Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

July 31, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: Daito Trust Construction Co., Ltd.
Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
Securities code: 1878
URL: https://www.kentaku.co.jp
Representative: Kei Takeuchi, Representative Director, CEO
Inquiries: Tsukasa Okamoto, Director, Managing Executive Officer, General Manager of Corporate Management Headquarters and CFO
Telephone: +81-3-6718-9111
Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and securities analysts)

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

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	480,116	0.4	39,384	15.5	39,812	13.4	23,678	(1.8)
June 30, 2025	478,250	7.4	34,100	0.7	35,095	(0.5)	24,103	(0.7)

Note: Comprehensive income For the three months ended June 30, 2026: ¥23,268 million [13.2%]
For the three months ended June 30, 2025: ¥20,553 million [(19.6)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	72.68	72.64
June 30, 2025	72.72	72.72

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” and “Diluted earnings per share” are calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	1,387,599	495,676	35.8	1,523.67
March 31, 2026	1,367,502	496,598	36.5	1,534.24

Reference: Equity
As of June 30, 2026: ¥497,024 million
As of March 31, 2026: ¥499,571 million

Note: The Company carried out a 5-for-1 stock split of its common shares, with an effective date of October 1, 2025. “Net assets per share” is calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	342.00	–	82.00	–
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		81.00	–	82.00	163.00

(Notes)

1. Revisions to the forecast of cash dividends most recently announced: None
2. The Company carried out a 5-for-1 stock split of its common shares, with an effective date of October 1, 2025. The amount of the final dividend per share for FY2025 takes into account the effect of the split, and the total annual dividend is shown as "–." If the stock split were taken into account, the second quarter-end dividend for FY2025 would be ¥68.40 and the total annual dividend would be ¥150.40.

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	990,000	3.2	70,000	0.9	69,000	(3.3)	61,000	22.3	184.00
Full year	2,050,000	3.3	142,000	5.0	140,000	0.6	108,000	9.1	326.00

Note: Revisions to the forecast of financial results most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None
Newly included: – companies
Excluded: – companies

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

(3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2026	344,594,895 shares
As of March 31, 2026	344,594,895 shares

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

As of June 30, 2026	18,393,219 shares
As of March 31, 2026	18,979,084 shares

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

Three months ended June 30, 2026	325,788,023 shares
Three months ended June 30, 2025	331,439,715 shares

Note: The Company carried out a 5-for-1 stock split of its common shares, with an effective date of October 1, 2025. “Average number of shares outstanding during the period” is calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts and other special matters

- The earnings forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results and outcomes may differ materially due to various factors. For information on the assumptions for the earnings forecasts and notes on the use of the earnings forecasts, please refer to "1. Overview of Operating Results, etc., (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information" on page 3 of the Attachments.
- The Company is scheduled to hold a financial results briefing for institutional investors and securities analysts on Friday, July 31, 2026. The materials used in this briefing, the presentation (audio), and the Q&A notes will be posted on the Company's website promptly after the briefing.
- In the consolidated balance sheet at the end of the previous fiscal year and the end of the three months ended June 30, 2026, the Company's shares held by a Japanese version of the Employee Stock Ownership Plan (J-ESOP) Trust, the Employee Stock Ownership Plan (ESOP) Trust, and Directors' Compensation Board Incentive Plan (BIP) Trust are recorded as treasury shares. However, the Company's shares held by the trusts that the Company entered into agreements with prior to March 31, 2014 are not considered to be treasury shares when calculating basic earnings per share, diluted earnings per share, equity-to-asset ratio, net assets per share, equity, number of treasury shares at the end of the period, and average number of shares outstanding during the period (cumulative from the beginning of the fiscal year).

  At the end of the previous fiscal year and the end of the three months ended June 30, 2026, the Company's shares held by the J-ESOP Trust that the Company entered into an agreement with prior to March 31, 2014 are as follows:

End of the previous fiscal year:	1,258,100 shares, ¥3,269 million
End of the three months ended June 30, 2026:	780,905 shares, ¥2,241 million

Table of Contents - Attachments

1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Three Months Ended June 30, 2026

During the three months ended June 30, 2026, the Japanese economy remained on a gradual recovery path against the backdrop of improvements in the income and employment environment. However, the outlook remains uncertain, with the yen continuing to weaken, prices and raw materials costs remaining high, and concerns about heightened tensions in the Middle East.

New housing starts increased by 21.1% year-on-year to 120,446 on a (most recently announced) cumulative basis for the period from April 2026 to May 2026, and the number of housing starts of rental residential properties, on which the Daito Group is focused, also increased by 24.2% year-on-year to 54,440. Since the number of housing starts decreased in the same period of the previous fiscal year due to the impact of the revision of the Building Standards Act and the enforcement of the Building Energy Efficiency Act, the year-on-year increase included the impact of an increase from said decrease.

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) whose aim is achieving “town revitalization/regional revitalization” under the long-term vision for 2030, “DAITO Group VISION 2030,” the Group promoted human capital management (balancing ease of work and job satisfaction), which is positioned as the first priority of the plan, and promoted measures to improve profit margin in the Construction Business, expanded revenue from managed stock and maintained high occupancy rates in the Real Estate Leasing Business, and further strengthened earnings of the Real Estate Development Business, which is a focus area.

(Overview of the three months ended June 30, 2026)

The Group recorded net sales of 480,116 million yen (up 0.4% year-on-year), operating profit of 39,384 million yen (up 15.5% year-on-year), ordinary profit of 39,812 million yen (up 13.4% year-on-year) , and profit attributable to owners of parent was 23,678 million yen (down 1.8% year-on-year) primarily due to recording of loss on valuation of investment securities related to shares of JustCo Holdings Pte. Ltd. as an extraordinary loss.

(Overview by segment)

1) Construction Business

In the Construction Business, net sales of completed construction contracts decreased by 5.3% year-on-year to 119,846 million yen. However, mainly as a result of the improvement of gross profit margin due to the price revision effect, gross profit on completed construction contracts increased by 8.0% year-on-year to 33,423 million yen, the gross profit margin for completed construction contracts increased by 3.5 points year-on-year to 27.9%, and operating profit increased by 16.9% year-on-year to 9,896 million yen.

Orders received decreased by 21.1% year-on-year to 102,645 million yen, as it has taken longer for financial institutions to examine loan applications in response to changes in the business environment caused by interest rate increases, in addition to a decrease in orders received resulting from a concentration of orders received in the same period of the previous fiscal year, prior to the price revision. Orders in hand as of June 30, 2026 decreased by 4.8% year-on-year to 757,766 million yen.

