December 4, 2025

Consolidated Financial Results for the Nine Months Ended October 31, 2025 (Under Japanese GAAP)

Company name: Sekisui House, Ltd.
Listing: Tokyo Stock Exchange, Nagoya Stock Exchange
Securities code: 1928
URL: https://www.sekisuihouse.co.jp/english/
Representative: Yoshihiro Nakai — Representative Director of the Board, CEO, President, Executive Officer
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Telephone: +81-6-6440-3111
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes －for institutional investors and analysts, in Japanese

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

1. Consolidated financial results for the nine months ended October 31, 2025 (from February 1, 2025 to October 31, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
October 31, 2025	2,935,711	2.5	210,889	(9.3)	199,909	(6.0)	147,065	(10.8)
October 31, 2024	2,863,016	30.8	232,625	24.6	212,707	14.0	164,827	16.2

Note: Comprehensive income
For the nine months ended October 31, 2025: ¥ 56,730 million [(46.0)%]
For the nine months ended October 31, 2024: ¥ 104,990 million [(51.4)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
October 31, 2025	226.89	226.85
October 31, 2024	254.36	254.29

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
October 31, 2025	4,796,770	1,968,789	40.1
January 31, 2025	4,808,848	2,018,599	40.8

Reference: Equity
As of October 31, 2025: ¥ 1,922,414 million
As of January 31, 2025: ¥ 1,962,199 million

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 January 31, 2025	-	64.00	-	71.00	135.00
Fiscal year ending January 31, 2026	-	72.00	-		
Fiscal year ending January 31, 2026 (Forecast)				72.00	144.00

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

3. Consolidated financial result forecasts for the fiscal year ending January 31, 2026 (from February 1, 2025 to January 31, 2026)

(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
Full year	4,331,000	6.7	340,000	2.6	321,000	6.4	232,000	6.6	357.97

Note: Revisions to the financial result forecast 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: Yes

(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 October 31, 2025	663,122,166 shares
As of January 31, 2025	662,996,866 shares

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

As of October 31, 2025	14,886,480 shares
As of January 31, 2025	14,902,212 shares

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

Nine months ended October 31, 2025	648,170,320 shares
Nine months ended October 31, 2024	648,020,365 shares

* 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

Descriptions regarding forward looking statements, etc. contained in these materials are based on information currently available to the Company and certain assumptions judged reasonable. The Company makes no warranty as to the feasibility of its projections. Future results may differ materially from projections due to various factors. Please refer to “1. Overview of Consolidated Business Results, etc., (3) Information Regarding Consolidated Results Forecast” on page 7 of the Attached Materials for information on the conditions underlying the earnings forecasts.

(Obtaining supplementary explanatory documents)

The Company plans to hold a briefing for institutional investors and analysts on December 4, 2025. Relevant financial explanatory documents to be handed out at the briefing will be posted on our official website on the same day.

TABLE OF CONTENTS OF THE ATTACHED MATERIAL

Appendix: Segment breakdown for the Nine Months Ended October 31, 2025

Consolidated

(1) Net sales (Millions of Yen)

		Nine months ended October 31, 2024	Nine months ended October 31, 2025	YOY(%)
Built-to-order Business	Detached houses	343,101	346,959	1.1
	Rental housing and commercial buildings	392,974	405,713	3.2
	Architectural / civil engineering	234,910	223,437	(4.9)
	Subtotal	970,986	976,110	0.5
Supplied Housing Business	Rental housing management	513,266	536,032	4.4
	Remodeling	131,350	131,531	0.1
	Subtotal	644,616	667,564	3.6
Development Business	Real estate and brokerage	255,691	277,251	8.4
	Condominiums	62,148	83,740	34.7
	Urban redevelopment	95,958	37,655	(60.8)
	Subtotal	413,798	398,647	(3.7)
Overseas Business		851,111	908,892	6.8
Other		10,069	11,408	13.3
Eliminations and back office		(27,567)	(26,912)	—
Consolidated		2,863,016	2,935,711	2.5

