

Disclaimer: This financial information, a digest of Taisei Corporation's "Consolidated Financial Results for the Six Months Ended September 30, 2025" ("Kessan Tanshin") disclosed at the Tokyo Stock Exchange on November 11, 2025 was translated into English and presented solely for the convenience of non-Japanese speaking users. If there is any discrepancy between Japanese "Kessan Tanshin" and this document, Japanese "Kessan Tanshin" will prevail.

November 11, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 [Japanese GAAP]

Listed company name:	Taisei Corporation
Stock exchange listings:	Tokyo Stock Exchange, Prime Market Nagoya Stock Exchange, Premier Market
Stock code:	1801
Location of headquarters:	Tokyo, Japan
Website:	https://www.taisei.co.jp/english/
Representative:	Yoshiro Aikawa, President and Chief Executive Officer
Contact:	Yuichi Nakano, General Manager of Accounting Department
TEL:	81-3-3348-1111 (from overseas)
Scheduled date for submission of interim report:	November 12, 2025
Scheduled date for dividend payment:	December 2, 2025
Supplementary materials for financial summaries:	Yes
Financial results briefing:	Yes (for analysts and institutional investors)

1. Consolidated financial results for the six months ended September 30, 2025

(From April 1, 2025 to September 30, 2025)

(1) Operating results (cumulative total)

(Millions of yen, rounded down)

(Percentages indicate changes from the same period in the previous fiscal year.)

(Percentages indicate changes from the same period in the previous fiscal year)								
	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
		%		%		%		%
FY2025 (Interim-end) As of September 30, 2025	907,872	(4.7)	81,285	100.5	83,908	68.7	63,642	41.9
FY2024 (Interim-end) As of September 30, 2024	952,298	29.0	40,533	210.2	49,748	171.8	44,849	201.5
(Note) Comprehensive income:	FY2025 (Interim-end)		81,103 million yen		759.0 %			
	FY2024 (Interim-end)		9,441 million yen		(80.7 %)			
	Net income per share		Diluted net income per share					
	yen		yen					
FY2025 (Interim-end) As of September 30, 2025	378.30		-					
FY2024 (Interim-end) As of September 30, 2024	243.99		-					

(2) Financial position

(Millions of yen, rounded down)

	Total assets	Net assets	Equity ratio
			%
As of September 30, 2025	2,516,484	925,390	34.2
As of March 31, 2025	2,428,837	900,699	35.7
(Reference) Shareholders' equity:	As of September 30, 2025	859,771 million yen	
	As of March 31, 2025	866,188 million yen	

2. Dividends

	Dividends per share (yen)				
	First quarter-end	Interim-end	Third quarter-end	Year-end	Total (Full year)
FY2024	-	65.00	-	145.00	210.00
FY2025	-	125.00			
FY2025 (forecast)			-	125.00	250.00

(Note) Revisions of projected dividends most recently announced: Yes

For details, please refer to the “Notice Regarding Revision to Financial Results Forecast, Dividends from Surplus (Interim Dividend), and Revision to Year-end Dividend Forecast” announced today (on November 11, 2025).

3. Consolidated results forecast for the fiscal year ending March 31, 2026 (FY2025)

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

(Millions of yen, rounded down)

(Percentages indicate the rate of change from the same period of the previous fiscal year)

(Percentages indicate the rate of change from the same period of the previous fiscal year)									
	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	Net income per share	
		%		%		%		%	yen
Full fiscal year	2,090,000	(3.0)	148,000	23.2	152,000	13.0	137,000	10.6	826.63

(Note) Revisions of consolidated forecasts most recently announced: Yes

For details, please refer to the “Notice Regarding Revision to Financial Results Forecast, Dividends from Surplus (Interim Dividend), and Revision to Year-end Dividend Forecast” announced today (on November 11, 2025).

*Notes

(1) Changes in principal subsidiaries during the interim period under review

(Changes in specified subsidiaries accompanying changes in scope of consolidation): Yes

Newly included: One company: Toyo Construction Co., Ltd.

Excluded: None

(2) Adoption of specific accounting methods for the preparation of interim consolidated financial statements: Yes

(Note) For details, please refer to page 15 of the Attachments, “2. Interim Consolidated Financial Statements and Principal Notes

(4) Notes to interim consolidated financial statement (Adoption of specific accounting methods for the preparation of interim consolidated financial statements).”

(3) Changes in accounting principles, changes in accounting estimates and restatements

- | | |
|--|------|
| (i) Changes in accounting principles due to revisions to accounting standards, etc.: | None |
| (ii) Changes due to accounting principles other than (i): | None |
| (iii) Changes in accounting estimates: | None |
| (iv) Restatements: | None |

(4) Number of shares outstanding (common stock)

- i. Number of shares outstanding at the end of period (including treasury stock)

As of September 30, 2025 183,166,472 shares

As of March 31, 2025 183,166,472 shares

- ii. Number of treasury shares at the end of period

As of September 30, 2025 18,729,889 shares

As of March 31, 2025 11,352,272 shares

- iii. Average number of shares during the period (interim period)

FY2025 (Interim-end) 168,232,963 shares

FY2024 (Interim-end) 183,820,935 shares

(Note) The number of treasury shares at the end of the period and number of treasury shares excluded for calculating average number of shares during the period include the Company’s shares held by the Board Benefit Trust (BBT).

(As of September 30, 2025: 98,400 shares, As of March 31, 2025: 98,400 shares, As of September 30, 2024: 98,400 shares)

* This financial statement is exempt from review by certified public accountants or an auditing firm.

* Proper use of forecasts of financial results, and other special matters

The Company adopted a resolution, at a meeting of its Board of Directors held on November 7, 2024, that authorized repurchases of shares of its common stock pursuant to Article 156 of the Companies Act, as applied pursuant to Article 165, Paragraph 3 of the same act. As a result, the “net income per share” in the consolidated results forecast for the fiscal year ending March 31, 2026 takes into account the impact of the repurchases of shares.

Forward-looking statements in this document, including the forecasts of financial results, etc., are based on information currently available to the Company and on certain assumptions that the Company deems reasonable and do not represent any promise by the Company. Actual results can be materially different from expectations due to a variety of factors.