2) Real Estate Leasing Business

In the Real Estate Leasing Business, sales in real estate lease business increased by 3.9% year-on-year to 307,941 million yen, and operating profit increased by 15.7% year-on-year to 27,510 million yen. This is due to an increase in rental revenues, resulting from an increase in whole-building lease properties under our Lease Management Trust System as well as high occupancy rates with strong rental demand against the backdrop of rising construction costs and housing prices.

The number of tenant recruitment (Note 1) increased by 1.5% year-on-year to 85,909, due to an increase in properties managed by the Company. The rent basis occupancy rate (Note 2) of our leased residential properties as of June 30, 2026 increased by 0.3 points year-on-year, and the rent basis occupancy rate of our leased commercial properties decreased by 0.1 points year-on-year.

(Notes) 1. The total for Daito Kentaku Leasing Co., Ltd. and Daito Kentaku Partners Co., Ltd. (including properties managed by other companies)
2. Rent basis occupancy rate = 1 - (rent guarantee for vacant rooms / total rent)

3) Real Estate Development Business

In the Real Estate Development Business, sales in real estate development business decreased by 10.6% year-on-year to 29,990 million yen, mainly because a greater portion of the planned property sales is scheduled for the second quarter and subsequent periods. However, operating profit increased by 52.3% year-on-year to 4,221 million yen, mainly due to a decrease in the impact of the acquisition cost adjustment in the same period of the previous fiscal year following the consolidation of Ascot Corp. as a consolidated subsidiary.

4) Other Business

In the Other Business, sales increased due to an increase in the number of facility users in the nursing care business. However, profit decreased mainly due to increases in capital expenditure and recruitment costs for nursing staff to expand nursing care facilities. As a result, sales in other businesses increased by 2.9% year-on-year to 22,338 million yen, and operating profit decreased by 24.2% year-on-year to 2,539 million yen.

(2) Overview of Financial Position for the Three Months Ended June 30, 2026

1) Total assets

Total assets at the end of the three months ended June 30, 2026 amounted to 1,387,599 million yen, an increase of 20,096 million yen compared to the end of the previous fiscal year. This is mainly due to increases of 16,939 million yen in real estate for sale, 16,236 million yen in real estate for sale in process, and 10,065 million yen in investment securities, offset by a decrease of 25,054 million yen in cash and deposits.

2) Liabilities

Liabilities as of the end of the three months ended June 30, 2026 amounted to 891,923 million yen, an increase of 21,019 million yen compared to the end of the previous fiscal year. This is mainly due to an increase of 61,303 million yen in short-term borrowings, offset by decreases of 23,366 million yen in provision for bonuses and 18,098 million yen in income taxes payable.

3) Net assets

Net assets as of the end of the three months ended June 30, 2026 amounted to 495,676 million yen, a decrease of 922 million yen compared to the end of the previous fiscal year. This mainly reflects an increase of 23,678 million yen stemming from the profit attributable to owners of parent and a decrease of 26,742 million yen resulting from dividends of surplus.

As a result, the equity ratio was 35.8%, down 0.7 points from the end of the previous fiscal year.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

The first half and full-year earnings forecasts remain unchanged from those announced on April 30, 2026.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheet

Millions of yen

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	275,045	249,991
Accounts receivable from completed construction contracts and other	82,451	80,692
Securities	1,290	1,294
Real estate for sale	139,240	156,179
Real estate for sale in process	133,934	150,170
Costs on construction contracts in progress	17,178	20,053
Real estate for sale and development projects in progress	8,284	8,165
Other inventories	8,273	8,921
Prepaid expenses	82,045	83,170
Operating loans	103,989	98,479
Other	32,356	31,795
Allowance for doubtful accounts	(495)	(485)
Total current assets	883,594	888,429
Non-current assets		
Property, plant and equipment	195,051	197,251
Intangible assets		
Goodwill	12,913	12,608
Other	23,129	23,224
Total intangible assets	36,042	35,833
Investments and other assets		
Investment securities	44,818	54,883
Subordinated bonds and subordinated trust beneficiary right	3,337	3,287
Money held in trust	47,692	47,405
Retirement benefit assets	–	5,911
Deferred tax assets	116,670	114,657
Other	48,351	48,154
Allowance for doubtful accounts	(8,055)	(8,214)
Total investments and other assets	252,813	266,086
Total non-current assets	483,908	499,170
Total assets	1,367,502	1,387,599

Millions of yen

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable for construction contracts	56,092	48,700
Short-term borrowings	13,468	74,771
Current portion of long-term borrowings	38,429	36,872
Income taxes payable	27,557	9,458
Advances received on construction contracts in progress	44,467	35,868
Advances received	124,765	126,053
Provision for bonuses	30,848	7,481
Provision for loss on construction contracts	525	457
Deposits received	11,339	17,276
Other	55,919	52,707
Total current liabilities	403,413	409,647
Non-current liabilities		
Bonds payable	11,000	11,500
Long-term borrowings	170,458	177,682
Provision for repairs on whole-building lease	234,722	237,785
Retirement benefit liability	8,639	12,867
Long-term guarantee deposits	30,643	30,566
Other	12,026	11,874
Total non-current liabilities	467,490	482,276
Total liabilities	870,903	891,923
Net assets		
Shareholders' equity		
Share capital	29,060	29,060
Capital surplus	32,493	32,493
Retained earnings	493,606	490,291
Treasury shares	(65,358)	(63,151)
Total shareholders' equity	489,802	488,694
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(328)	(2,060)
Deferred gains or losses on hedges	729	648
Revaluation reserve for land	(7,584)	(7,584)
Foreign currency translation adjustment	10,699	12,283
Remeasurements of defined benefit plans	2,982	2,801
Total accumulated other comprehensive income	6,498	6,088
Share acquisition rights	50	50
Non-controlling interests	247	842
Total net assets	496,598	495,676
Total liabilities and net assets	1,367,502	1,387,599

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

Quarterly Consolidated Statement of Income

Three months ended June 30

Millions of yen

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales		
Net sales of completed construction contracts	126,582	119,846
Sales in real estate lease business	296,412	307,941
Sales in real estate development business	33,537	29,990
Sales in other businesses	21,717	22,338
Total net sales	478,250	480,116
Cost of sales		
Cost of sales of completed construction contracts	95,642	86,422
Cost of sales in real estate lease business	260,962	268,313
Cost of sales in real estate development business	27,438	22,849
Cost of sales in other businesses	13,635	14,700
Total cost of sales	397,679	392,285
Gross profit		
Gross profit on completed construction contracts	30,939	33,423
Gross profit - real estate lease business	35,449	39,628
Gross profit - real estate development business	6,099	7,140
Gross profit - other business	8,081	7,638
Total gross profit	80,570	87,831
Selling, general and administrative expenses	46,470	48,446
Operating profit	34,100	39,384
Non-operating income		
Interest income	261	316
Dividend income	15	20
Commission income	812	732
Share of profit of entities accounted for using equity method	215	139
Foreign exchange gains	120	61
Miscellaneous income	489	710
Total non-operating income	1,914	1,980
Non-operating expenses		
Interest expenses	597	1,149
Commission expenses	186	135
Miscellaneous expenses	135	268
Total non-operating expenses	919	1,553
Ordinary profit	35,095	39,812
Extraordinary income		
Gain on sale of non-current assets	16	7
Total extraordinary income	16	7
Extraordinary losses		
Loss on sale and retirement of non-current assets	31	75
Impairment losses	30	–
Loss on valuation of investment securities	–	4,248
Total extraordinary losses	61	4,324
Profit before income taxes	35,049	35,495
Income taxes - current	8,248	8,423
Income taxes - deferred	2,746	3,393
Total income taxes	10,995	11,817
Profit	24,054	23,678