(2) Operating profit and Operating profit margin (Millions of Yen)

		Nine months ended October 31, 2024	Nine months ended October 31, 2025	YOY(%)
Built-to-order Business	Detached houses	28,808 8.4%	31,075 9.0%	7.9
	Rental housing and commercial buildings	56,058 14.3%	59,912 14.8%	6.9
	Architectural / civil engineering	11,223 4.8%	17,666 7.9%	57.4
	Subtotal	96,090 9.9%	108,655 11.1%	13.1
Supplied Housing Business	Rental housing management	41,688 8.1%	55,323 10.3%	32.7
	Remodeling	18,066 13.8%	16,246 12.4%	(10.1)
	Subtotal	59,754 9.3%	71,569 10.7%	19.8
Development Business	Real estate and brokerage	24,046 9.4%	23,055 8.3%	(4.1)
	Condominiums	7,953 12.8%	11,715 14.0%	47.3
	Urban redevelopment	19,577 20.4%	5,200 13.8%	(73.4)
	Subtotal	51,577 12.5%	39,971 10.0%	(22.5)
Overseas Business		57,353 6.7%	23,003 2.5%	(59.9)
Other		1,782 17.7%	2,312 20.3%	29.7
Eliminations and back office		(33,933)	(34,622)	—
Consolidated		232,625 8.1%	210,889 7.2%	(9.3)

The bottom row indicates the operating profit margin.

(3) Orders (Millions of Yen)

		Nine months ended October 31, 2024	Nine months ended October 31, 2025	YOY(%)
Built-to-order Business	Detached houses	356,653	356,441	(0.1)
	Rental housing and commercial buildings	444,345	456,529	2.7
	Architectural / civil engineering	247,293	240,501	(2.7)
	Subtotal	1,048,292	1,053,473	0.5
Supplied Housing Business	Rental housing management	513,266	536,032	4.4
	Remodeling	138,869	147,383	6.1
	Subtotal	652,135	683,415	4.8
Development Business	Real estate and brokerage	274,594	290,119	5.7
	Condominiums	100,488	80,293	(20.1)
	Urban redevelopment	105,408	114,156	8.3
	Subtotal	480,491	484,568	0.8
Overseas Business		862,915	964,675	11.8
Other		10,179	11,659	14.5
Eliminations and back office		(29,457)	(23,396)	—
Consolidated		3,024,557	3,174,397	5.0

(4) Order backlog (Millions of Yen)

		As of January 31, 2025	As of October 31, 2025	Change (%)
Built-to-order Business	Detached houses	230,018	239,501	4.1
	Rental housing and commercial buildings	563,887	614,703	9.0
	Architectural / civil engineering	401,005	418,068	4.3
	Subtotal	1,194,911	1,272,273	6.5
Supplied Housing Business	Rental housing management	—	—	—
	Remodeling	36,749	52,601	43.1
	Subtotal	36,749	52,601	43.1
Development Business	Real estate and brokerage	72,376	85,244	17.8
	Condominiums	122,570	119,124	(2.8)
	Urban redevelopment	12,000	88,500	637.5
	Subtotal	206,947	292,869	41.5
Overseas Business		338,070	393,853	16.5
Other		1,037	1,288	24.2
Eliminations and back office		(23,138)	(19,622)	—
Consolidated		1,754,577	1,993,263	13.6

1. Overview of Consolidated Business Results, etc.

(1) Overview of Consolidated Business Results for the Nine Months Under Review

During the first nine months of the consolidated fiscal year under review, the outlook for the global economy became increasingly uncertain due to factors including the tariff hikes imposed by the United States. This, together with persistent geopolitical risks, made it necessary to continue to closely monitor the price situation, as influenced by the monetary and trade policies of various countries, as well as fluctuations in international financial and capital markets. In Japan, the recovery in consumer sentiment was delayed, due mainly to price hikes and the need to keep in mind the risk of a downturn in domestic business conditions due to factors such as the impact of the tariff policies of the United States. Nevertheless, the Japanese economy showed signs of a pickup in personal consumption, supported by ongoing improvements in the employment and income environment.

