policies

Policy on determination of cash dividends, etc.

The Company recognizes adequate profit return to shareholders as one of the most important management matters. For dividends, the Company aims to set the payout ratio at 50%, as a means of returning profits based on consolidated business performance.

In each term, the Company will examine acquisitions of treasury stock in comprehensive consideration of the business environment, stock market trends, financial positions, investment for growth, etc.

It was resolved at the 49th Ordinary General Meeting of Shareholders of the Company held on June 27, 2023 that the Company may determine cash dividends, etc. by a resolution of the Board of Directors as well as by a resolution of a General Meeting of Shareholders. However, as a general principle, we will determine year-end dividends by a resolution of an Ordinary General Meeting of Shareholders to secure an opportunity to directly listen to the intentions of our shareholders.

Consolidated Balance Sheet

(Millions of yen)

Assets			Liabilities		
Account item	(Reference) 51st Fiscal Term (As of March 31, 2025)	52nd Fiscal Term (As of March 31, 2026)	Account item	(Reference) 51st Fiscal Term (As of March 31, 2025)	52nd Fiscal Term (As of March 31, 2026)
Current assets:	753,861	883,594	Current liabilities:	410,833	403,413
Cash and deposits	235,890	275,045	Accounts payable for construction contracts	53,216	56,092
Accounts receivable from completed construction contracts and other	69,842	82,451	Short-term borrowings	9,311	13,468
Securities	3,006	1,290	Current portion of long-term borrowings	58,681	38,429
Real estate for sale	90,694	139,240	Lease liabilities	224	273
Real estate for sale in process	101,168	133,934	Income taxes payable	28,393	27,557
Costs on construction contracts in progress	17,007	17,178	Advances received on construction contracts in progress	49,751	44,467
Real estate for sale and development projects in progress	8,631	8,284	Advances received	120,180	124,765
Other inventories	8,567	8,273	Provision for bonuses	28,654	30,848
Prepaid expenses	81,748	82,045	Provision for warranties for completed construction	1,069	1,120
Operating loans	108,449	103,989	Provision for loss on construction contracts	1,308	525
Other	29,390	32,356	Deposits received	10,198	11,339
Allowance for doubtful accounts	(536)	(495)	Other	49,841	54,525
Non-current assets:	468,131	483,908	Non-current liabilities:	343,793	467,490
Property, plant and equipment	184,280	195,051	Bonds payable	11,100	11,000
Buildings and structures	63,562	66,690	Long-term borrowings	44,530	170,458
Machinery and equipment	52,175	57,647	Lease liabilities	629	544
Tools, furniture and fixtures	1,544	1,823	Deferred tax liabilities	677	307
Land	64,359	65,114	Provision for repairs on whole-building lease	229,105	234,722
Lease assets	705	682	Retirement benefit liability	13,939	8,639
Other	1,932	3,092	Long-term guarantee deposits	30,102	30,643
Intangible assets	36,936	36,042	Other	13,708	11,174
Goodwill	14,281	12,913			
Other	22,655	23,129			
Investments and other assets	246,914	252,813	Total liabilities	754,626	870,903
Investment securities	44,160	44,818			
Subordinated bonds and subordinated trust beneficiary right	3,436	3,337	Net Assets		
Money held in trust	44,072	47,692	Shareholders' equity:	464,286	489,802
Deferred tax assets	114,215	116,670	Share capital	29,060	29,060
Other	48,446	48,351	Capital surplus	32,621	32,493
Allowance for doubtful accounts	(7,418)	(8,055)	Retained earnings	445,821	493,606
			Treasury shares	(43,217)	(65,358)
			Accumulated other comprehensive income	2,103	6,498
			Valuation difference on available-for-sale securities	269	(328)
			Deferred gains or losses on hedges	81	729
			Revaluation reserve for land	(7,584)	(7,584)
			Foreign currency translation adjustment	9,407	10,699
			Remeasurements of defined benefit plans	(71)	2,982
			Share acquisition rights	56	50
			Non-controlling interests	918	247
			Total net assets	467,365	496,598
Total assets	1,221,992	1,367,502	Total liabilities and net assets	1,221,992	1,367,502