For matters related to the forecasts of financial results, please refer to “1. Overview of Operating Results, etc. (3) Explanation of consolidated financial results forecast and other forward-looking information” on page 7 of the Attachments.

The Company plans to hold a briefing for analysts and institutional investors on Tuesday, November 11, 2025. The financial results materials to be distributed at the briefing will be posted on the Company’s website immediately after the briefing.

Overview of Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2026

(Unit: 100 million yen)

	The interim period			Full fiscal year				
	Previous fiscal year (From Apr. 1, 2024 to Sep. 30, 2024)	Current fiscal year (From Apr. 1, 2025 to Sep. 30, 2025)		Previous fiscal year (From Apr. 1, 2024 to Mar. 31, 2025)	Current fiscal year (From Apr. 1, 2025 to Mar. 31, 2026)			
	Result	Result	Over previous fiscal year	Result	Initial forecast	Revised forecast	Over previous fiscal year	Over initial forecast
Amount of orders received	9,291	11,733	2,441	24,375	20,600	21,900	(2,475)	1,300
Civil engineering	3,379	2,142	(1,237)	7,002	5,800	6,500	(502)	700
Building construction	5,118	8,794	3,675	15,731	13,300	13,900	(1,831)	600
Real estate development	748	739	(8)	1,507	1,400	1,400	(107)	-
Other	44	57	12	134	100	100	(34)	-
Net sales	9,522	9,078	(444)	21,542	19,600	20,900	(642)	1,300
Civil engineering	2,627	2,817	189	6,306	6,100	7,000	693	900
Building construction	6,088	5,469	(619)	13,725	12,000	12,400	(1,325)	400
Real estate development	762	736	(25)	1,375	1,400	1,400	24	-
Other	44	55	10	134	100	100	(34)	-
Gross profit %	9.5	15.3	5.8	10.7	11.6	14.1	3.4	2.5
	901	1,390	489	2,311	2,270	2,940	628	670
Civil engineering	16.3	20.5	4.2	19.4	16.6	18.6	(0.8)	2.0
	427	577	149	1,220	1,010	1,300	79	290
Building construction	4.8	11.4	6.6	5.4	8.2	10.7	5.3	2.5
	289	623	334	744	980	1,330	585	350
Real estate development	22.3	23.7	1.4	22.8	18.6	20.7	(2.1)	2.1
	170	174	4	313	260	290	(23)	30
Other	31.8	25.5	(6.3)	23.9	20.0	20.0	(3.9)	-
	14	14	(0)	32	20	20	(12)	-
SG&A expenses	(5.2)	(6.4)	(1.2)	(5.2)	(6.4)	(7.0)	(1.8)	(0.6)
	(496)	(577)	(81)	(1,109)	(1,260)	(1,460)	(350)	(200)
Operating income %	4.3	9.0	4.7	5.6	5.2	7.1	1.5	1.9
	405	812	407	1,201	1,010	1,480	278	470
Non-operating income	122	50	(71)	188	110	115	(73)	5
Non-operating expenses	(30)	(24)	5	(45)	(70)	(75)	(29)	(5)
(Net financial revenue)	31	24	(6)	49	14	22	(27)	8
Ordinary income %	5.2	9.2	4.0	6.2	5.4	7.3	1.1	1.9
	497	839	341	1,345	1,050	1,520	174	470
Extraordinary gains	165	132	(32)	488	180	513	24	333
Extraordinary losses	(1)	(9)	(8)	(51)	(10)	(13)	38	(3)
Income before income taxes %	6.9	10.6	3.7	8.3	6.2	9.7	1.4	3.5
	661	962	300	1,782	1,220	2,020	237	800
Income taxes	(193)	(304)	(110)	(503)	(390)	(610)	(106)	(220)
Net income %	4.9	7.2	2.3	5.9	4.2	6.7	0.8	2.5
	467	657	189	1,279	830	1,410	130	580
Net income attributable to non-controlling interests	(19)	(21)	(1)	(41)	(30)	(40)	1	(10)
Net income attributable to owners of parent %	4.7	7.0	2.3	5.7	4.1	6.6	0.9	2.5
	448	636	187	1,238	800	1,370	131	570

* The forecast for the current fiscal year shows the figures in earnings forecasts released on August 8, 2025.

Overview of Non-consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2026

(Unit: 100 million yen)