In Japan's housing market, despite indications of a rush in demand in anticipation of the revision of the Building Energy Efficiency Act, the number of new housing starts of owner-occupied houses and rental houses weakened, partly due to a pullback from the rush in demand and the impact of soaring construction costs. On the other hand, in the United States, although there remains strong latent demand for new housing against the backdrop of a chronic shortage of housing supply, new housing starts lacked confidence amid concerns over a slowdown in demand caused by customers continuing to take a wait-and-see attitude with regard to falling mortgage rates and the uncertain outlook from factors such as tariff policies, as well as rising construction costs and other factors.

In such a business environment, to achieve the Group's Global Vision for 2050 "Make Home the Happiest Place in the World," we have actively promoted various high-value-added proposals and other initiatives that integrate technologies, lifestyle design and service, based on the Sixth Mid-Term Management Plan (FY2023 to FY2025), which sets "Stable Growth in Japan and Proactive Growth Overseas" as its fundamental policy.

As a result, for the first nine months of the consolidated fiscal year under review, net sales were ¥2,935,711 million (up 2.5% year on year), operating profit was ¥210,889 million (down 9.3% year on year), ordinary profit was ¥199,909 million (down 6.0% year on year), and profit attributable to owners of parent was ¥147,065 million (down 10.8% year on year).

Results by business segment are as follows.

Built-to-Order Business

(Detached houses)

During the first nine months of the consolidated fiscal year under review, net sales were ¥346,959 million (up 1.1% year on year) and operating profit was ¥31,075 million (up 7.9% year on year).

We worked on initiatives such as utilizing "life knit design," a system for proposing designs that reflect each customer's sense of beauty in housing, enhancing proposal capabilities through Group cooperation, and strengthening our production system on a house-by-house basis that extends from production to shipment. Our efforts were also boosted by Japanese government measures such as the Green Housing for Child-rearing Support Project. As a result, orders remained steady.

As part of our strategy by price range, we focused on expanding the sale of mid- to high-end products, including integrated proposals combining land and 2nd-range products, as well as branding initiatives for 3rd-range products led by our DESIGN OFFICE team. In 1st-range products, we have contributed to the creation of high-quality housing stock in Japan by actively promoting the SI*[1] Business, a joint construction business where the Group companies undertake the construction of the foundations and structural frame-work of wooden houses built by partner companies.

Proposals for high-value-added houses and services such as "Green First ZERO" net zero energy houses (ZEH), which achieved a record-high 96% ratio of detached ZEH homes*[2] in FY2024, the Family Suite large living room, "PLATFORM HOUSE touch" smart home service linked to floor plans, and furniture and interior design continued to be well received, and we have been enhancing the detached housing brand by deepening our price range strategy.

*[1] SI: "S" refers to skeleton or structural frame-work and "I" refers to infill or exterior and interior.

*[2] Ratio of detached homes ZEH: This indicator shows the portion of detached houses (excluding contracted and for-sale housing in Hokkaido) that the Company built during the fiscal year that were ZEH (Net Zero Energy House). Period was from April 1, 2024 to March 31, 2025.

(Rental housing and commercial buildings)

During the first nine months of the consolidated fiscal year under review, net sales were ¥405,713 million (up 3.2% year on year) and operating profit was ¥59,912 million (up 6.9% year on year).

We promoted business expansion in strategically chosen urban areas (S and A areas) where occupancy demand is expected to increase over the long term, and within these areas, especially in highly convenient areas proximate to stations (S areas), we focused on expanding the sale of three- to four-story rental housing builds created using our original construction method and adoption of net zero energy rental housing Sha Maison ZEH. In addition to these area marketing initiatives, our price leader strategies to realize high occupancy rates and rental rate levels have been successful, leading to strong orders for rental housing. In particular, in Sha Maison ZEH, residents appreciate being able to realize the benefits of savings in utility costs thanks to the system of selling excess electricity by residents, which is enabled by photovoltaic panels connected to each residential unit. As a result, the proportion of orders for ZEH residential units across all of our rental housing orders reached 75%.

