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January 30, 2026

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



Company name: Daito Trust Construction Co., Ltd.
 Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
 Securities code: 1878
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 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 nine months ended December 31, 2025 (from April 1, 2025 to December 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2025	1,443,571	6.0	106,587	3.7	109,216	0.4	76,196	(0.9)
December 31, 2024	1,362,176	7.3	102,797	26.5	108,832	28.4	76,874	27.8

Note: Comprehensive income For the nine months ended December 31, 2025: ¥73,718 million [(2.6%)]
 For the nine months ended December 31, 2024: ¥75,689 million [11.2%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2025	229.53	229.52
December 31, 2024	234.61	234.13

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 December 31, 2025	Millions of yen 1,298,332	Millions of yen 491,841	% 38.1	Yen 1,486.66
March 31, 2025	1,221,992	467,365	38.4	1,414.63

Reference: Equity
 As of December 31, 2025: ¥494,837 million
 As of March 31, 2025: ¥468,766 million

(Notes)

In the first quarter of the fiscal year ending March 2026, the provisional accounting method pertaining to the business combination has been settled. The figures for the fiscal year ended March 2025 have been adjusted to reflect the provisional settlement of accounts. In addition, 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
Fiscal year ended March 31, 2025	Yen —	Yen 287.00	Yen —	Yen 427.00	Yen 714.00
Fiscal year ending March 31, 2026	—	342.00	—		
Fiscal year ending March 31, 2026 (Forecast)				74.60	—

(Notes)

1. Revisions to the forecast of cash dividends most recently announced: Yes
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 forecast for FY2025 takes into account the effect of the split, and the total annual dividend is shown as “—”. If the stock split were not taken into account, the year-end dividend forecast for FY2025 would be ¥373 and the total annual dividend would be ¥715.

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 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	1,980,000	7.5	135,000	13.6	138,000	6.6	95,000	1.2	286.00

(Notes)

1. Revisions to the forecast of financial results most recently announced: Yes
2. The Company carried out a 5-for-1 stock split of its common shares, with an effective date of October 1, 2025. The impact of the split is taken into account in the basic earnings per share forecast for FY2025. Basic earnings per share excluding the effect of the stock split would be ¥1,430.

* **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 December 31, 2025	344,594,895 shares
As of March 31, 2025	344,594,895 shares

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

As of December 31, 2025	11,743,169 shares
As of March 31, 2025	13,224,610 shares

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

Nine months ended December 31, 2025	331,964,759 shares
Nine months ended December 31, 2024	327,673,520 shares

Note: The Company carried out a 5-for-1 stock split of its common shares, with an effective date of October 1, 2025. “Total number of issued shares at the end of the period,” “Number of treasury shares at the end of the period,” and “Average number of shares outstanding during the period” are 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, January 30, 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 nine months ended December 31, 2025, 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 nine months ended December 31, 2025, 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:	1,103,705 shares, ¥2,376 million
End of the nine months ended December 31, 2025:	1,262,985 shares, ¥3,281 million

Note: The Company carried out a 5-for-1 stock split of its common shares, with an effective date of October 1, 2025; the number of shares as of the end of the previous fiscal year is calculated assuming that the stock split was conducted.

(Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm)

The Company plans to disclose a quarterly financial results report with a review report attached (optional) after completing the review.

Scheduled date for disclosure: February 13, 2026

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Nine Months Ended December 31, 2025

During the nine months ended December 31, 2025, the Japanese economy remained resilient overall, with progress in wage increases supporting private consumption, and signs of recovery in capital investments and the employment environment. However, uncertainty persists in the domestic and international business environment, with energy and material prices remaining high and the yen continuing to weaken, as well as the ongoing geopolitical risks surrounding international affairs.

New housing starts decreased by 13.7% year-on-year to 472,030 on a (most recently announced) cumulative basis for the period from April 2025 to November 2025, and the number of housing starts of rental residential properties, on which the Daito Group is focused, was also sluggish at 206,636, a decrease of 13.1% year-on-year. 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 worked to secure orders and improved profitability in the Construction Business, expanded revenue from managed stock and maintained and improved occupancy rates in the Real Estate Leasing Business, and further strengthened and expanded the Real Estate Development Business, which is a focus area.