	Three months ended June 30, 2025	Three months ended June 30, 2026
Loss attributable to non-controlling interests	(49)	(0)
Profit attributable to owners of parent	24,103	23,678

Quarterly Consolidated Statement of Comprehensive Income

Three months ended June 30

Millions of yen

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	24,054	23,678
Other comprehensive income		
Valuation difference on available-for-sale securities	(54)	(1,732)
Deferred gains or losses on hedges	(144)	(81)
Foreign currency translation adjustment	(3,305)	1,584
Remeasurements of defined benefit plans, net of tax	2	(181)
Total other comprehensive income	(3,501)	(410)
Comprehensive income	20,553	23,268
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	20,602	23,268
Comprehensive income attributable to non-controlling interests	(49)	(0)

(3) Quarterly Consolidated Statement of Cash Flows

Millions of yen

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	35,049	35,495
Depreciation	4,432	5,609
Impairment losses	30	–
Amortization of goodwill	308	304
Increase (decrease) in allowance for doubtful accounts	232	148
Increase (decrease) in provision for bonuses	(21,399)	(23,366)
Increase (decrease) in provision for repairs on whole-building lease	2,165	3,063
Increase (decrease) in retirement benefit liability	(1,351)	(1,637)
Interest and dividend income	(276)	(337)
Interest expenses	597	1,149
Loss (gain) on valuation of investment securities	–	4,248
Share of loss (profit) of entities accounted for using equity method	(215)	(139)
Decrease (increase) in trade receivables	(4,681)	1,765
Decrease (increase) in real estate for sale	(2,550)	(16,821)
Decrease (increase) in real estate for sale in process	1,360	(16,236)
Decrease (increase) in costs on construction contracts in progress	(2,058)	(2,875)
Decrease (increase) in other inventories	(797)	(1,413)
Decrease (increase) in prepaid expenses	(437)	(1,175)
Decrease (increase) in operating loans receivable	(2,118)	5,510
Increase (decrease) in trade payables	(5,842)	(7,401)
Increase (decrease) in advances received on construction contracts in progress	(7,482)	(8,599)
Increase (decrease) in advances received	565	1,284
Increase (decrease) in long term guarantee deposits	14	(77)
Other, net	6,583	7,700
Subtotal	2,127	(13,798)
Interest and dividends received	521	370
Interest paid	(496)	(1,038)
Income taxes paid	(27,275)	(26,649)
Net cash provided by (used in) operating activities	(25,122)	(41,116)
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	4,238	4,494
Payments into time deposits	(5,544)	(5,503)
Decrease in money held in trust	123	172
Proceeds from sale and redemption of securities	–	500
Purchase of property, plant and equipment	(4,850)	(6,933)
Purchase of intangible assets	(1,745)	(2,902)
Purchase of investment securities	(675)	(137)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(820)	–
Purchase of shares of associates	(2,002)	(16,276)
Proceeds from sale and redemption of investment securities	1,643	–
Other, net	809	(137)
Net cash provided by (used in) investing activities	(8,824)	(26,725)

	Three months ended June 30, 2025	Three months ended June 30, 2026
		Millions of yen
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	57,228	61,303
Proceeds from long-term borrowings	10,234	21,056
Repayments of long-term borrowings	(9,597)	(15,390)
Proceeds from issuance of bonds	–	500
Proceeds from disposal of treasury shares	824	14,194
Purchase of treasury shares	(0)	(13,400)
Dividends paid	(28,432)	(26,750)
Other, net	(78)	(64)
Net cash provided by (used in) financing activities	30,178	41,448
Effect of exchange rate change on cash and cash equivalents	(973)	331
Net increase (decrease) in cash and cash equivalents	(4,742)	(26,061)
Cash and cash equivalents at beginning of period	223,573	258,120
Cash and cash equivalents at end of period	218,831	232,059

(4) Notes to Quarterly Consolidated Financial Statements

(Note on the assumption as a going concern)

Not applicable.

(Note on substantial changes in the amount of shareholders' equity)

Not applicable.

(Additional information)

(Matters related to purchase of treasury shares)

The Company resolved on January 30, 2026, to repurchase shares of the Company, and the repurchase was completed on February 10, 2026. The Company uses the fully committed share repurchase (FCSR) method (hereinafter, the "Method") to purchase shares of the Company. The Method was accounted for as follows, assuming that the relevant accounting standards were not clearly defined.

1. Outline of the Method

On February 10, 2026, the Company repurchased 7,256,800 shares of the Company equivalent to 24,999 million yen at 3,445 yen per share through ToSTNeT-3 (hereinafter, the "Purchase").

In the Purchase, Nomura Securities Co., Ltd. borrowed shares from a shareholder of the Company and placed an order to sell the shares. Since sell orders from general shareholders will take priority over sell orders under ToSTNeT-3 based on own calculations by the financial instruments firm, Nomura Securities Co., Ltd., sell orders placed by Nomura Securities Co., Ltd. were reduced by the amount of sell orders placed by general shareholders, resulting in the purchase of 7,136,800 shares from Nomura Securities Co., Ltd.

There is no agreement between the Company and Nomura Securities Co., Ltd. with respect to Nomura Securities Co., Ltd.'s acquisition of shares of the Company.

To ensure that the Company's effective unit price for the shares acquired from Nomura Securities Co., Ltd. will be equal to the price calculated by adding to the arithmetic average of the per-share amounts of each dividend, for which any day from February 12, 2026 to the trading day immediately prior to the exercise date is the record date (with 74.6 yen deducted from the year-end dividend for the fiscal year ended March 2026), the figure obtained by multiplying each such dividend by the number of trading days from the ex-dividend date for each dividend to July 27, 2026, and dividing the total by the cumulative number of trading days from February 12, 2026 to July 27, 2026 (hereinafter referred to as the "Average Share Price"), the Company is separately conducting an adjustment transaction using shares of the Company with Nomura Capital Investment Co., Ltd. which is the acquirer of the share acquisition rights (hereinafter, the "Share Acquisition Rights") issued by the Company under the Method (hereinafter, the "Share Acquisition Rights Holder") to the arithmetic average of the VWAP (volume weighted average price) of shares of the Company on each trading day during a certain period of time (from February 12, 2026 to the day before the date of exercise of the share acquisition rights or the day before the date of notification that the share acquisition rights will not be exercised)after the Purchase multiplied by 100.77%.