Orders in corporate and public real estate (CRE and PRE) businesses also remained strong due to the enhancement of proposals for ESG solutions and strengthened efforts to address corporate business succession needs. We are promoting the enhancement of proposals in non-residential construction such as "Green First Office" zero energy building (ZEB), which leverages our expertise and technologies developed in the detached houses business for office spaces, etc.

(Architectural/civil engineering)

During the first nine months of the consolidated fiscal year under review, net sales were ¥223,437 million (down 4.9% year on year), and operating profit was ¥17,666 million (up 57.4% year on year).

Both architectural and civil engineering businesses saw improved profitability due to solid progress in large-scale construction projects and the acquisition of additional and modified projects, etc. In the architectural business, especially, profitability improved for large-scale government buildings, in addition to the progress in passing on soaring materials costs and rising personnel expenses in order prices. The environment for order volumes also remained favorable and orders progressed largely as planned, with strong orders for large-scale government buildings in the architectural business and private-sector projects in the civil engineering business.

Supplied Housing Business

(Rental housing management)

During the first nine months of the consolidated fiscal year under review, net sales were ¥536,032 million (up 4.4% year on year), and operating profit was ¥55,323 million (up 32.7% year on year).

The number of housing units under management increased due to continued orders for Sha Maison rental housing supplied in prime locations, mainly in the S and A areas, as well as progress in establishing systems to enable the provision of more detailed services to owners and tenants by Sekisui House Sha Maison PM companies, which began offering its services this fiscal year as group companies specializing in the rental business. For existing managed properties, we are maintaining a high occupancy rate through strategic leasing activities aimed at shortening the duration of vacancies, such as the time required for restoration work after move-outs and the period between new applications and actual move-ins. At the same time, we are focusing on increasing the rent by implementing value-enhancing renovations and other measures at the time of tenant change. We are also working to enhance customer satisfaction and the "Sha Maison" brand value by promoting DX, including one-stop handling of move-in and move-out procedures using apps and blockchain technology, as well as expanding post-move-in troubleshooting services, etc.

(Remodeling)

During the first nine months of the consolidated fiscal year under review, net sales were ¥131,531 million (up 0.1% year on year), and operating profit was ¥16,246 million (down 10.1% year on year).

In the detached houses business, Sekisui House Support Plus, Ltd., which is responsible for the Group's after-sale service business, began offering its services this fiscal year. This has further strengthened collaboration within the Group and improved communication with owners. In particular, we strengthened our large-scale renovation proposals incorporating the "life knit design" concept in lifestyle proposal remodeling that meets changes in family structure and lifestyles. We also strengthened our proposals for energy efficient remodels, such as insulation renovations and the introduction of the latest energy-saving, energy-generating, and energy-storing equipment, by utilizing government and other subsidies. These efforts focused on Idocoro Dan-netsu thermal insulation upgrades, which target the areas of the home where customers spend the most time, as well as insulation improvements around doors and windows. For rental housing, we focus on conducting market analysis by area, layout, and building age, and on providing proposals for full renovations, such as layout alterations, which contribute to enhancing owners' asset value. As a result of these efforts, overall orders in our remodeling business remained strong.

Development Business

(Real estate and brokerage)

During the first nine months of the consolidated fiscal year under review, net sales were ¥277,251 million (up 8.4% year on year), and operating profit was ¥23,055 million (down 4.1% year on year).