	The interim period			Full fiscal year				
	Previous fiscal year (From Apr. 1, 2024 to Sep. 30, 2024)	Current fiscal year (From Apr. 1, 2025 to Sep. 30, 2025)		Previous fiscal year (From Apr. 1, 2024 to Mar. 31, 2025)	Current fiscal year (From Apr. 1, 2025 to Mar. 31, 2026)			
	Result	Result	Over previous fiscal year	Result	Initial forecast	Revised forecast	Over previous fiscal year	Over initial forecast
Amount of orders received	6,459	8,902	2,443	18,912	15,200	15,200	(3,712)	-
Civil engineering	2,119	926	(1,193)	4,651	3,500	3,500	(1,151)	-
Domestic	2,136	900	(1,235)	4,650	3,100	3,100	(1,550)	-
Overseas	(16)	25	42	1	400	400	398	-
Building construction	4,207	7,816	3,609	13,774	11,400	11,400	(2,374)	-
Domestic	4,182	7,769	3,586	13,662	11,000	11,150	(2,512)	150
Overseas	24	46	22	111	400	250	138	(150)
Total	6,326	8,742	2,415	18,425	14,900	14,900	(3,525)	-
Real estate development	104	122	18	382	230	204	(178)	(26)
Other	28	36	8	104	70	96	(8)	26
Net sales	7,141	6,507	(634)	16,378	14,100	14,300	(2,078)	200
Civil engineering	1,622	1,767	144	4,037	3,800	4,000	(37)	200
Domestic	1,522	1,668	146	3,822	3,600	3,750	(72)	150
Overseas	99	98	(1)	214	200	250	35	50
Building construction	5,359	4,580	(778)	11,969	10,000	10,000	(1,969)	-
Domestic	5,231	4,435	(795)	11,704	9,500	9,560	(2,144)	60
Overseas	128	145	16	264	500	440	175	(60)
Total	6,981	6,348	(633)	16,007	13,800	14,000	(2,007)	200
Real estate development	131	122	(8)	266	230	204	(62)	(26)
Other	28	36	8	104	70	96	(8)	26
Gross profit %	7.5	14.5	7.0	9.2	10.9	13.7	4.5	2.8
	537	943	405	1,514	1,540	1,960	445	420
Civil engineering	17.0	21.9	4.9	20.7	18.2	21.0	0.3	2.8
Domestic	276	387	111	835	690	840	4	150
Building construction	3.8	10.7	6.9	4.4	7.3	10.0	5.6	2.7
Domestic	201	489	288	521	730	1,000	478	270
Total	6.8	13.8	7.0	8.5	10.3	13.1	4.6	2.8
Domestic	477	876	399	1,356	1,420	1,840	483	420
Real estate development	39.2	46.4	7.2	49.8	47.8	51.0	1.2	3.2
Domestic	51	57	5	132	110	104	(28)	(6)
Other	31.4	26.0	(5.4)	23.9	14.3	16.7	(7.2)	2.4
Domestic	8	9	0	25	10	16	(9)	6
SG&A expenses	(4.3)	(5.7)	(1.4)	(4.3)	(5.9)	(6.1)	(1.8)	(0.2)
	(308)	(372)	(64)	(711)	(830)	(870)	(158)	(40)
Operating income %	3.2	8.8	5.6	4.9	5.0	7.6	2.7	2.6
	229	570	341	802	710	1,090	287	380
Non-operating income	50	59	9	92	80	100	7	20
Non-operating expenses	(16)	(21)	(4)	(24)	(50)	(70)	(45)	(20)
(Net financial revenue)	41	44	2	71	50	56	(15)	6
Ordinary income %	3.7	9.4	5.7	5.3	5.2	7.8	2.5	2.6
	262	609	346	871	740	1,120	248	380
Extraordinary gains	150	133	(16)	444	180	513	68	333
Extraordinary losses	(0)	(8)	(7)	(6)	(10)	(13)	(6)	(3)
Income before income taxes %	5.8	11.3	5.5	8.0	6.5	11.3	3.3	4.8
	412	734	322	1,308	910	1,620	311	710
Income taxes	(125)	(217)	(92)	(361)	(280)	(480)	(118)	(200)
Net income %	4.0	7.9	3.9	5.8	4.5	8.0	2.2	3.5
	286	516	230	947	630	1,140	192	510

* The initial forecast shows the figures in earnings forecasts released on August 8, 2025.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the six months ended September 30, 2025

The Japanese economy has continued a moderate recovery trend, supported by a rebound in personal consumption and capital investment and solid demand from inbound tourism. However, there remains a risk of downward pressure on the economy due to the impact of U.S. trade policies and other factors.

In the construction market, overall construction investment has been strong due to a recovery in private investment and steady public investment. However, manufacturing companies in particular have seen a deterioration in the earnings environment, and therefore, the situation requires even closer monitoring of corporate capital investment trends. In addition, the labor supply-demand situation remains tight, and the management environment continues to be challenging.

Under these circumstances, the Group's operating results for the six months ended September 30, 2025 showed that net sales decreased 4.7% year on year to ¥907.8 billion due to decreases in the building construction and real estate development businesses, resulting in a progress rate of 43.4% for the full-year forecast.

In terms of profits, gross profit increased 54.3% year on year to ¥139.0 billion (progress rate of 47.3%) due to a turnaround in profit margins in the civil engineering, building construction, and real estate development businesses. Although selling, general and administrative expenses increased 16.4% year on year to ¥57.7 billion (progress rate of 39.6%), operating income increased 100.5% year on year to ¥81.2 billion (progress rate of 54.9%). Ordinary income increased 68.7% year on year to ¥83.9 billion (progress rate of 55.2%) due to an increase in operating income, despite a deterioration in non-operating income (expenses) due in part to a decrease in investment gain on equity method. Net income attributable to owners of parent increased 41.9% year on year to ¥63.6 billion (progress rate of 46.5%) due to an increase in ordinary income, despite a deterioration in extraordinary gains (losses) mainly because of a decrease in gain on sales of investment securities.

Results by reportable segment are as follows (results by reportable segment include internal transactions between segments).

Civil engineering

Net sales increased 5.1% year on year to ¥291.0 billion due to an increase in sales by the Company. Operating income increased 47.3% year on year to ¥39.8 billion due not only to larger revenue but to an increase in gross profit from construction business reflecting the turnaround in profit margins for the Company and its consolidated subsidiaries.

Building construction

Although net sales decreased 9.9% year on year to ¥558.6 billion due to a decrease in sales by the Company, operating income was ¥28.7 billion (operating profit of ¥1.6 billion in the same period of the previous fiscal year) due to an increase in gross profit from construction business reflecting the turnaround in profit margins for the Company and its consolidated subsidiaries.

Real estate development

Although net sales decreased 2.6% year on year to ¥76.6 billion due to decreases in sales by the Company and the consolidated subsidiaries, operating income increased 6.8% year on year to ¥12.5 billion due to an increase in gross profit from real estate development operations due to the turnaround in profit margins for the Company and its consolidated subsidiaries.

Others

Net sales increased 16.6% year on year to ¥7.5 billion, and operating income increased 4.2% to ¥1.0 billion.

(2) Overview of financial position for the six months ended September 30, 2025

Total assets increased by 3.6% or ¥87.6 billion from the end of the previous fiscal year to ¥2,516.4 billion due to the consolidation of Toyo Construction Co., Ltd. as a subsidiary during the six months ended September 30, 2025.

Total liabilities increased by 4.1% or ¥62.9 billion from the end of the previous fiscal year to ¥1,591.0 billion due in part to an increase in interest-bearing debt for fund-raising purposes. The balance of interest-bearing debt for fund-raising purposes increased by 38.3% or ¥120.8 billion from the end of the previous fiscal year to ¥436.3 billion (of which non-recourse debt was ¥14.1 billion).