(Overview of the nine months ended December 31, 2025)

The Company recorded net sales of 1,443,571 million yen (up 6.0% year-on-year), operating profit of 106,587 million yen (up 3.7% year-on-year), ordinary profit of 109,216 million yen (up 0.4% year-on-year), and profit attributable to owners of parent of 76,196 million yen (down 0.9% year-on-year).

(Overview by segment)

1) Construction Business

In the Construction Business, net sales of completed construction contracts decreased by 0.7% year-on-year to 398,076 million yen and gross profit on completed construction contracts decreased by 1.8% year-on-year to 99,750 million yen, since the construction completion scheduled for the fiscal year ending March 31, 2026 was slightly weighted toward the second half of the fiscal year. The gross profit margin for completed construction contracts decreased by 0.2 points year-on-year to 25.1% due to higher material prices. As a result, operating profit decreased by 15.1% year-on-year to 31,030 million yen.

Orders received decreased by 5.5% year-on-year to 431,436 million yen, due to the optimization of the sales area considering the rising construction costs and the tenant placement situation. Orders in hand as of December 31, 2025 decreased by 1.3% year-on-year to 800,342 million yen.

2) Real Estate Leasing Business

In the Real Estate Leasing Business, sales in real estate lease business increased by 3.1% year-on-year to 894,543 million yen, and operating profit increased by 7.9% year on year to 67,312 million yen. This is mainly due to an increase in rental revenues from Daito Kentaku Partners Co., Ltd., which handles whole-building lease operations, resulting from an increase in whole-building lease properties under our Lease Management Trust System and high occupancy rates.

The number of tenant recruitment (Note 1) decreased by 0.6% year-on-year to 232,139. The rent basis occupancy rate (Note 2) of our leased residential properties as of December 31, 2025 remained flat year-on-year at 97.4%, and the rent basis occupancy rate of our leased commercial properties increased by 0.1 point year-on-year to 99.5%.

(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 increased by 159.5% year-on-year to 87,787 million yen, and operating profit increased by 160.6% year-on-year to 9,514 million yen, mainly due to the effect of the consolidation of Ascot Corp. as a subsidiary and the increase in the number of income-generating properties sold (development and sale).

4) Other Business

In the Other Business, sales increased mainly due to an increase in the total number of operating meters in the gas supply business and an increase in the number of day care service users in the nursing care business. However, sales in other businesses increased by 5.7% year-on-year to 63,163 million yen, and operating profit decreased by 0.2% year-on-year to 12,827 million yen with rising interest rates squeezing profits in the Financial Business.

(2) Overview of Financial Position for the Nine Months Ended December 31, 2025

Total assets at the end of the nine months ended December 31, 2025 amounted to 1,298,332 million yen, an increase of 76,340 million yen compared to the end of the previous fiscal year. This is mainly due to increases of 41,598 million yen in real estate for sale in process, 36,869 million yen in accounts receivable from completed construction contracts and other, and 28,806 million yen in real estate for sale, offset by a decrease of 31,360 million yen in cash and deposits.

Liabilities amounted to 806,491 million yen, an increase of 51,864 million yen compared to the end of the previous fiscal year. This is mainly due to an increase of 139,577 million yen in long-term borrowings, offset by decreases of 28,463 million yen in current portion of long-term borrowings, 21,241 million yen in provision for bonuses, 18,083 million yen in income taxes payable, and 11,677 million yen in advances received.

Net assets amounted to 491,841 million yen, an increase of 24,475 million yen compared to the end of the previous fiscal year. This mainly reflects an increase of 76,196 million yen in retained earnings stemming from the profit attributable to owners of parent, a decrease of 51,230 million yen resulting from the payment of dividends, and a decrease of 2,702 million yen in foreign currency translation adjustment.

As a result, the equity-to-asset ratio was 38.1%, down 0.3 points from the end of the previous fiscal year.