In particular, at Sekisui House Real Estate, Ltd., which began offering its services this fiscal year as a group company specializing in the real estate and brokerage business, the integration of the business, which had been divided among six companies until the previous fiscal year, into a single entity led to the development of an enhanced organizational structure that enabled faster sharing of information and issues necessary to strengthen the purchase of high-quality real estate for sale and the development of sales channels. In the real estate business, the sale of real estate for sale, particularly land for housing, progressed solidly as a result of efforts to expand and deepen channels for inquiries from business corporations, financial institutions, and other organizations.

The brokerage business also remained steady through the use of the Group's nationwide network and diverse sales channels, in addition to collaboration within the Group.

(Condominiums)

During the first nine months of the consolidated fiscal year under review, net sales were ¥83,740 million (up 34.7% year on year), and operating profit was ¥11,715 million (up 47.3% year on year). The delivery of properties sold progressed as planned, with smooth progress in the delivery of Grande Maison Musashi-kosugi no Mori (Nakahara-ku, Kawasaki City) and Grande Maison Fukuoka The Central Luxe (Chuo-ku, Fukuoka City).

For the Grande Maison condominiums, which are intensively developed in the central areas of Tokyo, Nagoya, Osaka, and Fukuoka as strategic areas, we adopted ZEH specifications for all units to contribute to the decarbonization of the residential sector. In addition, we have steadily accumulated achievements in obtaining "Long-Life Quality Housing" certifications, as part of our efforts to prolong the longevity of buildings. We are also formulating plans that make the most of the attractiveness of each rental housing property, and sequentially opening GM BASE as information hubs rooted in each strategic area. Through these efforts, the presence of Grande Maison has been steadily advancing. These efforts proved effective, and the sale of Grande Maison One Ohori Park (Chuo-ku, Fukuoka City) and Grande Maison THE Shirokanedai (Minato-ku, Tokyo), among others, remained strong.

(Urban redevelopment)

During the first nine months of the consolidated fiscal year under review, net sales were ¥37,655 million (down 60.8% year on year), and operating profit was ¥5,200 million (down 73.4% year on year).

Although earnings fell compared to the same period of the previous year in which we aggressively proceeded with the sale of large-scale properties, our projects progressed as planned. We completed entering into sale and purchase agreements for several properties and have been sequentially proceeding with the delivery of these properties. Furthermore, the occupancy rate remained steady for Prime Maison and other properties that we own.

Furthermore, a special purpose company in which we have a partial equity interest completed delivery of real estate holdings, from which we recorded a share of profit of entities accounted for using equity method.

Overseas Business

(Overseas business)

During the first nine months of the consolidated fiscal year under review, net sales were ¥908,892 million (up 6.8% year on year), and operating profit was ¥23,003 million (down 59.9% year on year).

In our U.S. homebuilding business, orders and deliveries increased with the performance of M.D.C. Holdings, Inc.,* which we acquired in April 2024, contributing from the beginning of the current fiscal year. On the other hand, despite mortgage rates falling, customers continued to take a wait-and-see attitude due to increased uncertainty over the outlook for the U.S. economy. In response, we increased incentives, and together with the recording of amortization of goodwill, a loss on valuation of inventory assets, etc., our operating profit margin decreased. Sales for our U.S. master-planned community business were strong, remaining at a similar level to their favorable performance in the same period of the previous year. In our U.S. multifamily business, we additionally sold "City Ridge" (Washington D.C.) to SPCs that had been organized by Sekisui House Reit, Inc. In addition, we sold the "San Diego Court House Middle Wing" (San Diego) and completed delivery.

In Australia, deliveries of the "Orchards Lumia Wing" and "Sanctuary Laguna Wing and Glade Wing" in Sydney progressed.

* In September 2025, the business name of "M.D.C. Holdings, Inc." was changed to "SEKISUI HOUSE U.S., Inc."

Other

During the first nine months of the consolidated fiscal year under review, net sales were ¥11,408 million (up 13.3% year on year), and operating profit was ¥2,312 million (up 29.7% year on year).