Net assets increased by 2.7% or ¥24.6 billion from the end of the previous fiscal year to ¥925.3 billion due in part to an increase in unrealized gains on available-for-sale securities, net of taxes due to a rise in the stock market, as well as the recording of net income attributable to owners of parent. The equity ratio decreased by 1.5 points from the end of the previous fiscal year to 34.2%.

(3) Explanation of consolidated financial results forecast and other forward-looking information

There is a revision to the results forecast announced on August 8, 2025.

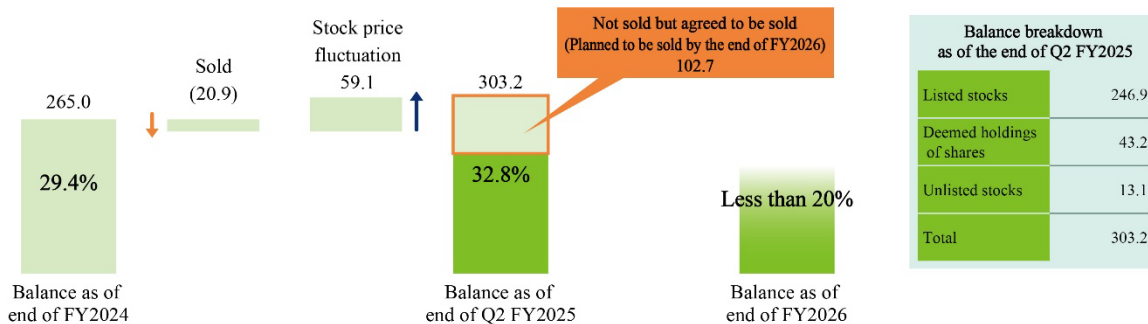
The full-year consolidated results forecast after the revision is expected to be net sales of ¥2,090.0 billion (an increase by 6.6% or ¥130.0 billion), operating income of ¥148.0 billion (an increase by 46.5% or ¥47.0 billion), ordinary income of ¥152.0 billion (an increase by 44.8% or ¥47.0 billion), and net income attributable to owners of parent of ¥137.0 billion (an increase by 71.3% or ¥57.0 billion). Orders received are expected to be ¥2,190.0 billion (an increase by 6.3% or ¥130.0 billion).

(4) Policy related to cross-shareholdings

Target for reduction (announced in December 2023)
We aim to reduce the amounts of cross-shareholdings to those equivalent to less than 20% of our consolidated net assets by the end of FY2026.

Changes in holding amount against consolidated net assets

(Billions of yen)



Moving forward, we will consider and implement an additional sale, etc. in order to steadily achieve the reduction target, even in the event of fluctuations of the stock price and our consolidated net assets.

2. Interim Consolidated Financial Statements and Principal Notes

(1) Interim consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and time deposits	240,689	252,636
Notes and accounts receivable trade	939,160	865,657
Securities	60,000	30,123
Cost on uncompleted contracts	69,013	109,708
Real estate for sale and development projects in progress	188,677	190,913
Other inventories	6,992	10,985
Other current assets	95,518	80,683
Allowance for doubtful accounts	(353)	(392)
Total current assets	1,599,698	1,540,315
Fixed assets		
Tangible fixed assets	246,745	300,342
Intangible fixed assets		
Goodwill	8,054	65,753
Other intangible fixed assets	19,484	18,968
Total intangible fixed assets	27,538	84,722
Investments and other assets		
Investment securities	428,326	468,537
Net defined benefit asset	58,171	59,337
Other fixed assets	70,512	65,472
Allowance for doubtful accounts	(2,155)	(2,243)
Total investments and other assets	554,854	591,104
Total fixed assets	829,139	976,169
Total assets	2,428,837	2,516,484

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable trade	553,376	456,125
Short-term borrowings	115,212	165,034
Short-term non-recourse loans payable	208	208
Straight bonds due within one year	10,000	-
Income taxes payable	37,904	32,450
Advances received and progress billings on uncompleted contracts	211,132	280,446
Provision for warranties on completed contracts	4,129	3,470
Provision for losses on construction contracts	102,678	91,838
Allowance for losses on orders received	31	15
Other current liabilities	258,250	239,125
Total current liabilities	1,292,924	1,268,716
Long-term liabilities		
Straight bonds	50,000	50,000
Non-recourse bonds payable	100	100
Long-term borrowings	127,799	207,204
Long-term non-recourse loans payable	12,201	13,805
Retirement benefits for directors and corporate auditors	933	828
Provision for share-based remuneration for directors	348	354
Allowance for losses on investments in subsidiaries and affiliates	3,033	2,105
Net defined benefit liability	17,418	21,453
Other long-term liabilities	23,377	26,525
Total long-term liabilities	235,213	322,378
Total liabilities	1,528,137	1,591,094
Net assets		
Shareholders' equity		
Common stock	122,742	122,742
Capital surplus	30,461	32,052
Retained earnings	649,200	687,900
Treasury stock	(73,168)	(135,244)
Total shareholders' equity	729,234	707,449
Accumulated other comprehensive income		
Unrealized gains on available-for-sale securities, net of taxes	87,254	111,566
Unrealized gains (losses) on hedging derivatives, net of taxes	4	(65)
Revaluation reserve for land	1,062	1,066
Foreign currency translation adjustments	8,040	1,670
Remeasurements of defined benefit plans	40,592	38,084
Total accumulated other comprehensive income	136,953	152,322
Non-controlling interests	34,511	65,618
Total net assets	900,699	925,390
Total liabilities and net assets	2,428,837	2,516,484

(2) Interim consolidated statement of income and interim consolidated statement of comprehensive income

Interim consolidated statement of income

(Millions of yen)