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

The Company has revised the consolidated earnings forecast announced on May 2, 2025, as outlined below. For further details, please refer to the "Notice Regarding Revisions to Consolidated Earnings Forecast and Year-End Dividend Forecast" released today.

Revision to Consolidated Financial Forecasts for FY2025

(April 1, 2025 – March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of Parent	Basic earnings per share
Previously announced forecasts (A)	Millions of yen 1,970,000	Millions of yen 125,000	Millions of yen 127,000	Millions of yen 90,000	yen 274.00
Revised forecasts (B)	1,980,000	135,000	138,000	95,000	286.00
Change (B-A)	10,000	10,000	11,000	5,000	-
Change (%)	0.5%	8.0%	8.7%	5.6%	-
(Reference) Results for FY2024	1,842,357	118,875	129,455	93,858	285.66

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" is calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheet

Millions of yen

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	235,890	204,529
Accounts receivable from completed construction contracts and other	69,842	106,712
Securities	3,006	990
Real estate for sale	90,694	119,501
Real estate for sale in process	101,168	142,767
Costs on construction contracts in progress	17,007	20,438
Real estate for sale and development projects in progress	8,631	8,587
Other inventories	8,567	9,619
Prepaid expenses	81,748	82,656
Operating loans	108,449	108,000
Other	29,390	31,776
Allowance for doubtful accounts	(536)	(560)
Total current assets	<u>753,861</u>	<u>835,019</u>
Non-current assets		
Property, plant and equipment	184,280	186,978
Intangible assets		
Goodwill	14,281	13,217
Other	22,655	23,210
Total intangible assets	<u>36,936</u>	<u>36,428</u>
Investments and other assets		
Investment securities	44,160	44,996
Subordinated bonds and subordinated trust beneficiary right	3,436	3,372
Money held in trust	44,072	44,028
Deferred tax assets	114,215	107,701
Other	48,446	47,606
Allowance for doubtful accounts	(7,418)	(7,799)
Total investments and other assets	<u>246,914</u>	<u>239,905</u>
Total non-current assets	<u>468,131</u>	<u>463,313</u>
Total assets	<u>1,221,992</u>	<u>1,298,332</u>

Millions of yen

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Accounts payable for construction contracts	53,216	51,801
Short-term borrowings	9,311	12,858
Current portion of long-term borrowings	58,681	30,218
Income taxes payable	28,393	10,310
Advances received on construction contracts in progress	49,751	39,440
Advances received	120,180	108,502
Provision for bonuses	28,654	7,413
Provision for loss on construction contracts	1,308	549
Deposits received	10,198	17,249
Other	51,135	45,966
Total current liabilities	410,833	324,311
Non-current liabilities		
Bonds payable	11,100	11,100
Long-term borrowings	44,530	184,107
Provision for repairs on whole-building lease	229,105	232,490
Retirement benefit liability	13,939	13,523
Long-term guarantee deposits	30,102	30,285
Other	15,016	10,673
Total non-current liabilities	343,793	482,179
Total liabilities	754,626	806,491
Net assets		
Shareholders' equity		
Share capital	29,060	29,060
Capital surplus	32,621	32,493
Retained earnings	445,821	470,773
Treasury shares	(43,217)	(40,435)
Total shareholders' equity	464,286	491,892
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	269	51
Deferred gains or losses on hedges	81	543
Revaluation reserve for land	(7,584)	(7,584)
Foreign currency translation adjustment	9,407	6,705
Remeasurements of defined benefit plans	(71)	(50)
Total accumulated other comprehensive income	2,103	(335)
Share acquisition rights	56	50
Non-controlling interests	918	234
Total net assets	467,365	491,841
Total liabilities and net assets	1,221,992	1,298,332