(2) Overview of Consolidated Financial Conditions for the Nine Months Under Review

Total assets decreased by ¥12,077 million to ¥4,796,770 million at the end of the first nine months of the consolidated fiscal year under review, mainly owing to the decreases in cash and deposits due to payments for trade payables and corporate income taxes. Liabilities increased by ¥37,731 million to ¥2,827,981 million, mainly due to the issuance of bonds. Net assets decreased by ¥49,809 million to ¥1,968,789 million due to dividend payments and a decrease in foreign currency translation adjustments, despite the recording of profit attributable to owners of parent.

(3) Information Regarding Consolidated Results Forecast

The consolidated results forecast for the fiscal year ending January 31, 2026 remained unchanged from the plan announced on September 4, 2025, in light of the progress in each business.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1)Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of January 31, 2025	As of October 31, 2025
Assets		
Current assets		
Cash and deposits	390,559	278,395
Notes receivable, accounts receivable from completed construction contracts and other	211,114	175,101
Costs on construction contracts in progress	14,127	22,510
Buildings for sale	1,068,926	1,136,455
Land for sale in lots	1,374,237	1,485,419
Undeveloped land for sale	396,123	455,026
Other inventories	12,164	12,406
Other	245,867	237,729
Allowance for doubtful accounts	(1,013)	(1,014)
Total current assets	3,712,106	3,802,030
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	176,209	176,465
Machinery, equipment and vehicles, net	11,757	15,112
Land	258,559	216,559
Construction in progress	45,976	19,110
Other, net	41,736	42,960
Total property, plant and equipment	534,240	470,208
Intangible assets		
Goodwill	134,217	113,352
Other	87,656	93,760
Total intangible assets	221,873	207,113
Investments and other assets		
Investment securities	205,632	182,291
Long-term loans receivable	13,656	16,502
Retirement benefit asset	46,749	48,755
Deferred tax assets	10,643	8,990
Other	64,994	61,117
Allowance for doubtful accounts	(1,047)	(239)
Total investments and other assets	340,628	317,418
Total non-current assets	1,096,742	994,740
Total assets	4,808,848	4,796,770

(Millions of yen)

	As of January 31, 2025	As of October 31, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	195,028	174,132
Electronically recorded obligations - operating	79,360	60,324
Short-term bonds payable	40,000	95,000
Short-term borrowings	477,840	461,757
Current portion of bonds payable	8	20,000
Current portion of long-term borrowings	252,793	186,997
Income taxes payable	44,652	23,862
Advances received on construction contracts in progress	220,645	242,957
Provision for bonuses	39,706	33,913
Provision for bonuses for directors (and other officers)	6,675	3,167
Provision for warranties for completed construction	14,073	13,917
Other	184,863	172,624
Total current liabilities	1,555,648	1,488,654
Non-current liabilities		
Bonds payable	620,121	728,281
Long-term borrowings	456,321	452,504
Long-term leasehold and guarantee deposits received	52,626	46,260
Deferred tax liabilities	13,443	13,679
Provision for retirement benefits for directors (and other officers)	862	778
Retirement benefit liability	31,632	31,607
Other	59,593	66,214
Total non-current liabilities	1,234,601	1,339,326
Total liabilities	2,790,249	2,827,981
Net assets		
Shareholders' equity		
Share capital	203,094	203,300
Capital surplus	260,297	259,595
Retained earnings	1,266,985	1,322,139
Treasury shares	(40,957)	(40,909)
Total shareholders' equity	1,689,420	1,744,126
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	35,610	30,439
Deferred gains or losses on hedges	(123)	(537)
Foreign currency translation adjustment	215,217	132,046
Remeasurements of defined benefit plans	22,075	16,338
Total accumulated other comprehensive income	272,779	178,287
Share acquisition rights	87	62
Non-controlling interests	56,311	46,312
Total net assets	2,018,599	1,968,789
Total liabilities and net assets	4,808,848	4,796,770

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the nine months ended October 31, 2024 and 2025

(Millions of yen)