Specifically, (i) if the Average Share Price is higher than 3,445 yen, the Company shall, upon exercise of the Share Acquisition Rights, deliver to the Share Acquisition Rights Holder the number of shares of the Company calculated by deducting the "Number of shares to be acquired from Nomura Securities Co., Ltd. in the Purchase" (hereinafter, "Number of Shares Acquired") from the "Number of shares to be acquired assuming that the Company's shares were acquired at the Average Share Price based on the amount purchased from Nomura Securities Co., Ltd." (hereinafter, "Average Number of Shares Acquired"), alternatively, (ii) if the Average Share Price is lower than 3,445 yen, the Company shall acquire the number of shares of the Company's stock calculated by subtracting the Number of Shares Acquired from the Average Number of Shares Acquired without compensation from the Share Acquisition Rights Holder.

With the exercise of the Share Acquisition Rights on May 19, 2026, the Company conducted adjustment transactions using shares of the Company with the Share Acquisition Rights Holder. Specifically, as this applied in the case where the Average Share Price calculated was 3,614.6977 yen, which is higher than 3,445 yen, the Company delivered to the Share Acquisition Rights Holder 335,000 shares of the Company calculated by deducting the Average Number of Shares Acquired of 6,801,751 shares from the Number of Shares Acquired of 7,136,800 shares (49 shares not constituting one trading unit were rounded down). As a result, the final number of shares acquired, including the adjustment transactions, was 6,801,800 shares.

2. Accounting principles and procedures

Shares of the Company acquired through ToSTNeT-3 on February 10, 2026 were recorded as "treasury shares" in the net assets section of the consolidated balance sheet based on the acquisition price in the consolidated fiscal year ended March 31, 2026. Regarding treasury shares delivered upon the exercise of the share acquisition rights, the Company (i) reduced the book value of the treasury shares delivered from "treasury shares" in the net assets section of the balance sheet, and (ii) recorded the amount obtained by deducting the book value of the treasury shares delivered in (i) from the cash received upon the exercise of the share acquisition rights as "other capital surplus" in the net assets section of the balance sheet. Shares of the Company acquired and delivered through the Method were included in the treasury shares deducted in the calculation of the average number of shares during the period for the purpose of calculating basic earnings and diluted earnings per share.

Based on this accounting policy, the Company recorded 1,100 million yen decrease in the book value of shares of the Company delivered to the Share Acquisition Rights Holder under the adjustment transactions of the Method with a negative value as "other capital surplus" in the net assets section of the balance sheet in the three months ended June 30, 2026.

As the balance of other capital surplus was negative at the end of the three months ended June 30, 2026, such negative value was deducted from retained earnings brought forward.

(Reintroduction of employee stock ownership plan "ESOP Trust" and disposal of treasury shares)

The Company resolved, at the meeting of the Board of Directors held on April 30, 2026, to reintroduce an employee incentive plan "Employee Stock Ownership Plan (ESOP) Trust" (hereinafter, the "Plan," and the trust established based on the trust agreement concluded with The Master Trust Bank of Japan, Ltd. regarding the Plan is referred to as the "Trust"). In connection with the introduction of the Plan, the Company resolved, at the meeting of the Board of Directors held on the same date, to dispose of treasury shares (hereinafter, "Disposal of Treasury Shares"). The Disposal of Treasury Shares was completed on May 22, 2026.

(1) Purpose of reintroducing the Plan and disposal of treasury shares

The Company will reintroduce the Plan both to enhance the benefits programs provided to employees, who are instrumental to the growth of the Company, and to enhance employees' awareness of business performance and shareholder value, which in turn contributes to increasing the Company's corporate value over the medium to long term.

The Disposal of Treasury Shares is to be conducted to The Master Trust Bank of Japan, Ltd., the sub-trustee, who receives a sub-trust from the trustee of the Trust, for the purpose of holding and disposing of shares of the Company in connection with the operation of the Plan.

(2) Overview of the Plan

The ESOP trust serves as a trust-based employee incentive plan that applies the framework of an employee stock ownership plan, designed with reference to the ESOP system in the United States. One of the plan's aims is to enhance employee savings programs, which form part of the Company's benefits offerings to encourage asset-building by employees using shares of Company stock.

The Company will establish a trust naming as beneficiaries employee members of the Daito Trust Construction Company Shareholders' Association (hereinafter, "Company Shareholders' Association") who meet certain requirements. The trust will acquire in one lump sum the number of shares of Company stock expected to be acquired by the Company Shareholders' Association over the next five years, then sell these shares to the Company Shareholders' Association on a certain date of each month. Any trust gain resulting from increased share price as of the termination of the trust will be distributed to the beneficiaries as cash in accordance with the percentage of contributions to the Plan. If losses arise due to a decline in the share price and obligations remain with respect to trust assets, the Company will repay such obligations to the bank in a single lump sum under the guarantee clause, and employees will not bear any additional financial burden.

(3) Details of the trust agreement

(i)	Type of trust	Individually-operated designated money trust (beneficiary trust)
(ii)	Purpose of trust	The stable and continuous supply of shares of Company stock to the Company Shareholders' Association and enhancement of benefits programs for employees who meet the beneficiary requirements
(iii)	Trustor	The Company
(iv)	Trustee	Mitsubishi UFJ Trust and Banking Corporation (Co-trustee: The Master Trust Bank of Japan, Ltd.)
(v)	Beneficiaries	Members of the Company Shareholders' Association who meet the beneficiary requirements
(vi)	Trust administrator	A third party with no vested interest in the Company
(vii)	Date of trust agreement	May 18, 2026
(viii)	Trust period	May 18, 2026 – June 15, 2031
(ix)	Exercise of voting rights	The trustee will exercise voting rights on the shares of Company stock in accordance with instructions issued by the trust administrator that reflect the status of the exercise of voting rights by the Company Shareholders' Association.
(x)	Class of shares to be acquired	Company common stock
(xi)	Total value of shares to be acquired	13.4 billion yen
(xii)	Method of share acquisition	Acquisition through third-party allotment of Company treasury shares

(4) Overview of Disposal of Treasury Shares

(i)	Date of disposal	May 22, 2026
(ii)	Class and number of shares to be disposed of	3,819,800 shares of common stock
(iii)	Disposal price	3,508 yen per share
(iv)	Total disposal amount	13,399,858,400 yen
(v)	Recipient of disposal	The Master Trust Bank of Japan, Ltd. (Employee stock ownership plan [ESOP] trust)

(Note on business combinations)

(Business combination through acquisition of shares of The Global Co., Ltd.)