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

Quarterly Consolidated Statement of Income

Nine months ended December 31

	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Millions of yen
Net sales			
Net sales of completed construction contracts	400,956	398,076	
Sales in real estate lease business	867,656	894,543	
Sales in real estate development business	33,833	87,787	
Sales in other businesses	59,730	63,163	
Total net sales	<u>1,362,176</u>	<u>1,443,571</u>	
Cost of sales			
Cost of sales of completed construction contracts	299,361	298,326	
Cost of sales in real estate lease business	767,887	790,323	
Cost of sales in real estate development business	25,547	68,995	
Cost of sales in other businesses	36,085	38,498	
Total cost of sales	<u>1,128,882</u>	<u>1,196,144</u>	
Gross profit			
Gross profit on completed construction contracts	101,594	99,750	
Gross profit - real estate lease business	99,769	104,219	
Gross profit - real estate development business	8,286	18,791	
Gross profit - other business	23,644	24,665	
Total gross profit	<u>233,294</u>	<u>247,426</u>	
Selling, general and administrative expenses	<u>130,497</u>	<u>140,839</u>	
Operating profit	<u>102,797</u>	<u>106,587</u>	
Non-operating income			
Interest income	580	1,062	
Dividend income	462	60	
Commission income	2,601	2,605	
Share of profit of entities accounted for using equity method	602	680	
Foreign exchange gains	1,529	786	
Miscellaneous income	1,249	1,364	
Total non-operating income	<u>7,025</u>	<u>6,560</u>	
Non-operating expenses			
Interest expenses	425	2,239	
Commission expenses	104	1,227	
Miscellaneous expenses	460	464	
Total non-operating expenses	<u>989</u>	<u>3,931</u>	
Ordinary profit	<u>108,832</u>	<u>109,216</u>	
Extraordinary income			
Gain on sale of non-current assets	118	161	
Gain on sale of investment securities	1,120	9	
Gain on sale of shares of subsidiaries and associates	—	378	
Total extraordinary income	<u>1,239</u>	<u>549</u>	
Extraordinary losses			
Loss on sale and retirement of non-current assets	159	150	
Impairment losses	—	30	
Loss on sale of investment securities	21	—	
Total extraordinary losses	<u>181</u>	<u>180</u>	
Profit before income taxes	<u>109,890</u>	<u>109,585</u>	
Income taxes - current	27,602	27,569	
Income taxes - deferred	5,551	5,859	

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Total income taxes	33,153	33,428
Profit	76,736	76,156
Loss attributable to non-controlling interests	(137)	(40)
Profit attributable to owners of parent	76,874	76,196

Quarterly Consolidated Statement of Comprehensive Income

Nine months ended December 31

Millions of yen

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	76,736	76,156
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,241)	(218)
Deferred gains or losses on hedges	(269)	461
Foreign currency translation adjustment	1,338	(2,702)
Remeasurements of defined benefit plans, net of tax	125	20
Total other comprehensive income	(1,047)	(2,438)
Comprehensive income	75,689	73,718
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	75,825	73,758
Comprehensive income attributable to non-controlling interests	(136)	(40)