	From April 1, 2024 to September 30, 2024	From April 1, 2025 to September 30, 2025
Net sales		
Construction business	859,138	817,505
Development projects	93,159	90,367
Total net sales	952,298	907,872
Cost of sales		
Construction business	788,243	698,414
Development projects	73,920	70,419
Total cost of sales	862,163	768,833
Gross profit		
Construction business	70,895	119,090
Development projects	19,239	19,948
Total gross profit	90,134	139,039
Selling, general and administrative expenses	49,601	57,754
Operating income	40,533	81,285
Non-operating income		
Interest income	710	792
Dividend income	3,467	3,033
Investment gain on equity method	7,583	860
Other non-operating income	489	387
Total non-operating income	12,251	5,074
Non-operating expenses		
Interest expenses	1,076	1,345
Foreign exchange losses	682	195
Financing expenses	754	148
Taxes and dues	320	566
Other non-operating expenses	201	194
Total non-operating expenses	3,036	2,451
Ordinary income	49,748	83,908
Extraordinary gains		
Gain on sales of investment securities	16,466	13,196
Other extraordinary gains	60	36
Total extraordinary gains	16,526	13,232
Extraordinary losses		
Impairment losses on fixed assets	-	593
Loss on retirement of fixed assets	29	122
Loss on sales of investment securities	35	175
Other extraordinary losses	35	40
Total extraordinary losses	101	932
Income before income taxes	66,174	96,207
Income taxes	19,378	30,436
Net income	46,795	65,771
Net income attributable to non-controlling interests	1,946	2,128
Net income attributable to owners of parent	44,849	63,642

Interim consolidated statement of comprehensive income

(Millions of yen)

	From April 1, 2024 to September 30, 2024	From April 1, 2025 to September 30, 2025
Net income	46,795	65,771
Other comprehensive income		
Unrealized gains on available-for-sale securities, net of taxes	(39,985)	24,542
Unrealized gains (losses) on hedging derivatives, net of taxes	0	-
Foreign currency translation adjustments	4,577	(3,284)
Remeasurements of defined benefit plans	(3,458)	(2,531)
Share of other comprehensive income of entities accounted for using equity method	1,511	(3,394)
Total other comprehensive income	(37,354)	15,332
Comprehensive income	9,441	81,103
Comprehensive income attributable to		
Owners of parent	7,319	79,006
Non-controlling interests	2,121	2,096

(3) Interim consolidated statement of cash flows

(Millions of yen)

	From April 1, 2024 to September 30, 2024	From April 1, 2025 to September 30, 2025
Cash flows from operating activities		
Income before income taxes	66,174	96,207
Depreciation and amortization	7,783	7,581
Impairment losses on fixed assets	-	593
Increase (decrease) in allowance for doubtful accounts	(172)	16
Increase (decrease) in provision for losses on construction contracts	(19,708)	(11,240)
Increase (decrease) in net defined benefit liability	(102)	116
Decrease (increase) in net defined benefit asset	(203)	1,954
Interest and dividend income	(4,177)	(3,826)
Interest expenses	1,076	1,345
Foreign exchange losses (gains)	682	195
Loss (gain) on sales of investment securities	(16,430)	(13,020)
Loss on retirement of fixed assets	29	122
Investment loss (gain) on equity method	(7,583)	(860)
Decrease (increase) in trade receivables	70,356	153,515
Decrease (increase) in cost on uncompleted contracts	(36,464)	(37,326)
Decrease (increase) in real estate for sale and development projects in progress	1,214	306
Decrease (increase) in other inventories	(1,314)	(3,526)
Increase (decrease) in trade payables	(88,115)	(122,781)
Increase (decrease) in advances received and progress billings on uncompleted contracts	(10,739)	60,979
Increase (decrease) in deposit received	(31,588)	(30,311)
Other, net	(7,294)	1,095
Subtotal	(76,576)	101,139
Interest and dividend received	4,857	5,241
Interest paid	(1,091)	(1,301)
Income taxes paid	(35,512)	(35,654)
Net cash provided by (used in) operating activities	(108,323)	69,425

(Millions of yen)

	From April 1, 2024 to September 30, 2024	From April 1, 2025 to September 30, 2025
Cash flows from investing activities		
Decrease (increase) in time deposits	235	(1,530)
Purchase of tangible and intangible assets	(13,650)	(16,274)
Proceeds from sales of tangible and intangible assets	355	202
Purchase of investment securities	(51,704)	(17,381)
Proceeds from sales and redemption of investment securities	29,093	20,777
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(89,899)
Other, net	(32)	(93)
Net cash provided by (used in) investing activities	(35,702)	(104,199)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,983)	4,970
Proceeds from long-term borrowings	180	98,000
Repayment of long-term borrowings	(24,684)	(12,142)
Proceeds from long-term non-recourse borrowings	3,669	1,636
Repayment of long-term non-recourse loans payable	(253)	(32)
Redemption of bonds	-	(10,000)
Proceeds from issuance of non-recourse bonds	90	-
Acquisition of treasury stock	(10,003)	(62,541)
Decrease (increase) in deposits for the purchase of treasury stock	-	19,502
Dividends paid	(11,991)	(24,931)
Other, net	(1,001)	(1,387)
Net cash provided by (used in) financing activities	(45,979)	13,072
Effect of exchange rate changes on cash and cash equivalents	2,434	2,367
Net increase (decrease) in cash and cash equivalents	(187,571)	(19,333)
Cash and cash equivalents at beginning of period	430,754	295,963
Cash and cash equivalents at end of period	243,183	276,629

(4) Notes to interim consolidated financial statement

(Notes regarding going concern assumption)

Not applicable.

(Notes regarding substantial changes in the amount of shareholders' equity)

The Company, at the Board of Directors meeting held on November 7, 2024, resolved to repurchase its own shares under Article 156 of the Companies Act, as applied mutatis mutandis pursuant to paragraph 3, Article 165 thereof. As such, the Company acquired 7,637,800 shares of common stock for ¥62,536 million between April 1, 2025 and September 30, 2025 through purchases on the Tokyo Stock Exchange.

(Adoption of specific accounting methods for the preparation of interim consolidated financial statements)

(Calculation of tax expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax-effect accounting to income before income taxes for the fiscal year, including the interim period of the fiscal year ending March 31, 2026, and multiplying income before income taxes by said estimated effective tax rate.

However, in cases where the Company records loss before income taxes, the amount is multiplied by the statutory effective tax rate.

(Segment Information, etc.)