Pursuant to a resolution at the meeting of the Board of Directors held on April 6, 2026, the Company decided to conduct a tender offer (hereinafter, the "Tender Offer") under the Financial Instruments and Exchange Act for the common shares (hereinafter, "Target Shares") of The Global Co., Ltd. (Securities Code: 3271; listed on the Standard Market of the Tokyo Stock Exchange, Inc.; hereinafter, the "Target Company") as part of a series of transactions (hereinafter, the "Transactions") for the purpose of making the Target Company a wholly owned subsidiary, and conducted the Tender Offer with the acquisition period from April 7, 2026 to May 22, 2026. The Tender Offer was concluded on May 22, 2026, and as of May 28, 2026, the commencement date of settlement of the Tender Offer, the Company held 12,715,775 Target Shares (ownership ratio of share certificates and other securities after the tender offer: 44.92%) and the Target Company became an affiliate of the Company.

In the Tender Offer, as the Company was unable to acquire all of the Target Shares (excluding the Target Shares owned by SBI Holdings, Inc. (hereinafter, "SBI Holdings"), which is the parent company and largest shareholder of the Target Company, and treasury shares held by the Target Company), the Target Company resolved, at the extraordinary general meeting of shareholders held on July 9, 2026, to conduct a share consolidation with the effective date of July 30, 2026, for the purpose of making the shareholders of the Target Company only the Company and SBI Holdings, and conducted the share consolidation.

In addition, at the extraordinary general meeting of shareholders of the Target Company held on July 30, 2026, it was resolved to acquire treasury shares from SBI Holdings with respect to the Target Shares held by SBI Holdings. The Target Company conducted the acquisition of treasury shares on July 31, 2026, and became a wholly owned subsidiary of the Company.

(1) Overview of business combination

1) Name and description of business of the acquired company

Name of the acquired company: The Global Co., Ltd.

Business activities: Sales agency business, building management business, condominium development business, hotel business, income-producing property business

2) Main reasons for the business combination

On the occasion of the 50th anniversary of its founding in June 2024, the Group formulated its group purpose, "Link the Trust to Make a Better Future," looking ahead to the next 100 years, and defined its desired state for 2030, "DAITO Group VISION 2030," based on this group purpose as the first step toward becoming a 100-year company. Furthermore, toward the realization of "DAITO Group VISION 2030," under the slogan "New Challenges as a Group," the Group formulated in May 2024 its medium-term management plan (hereinafter, the "Medium-Term Management Plan") covering the period from FY2024 to FY2026 (from April 2024 to March 2027).

In its Medium-Term Management Plan, the Company has positioned the expansion of its Real Estate Development Business as one of its priority initiatives and has promoted such expansion primarily in central urban areas. Against this backdrop, the Company had been collaborating with the Target Company in rental apartment development since around 2020. During the review process for the tender offer for Ascot Corp. (hereinafter, "Ascot") by the Company, which was completed in March 2025, the Company commenced initial consideration of acquiring shares of the Target Company, which has strengths in residential development in central Tokyo and capital-efficient management methods and had been a subsidiary of Ascot until September 2022. Thereafter, beginning in early December 2025, the Company held discussions with SBI Holdings regarding the acquisition of the Target Company's shares on the premise of privatizing the Target Company. By mid-December 2025, the Company reached the view that, by implementing the following measures in collaboration with the Target Company following the Transactions (hereinafter, the "Value Enhancement Measures"), it would be possible to achieve the Company's Medium-Term Management Plan target of 100 billion yen in real estate investment in its Real Estate Development Business segment, establish the Real Estate

Development Business as one of the core pillars of the Group by 2030, and enable the Target Company to achieve operating profit of 10 billion yen at an early stage, thereby contributing to the maximization of corporate value of both companies. The Value Enhancement Measures envisioned are as follows.

(i) Strengthening Development and Land Acquisition Capabilities for Residences and Other Properties in Central Tokyo

(ii) Improving Cost Efficiency and Stabilizing Earnings through Group-wide Integration of Construction-related Functions

(iii) Expanding Earnings Opportunities through Integrated Real Estate Operations and Diversified Exit Strategies

(iv) Early Realization of PMI by Leveraging Existing Collaboration and Experience under Ascot

3) Date of the business combination

Date of acquisition of control: July 31, 2026 (deemed acquisition date: July 1, 2026)

4) Legal form of the business combination

The acquisition of shares for cash consideration

The Transactions consist of the following steps:

i. the Tender Offer by the Company;

ii. if, after the completion of the Tender Offer, the Company is unable to acquire all of the Target Company Shares through the Tender Offer (excluding (i) 14,705,000 shares owned by SBI Holdings, the parent company and largest shareholder of the Target Company, representing an ownership ratio (Note 1) of 51.95% (hereinafter, the "Non-Tendered Shares"), and (ii) treasury shares held by the Target Company), the share consolidation of the Target Company Shares to be conducted by the Target Company pursuant to Article 180 of the Companies Act of Japan (Act No. 86 of 2005, as amended; hereinafter, the "Companies Act") in order to ensure that only the Company and SBI Holdings remain as shareholders (hereinafter, the "Share Consolidation");

iii. following the effectiveness of the Share Consolidation, the Company provides funding to the Target Company as necessary to secure the funds and distributable amount required for the Target Company to acquire the Non-Tendered Shares (hereinafter, the "Treasury Share Acquisition"), such funding to be provided by way of loans to the Target Company or a third-party allotment (Note 2) of non-voting class shares to be subscribed for by the Company, as currently contemplated (hereinafter, the "Funding" (Note 3)), together with a reduction in the amounts of the Target Company's stated capital and capital reserve pursuant to Article 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act (hereinafter, the "Capital Reduction, etc." (Note 4)), if necessary; and

iv. the Treasury Share Acquisition, with the ultimate aim of making the Company the sole shareholder of the Target Company.

Notes:

1. The "Ownership Ratio" means the ratio to the number of issued shares of the Target Company after deducting the number of treasury shares held by the Target Company as of December 31, 2025 (76 shares) from the total number of issued shares as of the same date (28,306,000 shares), as disclosed in the Target Company's Semiannual Securities Report for the 16th fiscal year published on February 13, 2026 (i.e., 28,305,924 shares). The ratio is rounded to the second decimal place.
2. In the event that such third-party allotment of shares is conducted, in order to comply with the principle of uniformity of the tender offer price under Article 27-2, Paragraph 3 of the Financial Instruments and Exchange Act of Japan, the valuation of the Target Company's shares used as the basis for determining the subscription price per share is the

same as the tender offer price per share in the Tender Offer (hereinafter, the "Tender Offer Price"), and the subscription price does not constitute a "particularly favorable amount" within the meaning of Article 199, Paragraph 3 of the Companies Act (subject to formal adjustments based on the share consolidation ratio). No terms more favorable than the Tender Offer Price will be provided in connection with such third-party allotment.