(3) Quarterly Consolidated Statement of Cash Flows

	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Millions of yen
Cash flows from operating activities			
Profit before income taxes	109,890	109,585	
Depreciation	12,896	14,947	
Impairment losses	—	30	
Amortization of goodwill	712	913	
Increase (decrease) in allowance for doubtful accounts	615	405	
Increase (decrease) in provision for bonuses	(16,395)	(21,244)	
Increase (decrease) in provision for repairs on whole-building lease	4,275	3,384	
Increase (decrease) in retirement benefit liability	(271)	(378)	
Interest and dividend income	(1,043)	(1,122)	
Interest expenses	425	2,239	
Loss (gain) on sale of investment securities	(1,099)	(9)	
Loss (gain) on sale of shares of subsidiaries and associates	—	(378)	
Share of loss (profit) of entities accounted for using equity method	(602)	(680)	
Decrease (increase) in trade receivables	(34,364)	(36,742)	
Decrease (increase) in real estate for sale	(5,564)	(28,762)	
Decrease (increase) in real estate for sale in process	(20,101)	(41,598)	
Decrease (increase) in costs on construction contracts in progress	(3,824)	(3,431)	
Decrease (increase) in other inventories	(1,476)	(718)	
Decrease (increase) in prepaid expenses	(1,179)	(428)	
Decrease (increase) in operating loans receivable	(1,345)	449	
Increase (decrease) in trade payables	(943)	(1,475)	
Increase (decrease) in advances received on construction contracts in progress	(12,896)	(10,311)	
Increase (decrease) in advances received	(469)	(11,677)	
Increase (decrease) in long term guarantee deposits	74	183	
Other, net	(2,786)	(185)	
Subtotal	24,526	(27,005)	
Interest and dividends received	1,546	1,556	
Interest paid	(410)	(2,299)	
Income taxes paid	(32,682)	(45,397)	
Net cash provided by (used in) operating activities	(7,020)	(73,145)	
Cash flows from investing activities			
Proceeds from withdrawal of time deposits	33,970	13,364	
Payments into time deposits	(31,900)	(18,911)	
Increase in money held in trust	—	(500)	
Decrease in money held in trust	—	120	
Purchase of securities	(7,000)	—	
Proceeds from sale and redemption of securities	5,800	3,000	
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(119)	(820)	
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	—	(240)	
Purchase of shares of associates	—	(2,002)	
Purchase of property, plant and equipment	(13,088)	(15,516)	
Purchase of intangible assets	(5,151)	(5,303)	
Purchase of investment securities	(4,519)	(1,591)	
Proceeds from sale and redemption of investment securities	2,786	1,788	
Other, net	(3,846)	(2,557)	
Net cash provided by (used in) investing activities	(23,069)	(29,169)	

	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Millions of yen
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	–	3,546	
Proceeds from long-term borrowings	1,091	186,458	
Repayments of long-term borrowings	(9,140)	(74,670)	
Proceeds from disposal of treasury shares	2,274	4,915	
Purchase of treasury shares	(24)	(1,972)	
Dividends paid	(37,916)	(51,233)	
Proceeds from share issuance to non-controlling shareholders	–	234	
Dividends paid to non-controlling interests	(69)	–	
Other, net	(258)	(199)	
Net cash provided by (used in) financing activities	(44,043)	67,077	
Effect of exchange rate change on cash and cash equivalents	(2,381)	(1,669)	
Net increase (decrease) in cash and cash equivalents	(76,513)	(36,907)	
Cash and cash equivalents at beginning of period	229,038	223,573	
Cash and cash equivalents at end of period	152,524	186,666	

(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.

(Changes in presentation)

(Quarterly consolidated statement of cash flows)

“Decrease (increase) in real estate for sale in process,” which was included in “decrease (increase) in real estate for sale” under “cash flows from operating activities” in the nine months ended December 31, 2024, has been presented as a separate item as the amount became material. To reflect this change in presentation, the figures for the nine months ended December 31, 2024 have been reclassified.

As a result, (25,666) million yen presented in “decrease (increase) in real estate for sale” under “cash flows from operating activities” in the quarterly consolidated statement of cash flows for the nine months ended December 31, 2024 has been reclassified to “decrease (increase) in real estate for sale” of (5,564) million yen and “decrease (increase) in real estate for sale in process” of (20,101) million yen.

(Business combinations)

(Provisional settlement of accounts pertaining to the business combination)

As the allocation of the acquisition cost for Ascot Corp., which the Company acquired on March 26, 2025, had not been completed at the end of the previous fiscal year, the Company conducted provisional accounting method, and this was settled in the three months ended June 30, 2025.

As a result of the settlement of this provisional accounting method, comparative information included in the quarterly consolidated financial statements for the nine months ended December 31, 2025 reflects a significant revision to the initial allocation of the acquisition cost.

As a result, in the consolidated balance sheet at the end of the previous fiscal year, real estate for sale in process increased by 1,167 million yen, other under current assets increased by 72 million yen, intangible assets increased by 205 million yen, and land increased by 3 million yen. Meanwhile, real estate for sale decreased by 3,821 million yen, deferred tax liabilities decreased by 723 million yen, and non-controlling interests decreased by 67 million yen. Additionally, the goodwill increased by 1,581 million yen to 3,262 million yen from 1,681 million yen.