1. Reporting segment information (net sales and income (loss))

Interim period of FY2024 (April 1, 2024 – September 30, 2024)

(Millions of yen)

	Reporting segments				Others (Note 1)	Total	Adjustments (Note 2)	Book value in interim consolidated statement of income (Note 3)
	Civil engineering	Building construction	Real estate development	Subtotal				
Net sales								
Sales on third party customers	262,768	608,815	76,269	947,853	4,444	952,298	-	952,298
Intersegment transactions or transfers	14,173	11,181	2,453	27,808	2,044	29,852	(29,852)	-
Total	276,941	619,997	78,723	975,662	6,489	982,151	(29,852)	952,298
Segment operating income	27,049	1,657	11,789	40,496	966	41,463	(929)	40,533

Notes 1. Businesses that cannot be classified into the Company's reporting segments are shown as "Others."

This includes the incidental business of construction business such as cooperative research, technical service, and environmental measurement, and logistics business, and also, leisure-related business and other service business.

2. The adjustments of segment operating income of ¥(929) million includes elimination of intersegment transaction amounting to ¥(664) million and amortization of goodwill amounting to ¥(264) million.

3. Segment operating income is adjusted in accordance with operating income of the interim consolidated statement of income.

1. Reporting segment information (net sales and income (loss))

Interim period of FY2025 (April 1, 2025 – September 30, 2025)

(Millions of yen)

	Reporting segments				Others (Note 1)	Total	Adjustments (Note 2)	Book value in interim consolidated statement of income (Note 3)
	Civil engineering	Building construction	Real estate development	Subtotal				
Net sales								
Sales on third party customers	281,767	546,909	73,684	902,361	5,511	907,872	-	907,872
Intersegment transactions or transfers	9,289	11,701	2,985	23,976	2,056	26,033	(26,033)	-
Total	291,056	558,611	76,670	926,338	7,568	933,906	(26,033)	907,872
Segment operating income	39,857	28,770	12,586	81,214	1,007	82,221	(935)	81,285

Notes 1. Businesses that cannot be classified into the Company's reporting segments are shown as "Others."

This includes the incidental business of construction business such as cooperative research, technical service, and environmental measurement, and logistics business, and also, leisure-related business and other service business.

2. The adjustments of segment operating income of ¥(935) million includes elimination of intersegment transaction amounting to ¥(671) million and amortization of goodwill amounting to ¥(264) million.

3. Segment operating income is adjusted in accordance with operating income on interim consolidated statement of income.

2. Reporting segment information (impairment losses on fixed assets or goodwill, etc.)

(Significant change in amount of goodwill)

The Company has acquired shares of Toyo Construction Co., Ltd. in the Civil engineering and Building construction segments, making it a consolidated subsidiary. The increase in goodwill resulting from such transaction amounted to ¥57,964 million for the six months ended September 30, 2025.

The amount of goodwill was provisionally calculated since the allocation of the acquisition cost had not been completed as of September 30, 2025.

(Business combination, etc.)

Business combination through acquisition

1. Overview of business combination

(1) Name and business description of acquiree

Name of acquiree Toyo Construction Co., Ltd.

Business description General construction business (marine and land civil engineering, building construction), real estate business, etc.

(2) Main reasons for business combination

Under the [TAISEI VISION 2030] Achievement Plan, the Company focused more than ever on the healthy development of the construction industry through industry transformation (IX) to steadily implement transforming businesses utilizing M&A. At the same time, it explored every opportunity to build a new growth foundation specifying the following targets: vertical integration targeting to secure appropriate workforce and labor-saving, integration of value chains aimed at new value creation, and overseas business development aiming at business expansion. Amid this situation, the Company recognized the potential for various synergies by closely collaborating with the acquiree and mutually leveraging their respective strengths. The Company's expertise lies in onshore construction, while the acquiree has outstanding technology and an extensive track record in offshore construction. Based on this, the Company implemented the tender offer with the aim of making the acquiree a wholly owned subsidiary.

(3) Date of business combination

September 30, 2025

(4) Legal form of business combination

Acquisition of shares for cash consideration

(5) Name of entity after business combination

There is no change.

(6) Percentage of voting rights of acquired shares

Before the acquisition - %

After the acquisition 61.81%

A series of procedures will be carried out to make the Company and Maeda Corporation (hereinafter referred to as "Maeda Corp.") the only shareholders of the acquiree. In addition, the acquiree plans to acquire treasury shares targeting the acquiree's shares held by Maeda Corp., which will result in the Company holding 100% of the voting rights.

(7) Main reason for deciding to acquire the entity

The shares were acquired for cash consideration.

2. Period of the acquiree's financial results included in the interim consolidated statement of income

As the acquisition date is September 30, 2025, only the balance sheet of the acquiree is reflected in the interim consolidated financial statements, and financial results are not included.

3. Breakdown of the acquisition cost for the acquiree by type of consideration

Consideration for the acquisition	Cash and deposits	¥102,034 million
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Acquisition cost		¥102,034 million
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4. Details and amount of major acquisition-related expenses

Advisory fees, etc.	¥917 million
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5. Amount of goodwill recognized, reason for recognition, and method and period of amortization

(1) Amount of goodwill recognized

¥57,964 million

The amount of goodwill was provisionally calculated since the allocation of the acquisition cost had not been completed as of September 30, 2025.

(2) Reason for recognition

Since the acquisition cost exceeded the fair value of net assets at the time of the business combination, the difference was recorded as goodwill.

(3) Method and period of amortization

The goodwill is scheduled to be amortized on the straight-line method over the period during which its effects are expected to be realized, and the amortization period is currently being calculated.

(Significant subsequent events)

(Cancellation of treasury stock)

The Company, at the Board of Directors meeting held on November 7, 2024, resolved to repurchase its own shares, and acquired 19,980,600 shares of common stock for ¥149,999 million between November 8, 2024 and November 7, 2025 (on a delivery basis). At the Board of Directors meeting held on November 11, 2025, the Company resolved to cancel its common shares held as treasury stock pursuant to Article 178 of the Companies Act.