3. The reason why the class shares to be subscribed for by the Company have no voting rights is that it is intended not to change the ratio of voting rights held in the Target Company as between the Company and SBI Holdings before and after the Funding.
4. The Company intends to request the Target Company to implement the Capital Reduction, etc. only if the distributable amount required to carry out the Treasury Share Acquisition cannot be secured.

In connection with the Transaction, SBI Holdings has entered into an agreement with the Company as of April 6, 2026, the principal terms of which include:
1) SBI Holdings' agreement not to tender the Non-Tendered Shares into the Tender Offer;
2) SBI Holdings' agreement to exercise its voting rights in favor of the proposals to be submitted to the shareholders' meeting of the Target Company that are necessary to implement the Share Consolidation; and
3) SBI Holdings' agreement to sell all of its Non-Tendered Shares pursuant to the Treasury Share Acquisition.

In addition, Asahi Kasei Homes, the third-largest shareholder of the Target Company (holding 2,795,600 shares, representing an ownership ratio of 9.88%), has entered into an agreement with the Company as of April 6, 2026 pursuant to which Asahi Kasei Homes has agreed to tender all of its shares in the Target Company into the Tender Offer.

(i) Tender Offer Period
30 business days from April 7, 2026 to May 22, 2026

(ii) Tender Offer Price
Common shares: JPY 1,280 per share

(iii) Number of Shares to Be Acquired

Planned Number	Minimum Number	Maximum Number
13,600,924 shares	4,165,600 shares	- shares

(Note) The Company has set the minimum number of shares to be acquired in the Tender Offer at 4,165,600 shares (ownership ratio: 14.72%). If the aggregate number of share certificates and other securities tendered in the Tender Offer (hereinafter, the "Tendered Shares") does not reach the minimum number of shares to be acquired (4,165,600 shares), the Company will not purchase any of the Tendered Shares. On the other hand, because the Company aims to acquire all of the shares of the Target Company (excluding the Non-Tendered Shares and treasury shares held by the Target Company), take the Target Company private, and ultimately make it a wholly owned subsidiary of the Company, no maximum number of shares to be acquired has been set. Accordingly, if the total number of Tendered Shares is equal to or greater than the minimum number of shares to be acquired (4,165,600 shares), the Company will purchase all of the Tendered Shares.

The minimum number of shares to be acquired (4,165,600 shares) was determined by deducting the number of Non-Tendered Shares (14,705,000 shares) from the number obtained by multiplying (i) two-thirds of the number of voting rights (283,059 voting rights) associated with the number of shares remaining after deducting treasury shares held by the Target Company as of December 31, 2025 (76 shares) from the total number of issued shares as of that date (28,306,000 shares), as disclosed in the Target Company's Semiannual Securities Report (28,305,924 shares), rounded up to the nearest whole number (188,706 voting rights), by (ii) the number of shares constituting one trading unit of the Target Company (100 shares), resulting in 18,870,600 shares.

The reason for setting such minimum number of shares to be acquired is that the Tender Offer is intended to result in the Company and SBI Holdings being the only shareholders of the Target Company. In the event that the Tender Offer is successfully completed but the Company is unable to acquire all of the Target Company Shares (excluding the Non-Tendered Shares and treasury shares held by the Target Company) through the Tender Offer, and the procedures for the Share Consolidation described in "(vii) Policy Regarding Organizational Restructuring After the Tender Offer (So-called Two-Step Acquisition)" below are implemented, the approval of a special resolution at the shareholders' meeting of the Target Company as prescribed in Article 309, Paragraph 2 of the Companies Act is required. In addition, SBI Holdings has agreed with the Company to vote in favor of the proposals relating to the Share Consolidation if the Tender Offer is successfully completed. Accordingly, the minimum number of shares to be acquired was set at a level that ensures that, following the completion of the Tender Offer, the Company and SBI Holdings together would hold at least two-thirds of the total voting rights of all shareholders of the Target Company, thereby satisfying such requirement and ensuring the successful completion of the Transaction.

(iv) Result of the Purchase

The Tender Offer was subject to the condition that if the aggregate number of Tendered Shares did not reach the minimum number of shares to be acquired (4,165,600 shares), the Company would not purchase any of the Tendered Shares. As the aggregate number of Tendered Shares (12,715,775 shares) has reached or exceeded the minimum number of shares to be acquired (4,165,600 shares), the Company purchased all of the Tendered Shares.

(v) Total Consideration

Total purchase price: JPY 16,276 million

Note: The "Total Purchase Price" represents the amount calculated by multiplying the aggregate number of Tendered Shares (12,715,775 shares) by the Tender Offer Price (1,280 yen per share).

(vi) Commencement Date of Settlement

May 28, 2026

(vii) Policy Regarding Organizational Restructuring After the Tender Offer (So-called Two-Step Acquisition)

As the Company was unable to acquire all of the outstanding shares of the Target Company (excluding the Non-Tendered Shares and treasury shares held by the Target Company) through the Tender Offer, the Company promptly requested, following completion of the Tender Offer, that the Target Company implement a series of procedures for the purpose of making the Company and SBI Holdings the only shareholders of the Target Company (including requesting the Share Consolidation and submitting proposals at an extraordinary general meeting of shareholders to amend the articles of incorporation to abolish the share unit system). They were resolved at the extraordinary general meeting of shareholders of the Target Company held on July 9, 2026, by Proposal 1 (Share Consolidation) and Proposal 2 (Partial Amendments to the Articles of Incorporation), and implemented effective July 30, 2026.

In addition, at the extraordinary general meeting of shareholders of the Target Company held on July 30, 2026, it was resolved that the Company would provide funding to the Target Company as necessary to secure the funds and distributable amount required for the Target Company to conduct the Treasury Share Acquisition (such funding to be provided by way of a third-party allotment of non-voting class shares to be subscribed for by the Company) and that the Target Company would conduct the Treasury Share Acquisition (written resolution pursuant to Article 319, Paragraph 1 of the Companies Act). The Treasury Share Acquisition was conducted on July 31, 2026 and the Target Company became a wholly owned subsidiary of the Company.

5) Name after the business combination

The Global Co., Ltd.

6) Ratio of voting rights to be acquired

Ratio of voting rights after the Tender Offer (May 28, 2026):	44.92%
Ratio of voting rights after the Treasury Share Acquisition (July 31, 2026):	100%

7) Main basis for determining the acquiring company

The Company acquired shares for cash consideration.

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

Not determined at this time.

(3) Content and amount of major acquisition-related costs

Not determined at this time.