The amortization period for goodwill and intangible assets (customer-related intangible assets) is 12 years and 4 years, respectively, and they will be amortized in equal amounts.

(Notes on segment information)

(Segment information)

1. Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

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	400,956	26,786	–	–	427,742	–	427,742	–	427,742
Brokerage business income	–	15,794	–	–	15,794	–	15,794	–	15,794
Electricity business income	–	8,285	–	–	8,285	–	8,285	–	8,285
Energy business income	–	–	–	–	–	27,989	27,989	–	27,989
Care and nursery school business income	–	–	–	–	–	12,349	12,349	–	12,349
Hotel business income	–	–	–	–	–	7,307	7,307	–	7,307
Investment condominium business income	–	–	16,505	–	16,505	–	16,505	–	16,505
Renovation and resale, development business income	–	–	13,518	–	13,518	–	13,518	–	13,518
Other	–	16,082	8	115	16,205	2,501	18,707	–	18,707
(Revenue from contracts with customers)	400,956	66,949	30,031	115	498,052	50,147	548,200	–	548,200
Whole-building leases business income	–	774,368	–	–	774,368	–	774,368	–	774,368
Guarantee business income	–	15,325	–	–	15,325	–	15,325	–	15,325
Lease business income	–	4,116	–	–	4,116	–	4,116	–	4,116
Insurance business income	–	–	–	6,987	6,987	–	6,987	–	6,987
Investment condominium business income	–	–	3,680	–	3,680	–	3,680	–	3,680
Renovation and resale, development business income	–	–	121	–	121	–	121	–	121
Other	–	6,896	–	1,707	8,603	772	9,376	–	9,376
(Other revenue)	–	800,707	3,801	8,695	813,204	772	813,976	–	813,976
Net sales to external customers	400,956	867,656	33,833	8,810	1,311,256	50,920	1,362,176	–	1,362,176
Inter-segment sales or transfers	13,038	4,700	–	13,288	31,026	592	31,619	(31,619)	–
Total	413,994	872,356	33,833	22,098	1,342,283	51,512	1,393,796	(31,619)	1,362,176
Segment profit	36,553	62,402	3,650	4,520	107,128	8,332	115,460	(12,663)	102,797

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 (12,663) million yen adjustment to segment profit includes (352) million yen in elimination of transactions between segments and (12,311) 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. Nine months ended December 31, 2025 (from April 1, 2025 to December 31, 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	398,076	26,993	–	–	425,070	–	425,070	–	425,070
Brokerage business income	–	14,208	–	–	14,208	–	14,208	–	14,208
Electricity business income	–	9,446	–	–	9,446	–	9,446	–	9,446
Energy business income	–	–	–	–	–	30,274	30,274	–	30,274
Care and nursery school business income	–	–	–	–	–	13,614	13,614	–	13,614
Hotel business income	–	–	–	–	–	7,210	7,210	–	7,210
Investment condominium business income	–	–	29,775	–	29,775	–	29,775	–	29,775
Renovation and resale, development business income	–	–	41,463	–	41,463	–	41,463	–	41,463
Other	–	20,073	9,760	115	29,949	2,322	32,271	–	32,271
(Revenue from contracts with customers)	398,076	70,721	80,999	115	549,913	53,422	603,336	–	603,336
Whole-building leases business income	–	795,731	–	–	795,731	–	795,731	–	795,731
Guarantee business income	–	15,875	–	–	15,875	–	15,875	–	15,875
Lease business income	–	4,656	–	–	4,656	–	4,656	–	4,656
Insurance business income	–	–	–	7,409	7,409	–	7,409	–	7,409
Investment condominium business income	–	–	4,601	–	4,601	–	4,601	–	4,601
Renovation and resale, development business income	–	–	2,177	–	2,177	–	2,177	–	2,177
Other	–	7,558	9	1,725	9,293	490	9,784	–	9,784
(Other revenue)	–	823,821	6,788	9,135	839,744	490	840,234	–	840,234
Net sales to external customers	398,076	894,543	87,787	9,250	1,389,658	53,912	1,443,571	–	1,443,571
Inter-segment sales or transfers	20,080	7,658	164	13,848	41,752	1,593	43,346	(43,346)	–
Total	418,157	902,201	87,952	23,099	1,431,411	55,506	1,486,917	(43,346)	1,443,571
Segment profit	31,030	67,312	9,514	4,366	112,224	8,460	120,684	(14,097)	106,587