Consolidated Statement of Income

(Millions of yen)

Account item	(Reference) 51st Fiscal Term (From April 1, 2024 to March 31, 2025)		52nd Fiscal Term (From April 1, 2025 to March 31, 2026)	
Net sales				
Net sales of completed construction contracts	540,975		544,283	
Sales in real estate lease business	1,164,672		1,203,091	
Sales in real estate development business	51,329		147,083	
Sales in other businesses	85,380	1,842,357	90,283	1,984,743
Cost of sales				
Cost of sales of completed construction contracts	404,134		406,095	
Cost of sales in real estate lease business	1,031,682		1,062,273	
Cost of sales in real estate development business	39,563		114,757	
Cost of sales in other businesses	51,120	1,526,501	54,564	1,637,691
Gross profit				
Gross profit on completed construction contracts	136,841		138,187	
Gross profit - real estate lease business	132,989		140,818	
Gross profit - real estate development business	11,766		32,326	
Gross profit - other business	34,259	315,856	35,719	347,051
Selling, general and administrative expenses		196,981		211,795
Operating profit		118,875		135,256
Non-operating income				
Interest income	842		1,534	
Dividend income	515		205	
Commission income	3,501		3,539	
Share of profit of entities accounted for using equity method	697		566	
Foreign exchange gains	4,775		1,396	
Miscellaneous income	1,739	12,072	2,077	9,320
Non-operating expenses				
Interest expenses	611		3,266	
Provision of allowance for doubtful accounts	0		0	
Commission expenses	119		1,342	
Miscellaneous expenses	761	1,491	797	5,407
Ordinary profit		129,455		139,169
Extraordinary income				
Gain on sale of non-current assets	146		221	
Gain on sale of investment securities	4,543		11	
Gain on sale of shares of subsidiaries and associates	-	4,689	378	611
Extraordinary losses				
Loss on sale and retirement of non-current assets	334		212	
Impairment losses	3,178		496	
Loss on sale of investment securities	21		-	
Loss on valuation of investment securities	555	4,090	530	1,239
Profit before income taxes		130,055		138,541
Income taxes - current	42,827		43,986	
Income taxes - deferred	(6,506)	36,320	(4,435)	39,551
Profit		93,734		98,990
Profit (loss) attributable to non-controlling interests		(123)		(40)
Profit attributable to owners of parent		93,858		99,030

Non-consolidated Balance Sheet

(Millions of yen)