(1) Reason for cancellation of treasury stock

To enhance shareholder returns and improve capital efficiency

(2) Details of cancellation of treasury stock

(i) Class of shares to be cancelled	Common shares of the Company
(ii) Number of shares to be cancelled	19,980,600 shares (10.91% of total number of shares issued before cancellation)
(iii) Date of cancellation	November 28, 2025
(iv) Total number of shares issued after cancellation	163,185,872 shares

3. (Reference) Interim Non-consolidated Financial Statements
(1) (Summary) Interim non-consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and time deposits	147,069	162,513
Notes and accounts receivable trade	755,966	611,869
Securities	60,000	30,000
Real estate for sale	32,672	31,243
Cost on uncompleted contracts	64,781	90,418
Cost on development projects in progress	11,690	14,703
Other current assets	83,788	60,690
Allowance for doubtful accounts	(115)	(90)
Total current assets	1,155,852	1,001,347
Fixed assets		
Tangible fixed assets	165,424	171,253
Intangible fixed assets	15,337	13,991
Investments and other assets		
Investment securities	540,611	680,375
Other fixed assets	78,612	68,510
Allowance for doubtful accounts	(7,199)	(7,040)
Total investments and other assets	612,024	741,845
Total fixed assets	792,787	927,089
Total assets	1,948,640	1,928,437

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable trade	479,148	351,243
Short-term borrowings	79,752	102,104
Straight bonds due within one year	10,000	-
Income taxes payable	27,233	22,592
Advances received and progress billings on uncompleted contracts	174,578	235,127
Deposit received	268,204	263,627
Provision for warranties on completed contracts	3,236	2,319
Provision for losses on construction contracts	102,279	91,091
Other current liabilities	48,123	48,346
Total current liabilities	1,192,555	1,116,452
Long-term liabilities		
Straight bonds	50,000	50,000
Long-term borrowings	94,699	162,854
Provision for retirement benefits	13,092	11,070
Provision for share-based remuneration for directors	72	100
Other long-term liabilities	4,737	4,784
Total long-term liabilities	162,602	228,810
Total liabilities	1,355,158	1,345,262
Net assets		
Shareholders' equity		
Common stock	122,742	122,742
Capital surplus	30,686	32,299
Additional paid-in-capital	30,686	30,686
Other capital surplus	-	1,612
Retained earnings	427,989	454,744
Other retained earnings	427,989	454,744
Reserve for tax deferment on replacement of fixed assets	1,395	1,395
Reserve for purchase of specified shares	250	250
Other reserve	319,500	226,500
Retained earnings carried forward	106,843	226,598
Treasury stock	(72,966)	(135,042)
Total shareholders' equity	508,451	474,742
Accumulated gains from valuation		
Unrealized gains on available-for-sale securities, net of taxes	85,030	108,432
Total accumulated gains from valuation	85,030	108,432
Total net assets	593,481	583,174
Total liabilities and net assets	1,948,640	1,928,437

(2) (Summary) Interim non-consolidated statement of income

(Millions of yen)

	From April 1, 2024 to September 30, 2024	From April 1, 2025 to September 30, 2025
Net sales		
Construction business	698,192	634,803
Development projects	15,995	15,977
Total net sales	714,187	650,781
Cost of sales		
Construction business	650,449	547,112
Development projects	9,947	9,312
Total cost of sales	660,396	556,424
Gross profit		
Construction business	47,743	87,691
Development projects	6,048	6,665
Total gross profit	53,791	94,356
Selling, general and administrative expenses	30,879	37,287
Operating income	22,912	57,069
Non-operating income	5,038	5,978
Non-operating expenses	1,672	2,112
Ordinary income	26,277	60,935
Extraordinary gains	15,005	13,323
Extraordinary losses	63	810
Income before income taxes	41,219	73,448
Income taxes	12,545	21,762
Net income	28,674	51,686

(Reference) Net income per share	FY2025 (Interim-end):	307.18 yen
	FY2024 (Interim-end):	155.99 yen

(Notes)

1. The Company's interim non-consolidated financial statements are prepared in accordance with the "Ordinance on the Terminology, Forms, and Preparation Methods of Financial Statements, etc." and the "Construction Industry Law's enforcement regulations."
2. Classifications of categories are noted in summary.

4. Supplementary Information

(1) (Non-consolidated) Amount of orders received, net sales and balance carried forward

(i) Amount of orders received

(Millions of yen)

	Interim period of FY2024 April 1, 2024 to September 30, 2024 (Note) %		Interim period of FY2025 April 1, 2025 to September 30, 2025 (Note) %		Change over previous year	Rate of change %	FY2024 (Full year) April 1, 2024 to March 31, 2025 (Note) %	
Civil engineering (1)								
Domestic public sector	180,388	28.0	36,679	4.1	(143,708)	(79.7)	328,529	17.4
Domestic private sector	33,215	5.1	53,372	6.0	20,157	60.7	136,481	7.2
Overseas	(1,661)	(0.3)	2,577	0.3	4,239	-	117	0.0
Total	211,942	32.8	92,629	10.4	(119,312)	(56.3)	465,127	24.6
Building construction (2)								
Domestic public sector	51,306	7.9	84,369	9.5	33,063	64.4	140,196	7.4
Domestic private sector	366,966	56.9	692,583	77.8	325,616	88.7	1,226,030	64.8
Overseas	2,466	0.4	4,695	0.5	2,228	90.3	11,185	0.6
Total	420,739	65.2	781,648	87.8	360,908	85.8	1,377,412	72.8
Total (1) + (2)								
Domestic public sector	231,694	35.9	121,048	13.6	(110,645)	(47.8)	468,726	24.8
Domestic private sector	400,182	62.0	745,956	83.8	345,773	86.4	1,362,511	72.0
Overseas	805	0.1	7,272	0.8	6,467	803.5	11,302	0.6
Subtotal	632,682	98.0	874,278	98.2	241,595	38.2	1,842,540	97.4
Real estate development	10,424	1.6	12,294	1.4	1,870	17.9	38,224	2.0
Other	2,801	0.4	3,683	0.4	881	31.5	10,491	0.6
Total	645,908	100.0	890,255	100.0	244,347	37.8	1,891,256	100.0

Note: The percentages indicate the proportion.