	For the nine months ended October 31, 2024	For the nine months ended October 31, 2025
Net sales	2,863,016	2,935,711
Cost of sales	2,308,292	2,359,640
Gross profit	554,724	576,071
Selling, general and administrative expenses	322,099	365,181
Operating profit	232,625	210,889
Non-operating income		
Interest income	6,089	4,968
Dividend income	1,289	1,179
Foreign exchange gains	2,846	778
Share of profit of entities accounted for using equity method	-	18,108
Other	2,131	2,106
Total non-operating income	12,357	27,141
Non-operating expenses		
Interest expenses	24,227	28,983
Share of loss of entities accounted for using equity method	467	-
Other	7,579	9,137
Total non-operating expenses	32,274	38,121
Ordinary profit	212,707	199,909
Extraordinary income		
Gain on sale of investment securities	18,941	12,307
Gain on liquidation of subsidiaries and associates	945	-
Total extraordinary income	19,887	12,307
Extraordinary losses		
Loss on sale and retirement of non-current assets	989	870
Acquisition related expenses	3,342	-
Loss on sale of shares of subsidiaries and associates	386	-
Impairment losses	12	-
Total extraordinary losses	4,730	870
Profit before income taxes	227,864	211,346
Income taxes - current	69,123	55,569
Income taxes - deferred	(8,645)	5,611
Total income taxes	60,478	61,181
Profit	167,386	150,165
Profit attributable to non-controlling interests	2,558	3,099
Profit attributable to owners of parent	164,827	147,065

Quarterly Consolidated Statement of Comprehensive Income
For the nine months ended October 31, 2024 and 2025

(Millions of yen)

	For the nine months ended October 31, 2024	For the nine months ended October 31, 2025
Profit	167,386	150,165
Other comprehensive income		
Valuation difference on available-for-sale securities	(13,997)	(4,111)
Foreign currency translation adjustment	(42,948)	(81,403)
Remeasurements of defined benefit plans, net of tax	(4,912)	(5,746)
Share of other comprehensive income of entities accounted for using equity method	(536)	(2,173)
Total other comprehensive income	(62,395)	(93,434)
Comprehensive income	104,990	56,730
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	102,400	53,492
Comprehensive income attributable to non-controlling interests	2,589	3,237

(3) Notes to Quarterly Consolidated Financial Statements

(Changes in accounting policies)

(Adoption of the “Accounting Standard for Current Income Taxes” and other standards)

The Company has adopted the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter “Accounting Standard Revised in 2022”) and other standards from the beginning of the first quarter of the consolidated fiscal year under review.

With regard to the revision to classification to record income taxes (taxation on other comprehensive income), the Company has conformed to the transitional treatment provided for in the proviso to Paragraph 20-3 of the Accounting Standard Revised in 2022 and the transitional treatment provided for in the proviso to Paragraph 65-2 (2) of “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter “Guidance Revised in 2022.” During the first quarter of the consolidated fiscal year under review, the impact on the quarterly consolidated financial statements is immaterial.

With regard to the revision associated with the review of treatment in the consolidated financial statements in case that gain or loss on sale of shares of a subsidiary, etc. among consolidated companies is deferred for tax purpose, the Guidance Revised in 2022 has been applied from the beginning of the first quarter of the consolidated fiscal year under review. This change has not been retroactively applied because the impact is immaterial.

(Related to Quarterly Consolidated Balance Sheet)

Changes in holding purpose

Investment properties of ¥101,125 million that were recorded under “buildings and structures” and “land” at the end of the previous consolidated fiscal year have been transferred to be recorded under “buildings for sale” and “land for sale in lots.”

(Note to Segment Information, etc.)