Assets			Liabilities		
Account item	(Reference) 51st Fiscal Term (As of March 31, 2025)	52nd Fiscal Term (As of March 31, 2026)	Account item	(Reference) 51st Fiscal Term (As of March 31, 2025)	52nd Fiscal Term (As of March 31, 2026)
Current assets:	452,404	535,941	Current liabilities:	520,770	496,299
Cash and deposits	151,960	177,478	Accounts payable for construction contracts	37,554	38,703
Accounts receivable from completed construction contracts and other	44,901	55,582	Current portion of long-term borrowings	48,750	20,722
Securities	3,006	1,290	Lease liabilities	44	38
Real estate for sale	24,456	31,886	Accounts payable - other	21,058	24,288
Real estate for sale in process	29,568	25,452	Income taxes payable	10,456	5,955
Costs on construction contracts in progress	16,364	16,368	Accrued consumption taxes	3,453	3,438
Real estate for sale and development projects in progress	8,631	8,284	Advances received on construction contracts in progress	48,355	42,676
Raw materials and supplies	6,255	5,783	Advances received	12,876	12,402
Short-term loans receivable from subsidiaries and affiliates	152,887	197,035	Deposits received	317,998	328,055
Prepaid expenses	1,877	2,150	Provision for bonuses	16,869	17,465
Accounts receivable - other	5,963	6,510	Provision for warranties for completed construction	1,013	1,077
Advances paid	4,618	5,091	Provision for loss on construction contracts	1,304	498
Other	2,372	3,443	Other	1,035	975
Allowance for doubtful accounts	(459)	(418)	Non-current liabilities:	38,453	147,925
Non-current assets:	310,109	325,137	Bonds payable	11,000	11,000
Property, plant and equipment	64,889	71,129	Long-term borrowings	6,075	119,272
Buildings	15,680	19,027	Lease liabilities	84	86
Structures	587	713	Provision for retirement benefits	8,558	7,671
Machinery and equipment	13	12	Other	12,735	9,894
Tools, furniture and fixtures and other	454	623	Total liabilities	559,224	644,224
Land	47,065	48,002	Net Assets		
Lease assets	118	115	Shareholders' equity:	210,697	223,976
Construction in progress	969	2,635	Share capital	29,060	29,060
Intangible assets	14,336	13,960	Capital surplus	34,540	34,540
Software	10,085	12,494	Legal capital surplus	34,540	34,540
Software in progress	4,028	1,164	Retained earnings	190,313	225,733
Other	222	301	Legal retained earnings	7,265	7,265
Investments and other assets	230,883	240,047	Other retained earnings	183,048	218,468
Investment securities	20,189	19,352	Reserve for open innovation promotion	-	78
Subordinated bonds and subordinated trust beneficiary right	3,436	3,337	Retained earnings brought forward	183,048	218,389
Money held in trust	33,069	36,680	Treasury shares	(43,217)	(65,358)
Stocks of subsidiaries and affiliates	113,769	115,793	Valuation and translation adjustments:	(7,464)	(7,172)
Long-term loans receivable from subsidiaries and affiliates	2,059	500	Valuation difference on available-for-sale securities	38	(317)
Deferred tax assets	17,265	17,760	Deferred gains or losses on hedges	81	729
Guarantee deposits	8,803	8,854	Revaluation reserve for land	(7,584)	(7,584)
Other	33,131	38,253	Share acquisition rights	56	50
Allowance for doubtful accounts	(841)	(486)	Total net assets	203,290	216,854
Total assets	762,514	861,079	Total liabilities and net assets	762,514	861,079

Non-consolidated Statement of Income

(Millions of yen)

Account item	(Reference) 51st Fiscal Term (From April 1, 2024 to March 31, 2025)		52nd Fiscal Term (From April 1, 2025 to March 31, 2026)	
Net sales				
Net sales of completed construction contracts	532,823		545,279	
Sales on real estate business, etc.	19,238	552,061	32,520	577,799
Cost of sales				
Cost of sales of completed construction contracts	397,464		406,073	
Cost of sales on real estate business, etc.	13,134	410,599	23,115	429,189
Gross profit				
Gross profit on completed construction contracts	135,358		139,205	
Gross profit-real estate business, etc.	6,103	141,462	9,404	148,610
Selling, general and administrative expenses		121,711		129,896
Operating profit		19,750		18,713
Non-operating income				
Interest income	771		2,487	
Interest on securities	26		469	
Dividend income	78,291		70,140	
Commission income	2,834		2,853	
Miscellaneous income	7,743	89,666	3,884	79,835
Non-operating expenses				
Interest expenses	475		2,602	
Commission expenses	119		838	
Interest on bonds	50		50	
Loss on extinguishment of share-based payment expenses	120		92	
Miscellaneous expenses	288	1,055	253	3,837
Ordinary profit		108,361		94,711
Extraordinary income				
Gain on sale of non-current assets	87		42	
Gain on sale of investment securities	4,430	4,517	1	43
Extraordinary losses				
Loss on sale and retirement of non-current assets	75		50	
Loss on sale of investment securities	-		342	
Loss on valuation of investment securities	563		530	
Impairment losses	2,969	3,608	77	1,000
Profit before income taxes		109,270		93,754
Income taxes - current	10,562		7,721	
Income taxes - deferred	(1,206)	9,356	(632)	7,089
Profit		99,914		86,665