Major new construction orders in the interim period from April 1, 2025 to September 30, 2025

Client	Project	Location
Keikyu Corporation	Shinagawa Station West Exit Area, District A New Construction Plan (tentative name)	Tokyo
Odori-nishi 4 South District Urban Redevelopment Association	New building construction work for Odori-nishi 4 South District, Category 1 Urban Redevelopment Project	Hokkaido
Shirokane 1-chome West Area Central District Urban Redevelopment Association	New building construction work for Shirokane 1-chome West Central District, Category 1 Urban Redevelopment Project	Tokyo
Himeji City	Kabutoyama Water Treatment Plant Upgrade Project, Construction of New Water Treatment Plant	Hyogo Prefecture
JFE Steel Corporation	Foundation Works for the Electric Arc Furnace (EAF) Electrical Room, etc., Construction Package No.2 of EAF	Okayama Prefecture

(ii) Net sales

(Millions of yen)

	Interim period of FY2024 April 1, 2024 to September 30, 2024 (Note) %		Interim period of FY2025 April 1, 2025 to September 30, 2025 (Note) %		Change over previous year	Rate of change %	FY2024 (Full year) April 1, 2024 to March 31, 2025 (Note) %	
Civil engineering (1)								
Domestic public sector	110,739	15.5	114,342	17.6	3,603	3.3	270,553	16.5
Domestic private sector	41,526	5.8	52,555	8.1	11,028	26.6	111,688	6.8
Overseas	9,983	1.4	9,831	1.5	(152)	(1.5)	21,488	1.3
Total	162,250	22.7	176,729	27.2	14,479	8.9	403,730	24.6
Building construction (2)								
Domestic public sector	79,067	11.1	51,440	7.9	(27,627)	(34.9)	160,925	9.8
Domestic private sector	444,054	62.2	392,126	60.2	(51,927)	(11.7)	1,009,559	61.7
Overseas	12,820	1.8	14,506	2.2	1,686	13.2	26,489	1.6
Total	535,942	75.1	458,073	70.3	(77,868)	(14.5)	1,196,974	73.1
Total (1) + (2)								
Domestic public sector	189,807	26.6	165,783	25.5	(24,023)	(12.7)	431,478	26.3
Domestic private sector	485,580	68.0	444,682	68.3	(40,898)	(8.4)	1,121,248	68.5
Overseas	22,803	3.2	24,337	3.7	1,533	6.7	47,977	2.9
Subtotal	698,192	97.8	634,803	97.5	(63,388)	(9.1)	1,600,704	97.7
Real estate development	13,193	1.8	12,294	1.9	(899)	(6.8)	26,627	1.6
Other	2,801	0.4	3,683	0.6	881	31.5	10,491	0.7
Total	714,187	100.0	650,781	100.0	(63,405)	(8.9)	1,637,823	100.0

Note: The percentages indicate the proportion.

Major construction projects completed in the interim period from April 1, 2025 to September 30, 2025

Client	Project	Location
Mitsui Fudosan Residential Co., Ltd. Mitsubishi Estate Residence Co., Ltd.	Minato-ku Mita 1-chome Project (tentative name)	Tokyo
Tokyo Electron Miyagi Ltd.	Tokyo Electron Miyagi Ltd. New Building Construction Work for Development Building No. 3	Miyagi Prefecture
SMC Corporation	SMC Tono Supplier Park Construction Project	Iwate Prefecture
Japan Water Agency	Construction of the Nanma Dam's primary structure	Tochigi Prefecture
West Nippon Expressway Company Limited	Shin-Meishin Expressway, Construction Work for Ujitawara No. 2 Viaduct (PC superstructure)	Kyoto

(iii) Balance carried forward

(Millions of yen)

	Interim period of FY2024 As of September 30, 2024 (Note) %		Interim period of FY2025 As of September 30, 2025 (Note) %		Change over previous year	Rate of change %	FY2024 (Full year) As of March 31, 2025 (Note) %	
Civil engineering (1)								
Domestic public sector	647,029	23.9	557,693	17.1	(89,336)	(13.8)	635,356	21.0
Domestic private sector	293,044	10.8	326,964	10.0	33,920	11.6	326,147	10.8
Overseas	71,522	2.7	54,543	1.7	(16,979)	(23.7)	61,797	2.0
Total	1,011,596	37.4	939,201	28.8	(72,394)	(7.2)	1,023,301	33.8
Building construction (2)								
Domestic public sector	277,677	10.3	317,639	9.7	39,962	14.4	284,710	9.4
Domestic private sector	1,339,612	49.5	1,933,626	59.2	594,014	44.3	1,633,170	53.9
Overseas	76,262	2.8	61,501	1.9	(14,761)	(19.4)	71,312	2.4
Total	1,693,552	62.6	2,312,767	70.8	619,214	36.6	1,989,193	65.7
Total (1) + (2)								
Domestic public sector	924,706	34.2	875,332	26.8	(49,373)	(5.3)	920,067	30.4
Domestic private sector	1,632,656	60.3	2,260,591	69.2	627,934	38.5	1,959,317	64.7
Overseas	147,785	5.5	116,045	3.6	(31,740)	(21.5)	133,109	4.4
Subtotal	2,705,148	100.0	3,251,968	99.6	546,820	20.2	3,012,494	99.5
Real estate development	169	0.0	14,536	0.4	14,367	-	14,536	0.5
Other	-	-	-	-	-	-	-	-
Total	2,705,318	100.0	3,266,505	100.0	561,187	20.7	3,027,031	100.0

Note: The percentages indicate the proportion.

Major construction orders carried over into next fiscal period

Client	Project	Location
Odakyu Electric Railway Co., Ltd. Tokyo Metro Co., Ltd. TOKYU LAND CORPORATION	Shinjuku Station West Exit Area Development Project	Tokyo
Yaesu 1-chome North district Urban redevelopment association	New Building Construction Work (South district) for Yaesu 1-chome North District Category 1 Urban Redevelopment Project	Tokyo
Nishi-Azabu 3-chome Northeast district Urban redevelopment association	New Building Construction Work (district A) for Nishi-Azabu 3-chome Northeast district Category 1 Urban Redevelopment Project	Tokyo
Metropolitan Expressway Co., Ltd	Detail Design and Construction Works for tunnel of Tokiwabashi district	Tokyo
Metropolitan Expressway Co., Ltd	Construction work for shield tunnel of Nihonbashi district	Tokyo