Segment Information

I. Previous third quarter consolidated fiscal year (from February 1, 2024 to October 31, 2024)

1. Information about net sales, profit or loss for each reportable segment

(Millions of Yen)

	Reportable Segments					
	Detached houses	Rental housing and commercial buildings	Architectural/ civil engineering	Rental housing management	Remodeling	Development
Net sales						
(1) Sales to external customers	343,010	386,962	232,508	508,587	130,305	402,074
(2) Intersegment sales or transfers	90	6,012	2,401	4,678	1,044	11,724
Total	343,101	392,974	234,910	513,266	131,350	413,798
Segment profit	28,808	56,058	11,223	41,688	18,066	51,577

	Reportable Segments		Other (Note 1)	Total	Adjustments (Note 2)	Amounts on the consolidated financial statements (Note 3)
	Overseas Business	Total				
Net sales						
(1) Sales to external customers	851,111	2,854,560	4,804	2,859,364	3,651	2,863,016
(2) Intersegment sales or transfers	–	25,953	5,265	31,219	(31,219)	–
Total	851,111	2,880,513	10,069	2,890,583	(27,567)	2,863,016
Segment profit	57,353	264,776	1,782	266,558	(33,933)	232,625

Notes 1. The “Other” category is a business segment that is not included in the reporting segments.

2. An adjustment of ¥(33,933) million for segment profit includes an elimination of intersegment transactions of ¥91 million and corporate expenses of ¥(34,025) million that have not been allocated to each segment. Corporate expenses mainly include selling, general and administration expenses and experiment and research expenses that do not belong to any reportable segments.

3. Segment profit is adjusted to correspond to operating profit in the quarterly consolidated statement of income.

2. Information on Assets by Reportable Segments

(Significant Increase in Assets due to Acquisition of Subsidiaries)

Segment assets of the Overseas Business increased compared to the end of the previous consolidated fiscal year due to making M.D.C. Holdings, Inc. and 33 other companies consolidated subsidiaries in “Overseas Business”.

II. Current third quarter consolidated fiscal year (from February 1, 2025 to October 31, 2025)
Information about net sales, profit or loss for each reportable segment

(Millions of Yen)

	Reportable Segments					
	Detached houses	Rental housing and commercial buildings	Architectural/ civil engineering	Rental housing management	Remodeling	Development
Net Sales						
(1) Sales to external customers	346,818	401,104	221,048	529,060	130,481	389,587
(2) Intersegment sales or transfers	141	4,609	2,389	6,972	1,050	9,060
Total	346,959	405,713	223,437	536,032	131,531	398,647
Segment profit	31,075	59,912	17,666	55,323	16,246	39,971

	Reportable Segments		Other (Note 1)	Total	Adjustments (Note 2)	Amounts on the consolidated financial statements (Note 3)
	Overseas Business	Total				
Net Sales						
(1) Sales to external customers	908,892	2,926,992	4,450	2,931,442	4,268	2,935,711
(2) Intersegment sales or transfers	–	24,222	6,958	31,180	(31,180)	–
Total	908,892	2,951,215	11,408	2,962,623	(26,912)	2,935,711
Segment profit	23,003	243,199	2,312	245,512	(34,622)	210,889

Notes
1. The “Other” category is a business segment that is not included in the reporting segments.
2. An adjustment of ¥(34,622) million for segment profit includes an elimination of intersegment transactions of ¥(176) million and corporate expenses of ¥(34,446) million that have not been allocated to each segment. Corporate expenses mainly include selling, general and administration expenses and experiment and research expenses that do not belong to any reportable segments.
3. Segment profit is adjusted to correspond to operating profit in the quarterly consolidated statement of income.

(Notes to Significant Changes in the Amount of Shareholders' Equity)

None

(Notes Regarding Assumption of a Going Concern)

None

(Notes to Statements of Cash Flows)

Quarterly consolidated statements of cash flows for the third quarter of the consolidated fiscal year under review have not been prepared. Depreciation (including amortization for intangible assets excluding goodwill) and amortization of goodwill for the third quarter of the consolidated fiscal year under review are as follows.

(Millions of Yen)

	For the nine months ended October 31, 2024	For the nine months ended October 31, 2025
Depreciation	25,508	31,359
Amortization of goodwill	10,014	13,045