(4) Amount of goodwill to be recognized, cause of occurrence, amortization method, and amortization period

Not determined at this time.

(5) Amount of assets to be received and liabilities to be assumed on the date of the business combination and their main breakdown

Not determined at this time.

(Notes on segment information)
(Segment information)

1. Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
Information on net sales and profit by reportable segment and disaggregation of revenue

Millions of yen

	Reportable segment					Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statement of income (Note 3)
	Construction Business	Real Estate Leasing Business	Real Estate Development Business	Financial Business	Subtotal				
Net sales									
Net sales of completed construction contracts	126,582	8,479	–	–	135,061	–	135,061	–	135,061
Brokerage business income	–	4,948	–	–	4,948	–	4,948	–	4,948
Electricity business income	–	3,080	–	–	3,080	–	3,080	–	3,080
Energy business income	–	–	–	–	–	10,922	10,922	–	10,922
Care and nursery school business income	–	–	–	–	–	4,418	4,418	–	4,418
Hotel business income	–	–	–	–	–	2,199	2,199	–	2,199
Investment condominium business income	–	–	10,665	–	10,665	–	10,665	–	10,665
Renovation and resale, development business income	–	–	11,960	–	11,960	–	11,960	–	11,960
Other	–	6,688	9,064	32	15,785	859	16,644	–	16,644
(Revenue from contracts with customers)	126,582	23,196	31,690	32	181,501	18,399	199,901	–	199,901
Whole-building leases business income	–	264,000	–	–	264,000	–	264,000	–	264,000
Guarantee business income	–	5,309	–	–	5,309	–	5,309	–	5,309
Lease business income	–	1,466	–	–	1,466	–	1,466	–	1,466
Insurance business income	–	–	–	2,563	2,563	–	2,563	–	2,563
Investment condominium business income	–	–	1,436	–	1,436	–	1,436	–	1,436
Renovation and resale, development business income	–	–	402	–	402	–	402	–	402
Other	–	2,438	9	580	3,028	141	3,169	–	3,169
(Other revenue)	–	273,215	1,847	3,143	278,207	141	278,348	–	278,348
Net sales to external customers	126,582	296,412	33,537	3,176	459,708	18,541	478,250	–	478,250
Inter-segment sales or transfers	6,166	2,364	53	4,583	13,168	440	13,609	(13,609)	–
Total	132,748	298,777	33,591	7,759	472,877	18,981	491,859	(13,609)	478,250
Segment profit	8,462	23,785	2,772	610	35,630	2,740	38,371	(4,270)	34,100

Notes:
1. The “Other” segment is a business segment not included in the reportable segments and includes the LP gas and other supply business and the care business for the elderly.
2. The (4,270) million yen adjustment to segment profit includes (370) million yen in elimination of transactions between segments and (3,899) million yen in corporate expenses that are not allocated to each reportable segment. Corporate expenses are mainly related to the Company’s head office’s personnel, general affairs, and other administrative divisions.
3. Segment profit is reconciled to operating profit in the quarterly consolidated statement of income.

2. Three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)
Information on net sales and profit by reportable segment and disaggregation of revenue

Millions of yen

	Reportable segment					Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in quarterly consolidated statement of income (Note 3)
	Construction Business	Real Estate Leasing Business	Real Estate Development Business	Financial Business	Subtotal				
Net sales									
Net sales of completed construction contracts	119,846	7,959	–	–	127,805	–	127,805	–	127,805
Brokerage business income	–	4,986	–	–	4,986	–	4,986	–	4,986
Electricity business income	–	3,359	–	–	3,359	–	3,359	–	3,359
Energy business income	–	–	–	–	–	10,677	10,677	–	10,677
Care and nursery school business income	–	–	–	–	–	5,297	5,297	–	5,297
Hotel business income	–	–	–	–	–	2,550	2,550	–	2,550
Investment condominium business income	–	–	10,592	–	10,592	–	10,592	–	10,592
Renovation and resale, development business income	–	–	11,889	–	11,889	–	11,889	–	11,889
Other	–	9,249	2,539	32	11,821	450	12,272	–	12,272
(Revenue from contracts with customers)	119,846	25,554	25,021	32	170,455	18,975	189,431	—	189,431
Whole-building leases business income	–	272,621	–	–	272,621	–	272,621	–	272,621
Guarantee business income	–	5,495	–	–	5,495	–	5,495	–	5,495
Lease business income	–	1,592	–	–	1,592	–	1,592	–	1,592
Insurance business income	–	–	–	2,531	2,531	–	2,531	–	2,531
Investment condominium business income	–	–	1,701	–	1,701	–	1,701	–	1,701
Renovation and resale, development business income	–	–	3,266	–	3,266	–	3,266	–	3,266
Other	–	2,676	–	513	3,189	285	3,474	–	3,474
(Other revenue)	–	282,386	4,968	3,045	290,400	285	290,685	—	290,685
Net sales to external customers	119,846	307,941	29,990	3,077	460,855	19,261	480,116	–	480,116
Inter-segment sales or transfers	8,220	2,904	175	4,830	16,130	790	16,920	(16,920)	–
Total	128,066	310,845	30,165	7,907	476,985	20,051	497,037	(16,920)	480,116
Segment profit	9,896	27,510	4,221	636	42,264	1,903	44,167	(4,783)	39,384

Notes:
1. The “Other” segment is a business segment not included in the reportable segments and includes the LP gas and other supply business and the care business for the elderly.
2. The (4,783) million yen adjustment to segment profit includes (392) million yen in elimination of transactions between segments and (4,391) million yen in corporate expenses that are not allocated to each reportable segment. Corporate expenses are mainly related to the Company’s head office’s personnel, general affairs, and other administrative divisions.
3. Segment profit is reconciled to operating profit in the quarterly consolidated statement of income.

3. Supplementary Information

(1) Financial Summary

Millions of yen

	Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year % change	Three months ended June 30, 2026	Year-on-year % change
Net sales	445,143	478,250	7.4%	480,116	0.4%
Gross profit	76,614	80,570	5.2%	87,831	9.0%
Operating profit	33,871	34,100	0.7%	39,384	15.5%
Ordinary profit	35,283	35,095	(0.5)%	39,812	13.4%
Profit attributable to owners of parent	24,281	24,103	(0.7)%	23,678	(1.8)%

(2) By Segment

1) Construction Business

Millions of yen

	Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year % change	Three months ended June 30, 2026	Year-on-year % change
Net sales	126,042	126,582	0.4%	119,846	(5.3)%
Residential use	120,503	118,069	(2.0)%	112,500	(4.7)%
Rental housing	119,989	117,686	(1.9)%	111,714	(5.1)%
Detached housing	514	383	(25.5)%	785	105.1%
Commercial use	3,795	5,434	43.2%	3,296	(39.3)%
Other	1,743	3,078	76.6%	4,049	31.5%
Gross profit	32,045	30,939	(3.4)%	33,423	8.0%
Gross profit margin	25.4%	24.4%	(1.0)p	27.9%	3.5p
Operating profit	10,830	8,462	(21.9)%	9,896	16.9%
Operating profit margin	8.6%	6.7%	(1.9)p	8.3%	1.6p

2) Real Estate Leasing Business

Millions of yen

	Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year % change	Three months ended June 30, 2026	Year-on-year % change
Net sales	287,467	296,412	3.1%	307,941	3.9%
Whole-building lease	257,171	264,000	2.7%	274,404	3.9%
Repairing construction	8,351	8,479	1.5%	7,959	(6.1)%
Brokerage of real estate	5,369	4,948	(7.9)%	4,986	0.8%
Rent guarantee business	5,087	5,309	4.4%	5,495	3.5%
Electricity business	2,667	3,080	15.5%	3,359	9.0%
Leasing business	1,348	1,466	8.8%	1,592	8.6%
Other	7,471	9,126	22.2%	10,142	11.1%
Gross profit	34,191	35,449	3.7%	39,628	11.8%
Gross profit margin	11.9%	12.0%	0.1p	12.9%	0.9p
Operating profit	22,529	23,785	5.6%	27,510	15.7%
Operating profit margin	7.8%	8.0%	0.2p	8.9%	0.9p

3) Real Estate Development Business

Millions of yen

	Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year % change	Three months ended June 30, 2026	Year-on-year % change
Net sales	11,538	33,537	190.7%	29,990	(10.6)%
Investment condominium	8,430	12,101	43.5%	12,294	1.6%
Income-generating property sold (Purchase and resale)	2,206	4,233	91.9%	7,324	73.0%
Income-generating property sold (Development and sale)	896	8,128	807.1%	7,832	(3.6)%
Other	4	9,074	191,360.2%	2,539	(72.0)%
Gross profit	2,765	6,099	120.6%	7,140	17.1%
Gross profit margin	24.0%	18.2%	(5.8)p	23.8%	5.6p
Operating profit	1,425	2,772	94.5%	4,221	52.3%
Operating profit margin	12.4%	8.3%	(4.1)p	14.1%	5.8p

Note: 1. Due to a review of the aggregation categories for the revenue details of the Real Estate Development Business, the aggregation method has been revised from the six months ended September 30, 2025.
The figures for the three months ended June 30, 2024 and the figures for the three months ended June 30, 2025 have also been revised to reflect the adjustment.

4) Other Businesses

Millions of yen

	Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year % change	Three months ended June 30, 2026	Year-on-year % change
Net sales	20,096	21,717	8.1%	22,338	2.9%
Financial Business	3,047	3,176	4.2%	3,077	(3.1)%
Other	17,048	18,541	8.8%	19,261	3.9%
Gross profit	7,612	8,081	6.2%	7,638	(5.5)%
Gross profit margin	37.9%	37.2%	(0.7)p	34.2%	(3.0)p
Operating profit	3,113	3,350	7.6%	2,539	(24.2)%
Operating profit margin	15.5%	15.4%	(0.1)p	11.4%	(4.0)p

(3) Indicators

Items marked with “*” in the tables below indicate figures as of the end of the quarter.

1) Construction Business

	Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year % change	Three months ended June 30, 2026	Year-on-year % change
Orders received (millions of yen) (Note 1)	147,296	130,062	(11.7)%	102,645	(21.1)%
Orders in hand (millions of yen)* (Note 1)	799,975	796,273	(0.5)%	757,766	(4.8)%

Note: 1. Repairing construction in the Real Estate Leasing Business is included.

2) Real Estate Leasing Business

	Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year % change	Three months ended June 30, 2026	Year-on-year % change
Number of tenant recruitment (cases) (Note 1)	84,249	84,624	0.4%	85,909	1.5%
Residential properties	83,785	84,108	0.4%	85,409	1.5%
Commercial properties	464	516	11.2%	500	(3.1)%
Rent basis occupancy rate (June) (Note 2)					
Residential properties	97.4%	97.4%	–	97.7%	0.3p
Commercial properties	99.4%	99.4%	–	99.3%	(0.1)p
Number-based occupancy rate (Note 3)*					
Residential properties	97.6%	97.7%	0.1p	98.0%	0.3p
Commercial properties	99.0%	99.1%	0.1p	99.1%	–
Number of buildings under management*	192,813	196,363	1.8%	199,568	1.6%
Residential properties	174,311	178,072	2.2%	181,513	1.9%
Commercial properties	18,502	18,291	(1.1)%	18,055	(1.3)%
Number of housing units under management*	1,295,081	1,327,027	2.5%	1,356,363	2.2%
Residential properties	1,260,992	1,293,267	2.6%	1,322,996	2.3%
Commercial properties	34,089	33,760	(1.0)%	33,367	(1.2)%

Notes: 1. The total for Daito Kentaku Leasing Co., Ltd. and Daito Kentaku Partners Co., Ltd.
2. Rent basis occupancy rate = 1 - (rent guarantee for vacant rooms / total rent)
3. Number-based occupancy rate = 1 - (number of vacancy units / number of housing units under management)

3) Real Estate Development Business

		Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year % change	Three months ended June 30, 2026	Year-on-year % change
Number of investment-purpose condominiums sold		239	349	46.0%	399	14.3%
Number of income-generating properties sold						
	Purchase and resale	13	17	30.8%	27	58.8%
	Development and sale	3	23	666.7%	22	(4.3)%

4) Other Businesses

		Three months ended June 30, 2024	Three months ended June 30, 2025	Year-on-year % change	Three months ended June 30, 2026	Year-on-year % change
Number of housing units with gas supply*						
	LP gas	416,689	437,525	5.0%	457,562	4.6%
	Town gas	78,449	81,551	4.0%	84,449	3.6%
Number of welfare facilities* (Note 1)		102	107	4.9%	136	27.1%
Number of nursery schools* (Note 1)		27	27	–	27	–
Average occupancy rate of hotels in Malaysia (Note 2)						
	Le Meridien	76.8%	74.8%	(2.0)p	78.4%	3.6p
	Hilton	80.8%	74.8%	(6.0)p	82.1%	7.3p

Notes: 1. Due to a review of the aggregation categories, the indicators have been revised from the fiscal year ended March 31, 2026. The figures for the three months ended June 30, 2024 and the figures for the three months ended June 30, 2025 have also been revised to reflect the adjustment.

2. Since the fiscal year-end of DAITO ASIA DEVELOPMENT (MALAYSIA) SDN. BHD., which owns Le Meridien, and DAITO ASIA DEVELOPMENT (MALAYSIA) II SDN. BHD., which owns Hilton, is December 31, the average occupancy rate for each is presented for the period from January to March.