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 (14,097) million yen adjustment to segment profit includes (983) million yen in elimination of transactions between segments and (13,113) 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				
	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year % change	Nine months ended December 31, 2025	Year-on-year % change
Net sales	1,269,830	1,362,176	7.3%	1,443,571	6.0%
Gross profit	205,371	233,294	13.6%	247,426	6.1%
Operating profit	81,272	102,797	26.5%	106,587	3.7%
Ordinary profit	84,731	108,832	28.4%	109,216	0.4%
Profit attributable to owners of parent	60,146	76,874	27.8%	76,196	(0.9)%

(2) By Segment

1) Construction Business

	Millions of yen				
	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year % change	Nine months ended December 31, 2025	Year-on-year % change
Net sales	353,837	400,956	13.3%	398,076	(0.7)%
Residential use	338,510	378,719	11.9%	372,415	(1.7)%
Rental housing	336,602	377,080	12.0%	370,812	(1.7)%
Detached housing	1,908	1,638	(14.1)%	1,602	(2.2)%
Commercial use	6,217	15,193	144.4%	15,300	0.7%
Other	9,109	7,043	(22.7)%	10,360	47.1%
Gross profit	80,089	101,594	26.9%	99,750	(1.8)%
Gross profit margin	22.6%	25.3%	2.7p	25.1%	(0.2)p
Operating profit	15,775	36,553	131.7%	31,030	(15.1)%
Operating profit margin	4.5%	9.1%	4.6p	7.8%	(1.3)p

2) Real Estate Leasing Business

	Millions of yen				
	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year % change	Nine months ended December 31, 2025	Year-on-year % change
Net sales	841,493	867,656	3.1%	894,543	3.1%
Whole-building lease	756,386	774,368	2.4%	795,731	2.8%
Repairing construction	24,662	26,786	8.6%	26,993	0.8%
Brokerage of real estate	15,401	15,794	2.6%	14,208	(10.0)%
Rent guarantee business	14,526	15,325	5.5%	15,875	3.6%
Electricity business	8,066	8,285	2.7%	9,446	14.0%
Leasing business	4,802	4,116	(14.3)%	4,656	13.1%
Other	17,647	22,978	30.2%	27,631	20.2%
Gross profit	98,975	99,769	0.8%	104,219	4.5%
Gross profit margin	11.8%	11.5%	(0.3)p	11.7%	0.2p
Operating profit	63,627	62,402	(1.9)%	67,312	7.9%
Operating profit margin	7.6%	7.2%	(0.4)p	7.5%	0.3p

3) Real Estate Development Business

Millions of yen

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year % change	Nine months ended December 31, 2025	Year-on-year % change
Net sales	18,781	33,833	80.1%	87,787	159.5%
Investment condominium (Note 1)	14,098	20,185	43.2%	34,376	70.3%
Income-generating property sold (Purchase and resale) (Note 1)	4,682	8,013	71.1%	19,554	144.0%
Income-generating property sold (Development and sale) (Note 1)	—	5,626	—	24,086	328.1%
Other (Note 1)	—	8	—	9,770	119,785.8%
Gross profit	3,966	8,286	108.9%	18,791	126.8%
Gross profit margin	21.1%	24.5%	3.4p	21.4%	(3.1)p
Operating profit	1,228	3,650	197.3%	9,514	160.6%
Operating profit margin	6.5%	10.8%	4.3p	10.8%	—

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 nine months ended December 31, 2023 and the figures for the nine months ended December 31, 2024 have also been revised to reflect the adjustment.

4) Other Businesses

Millions of yen

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year % change	Nine months ended December 31, 2025	Year-on-year % change
Net sales	55,717	59,730	7.2%	63,163	5.7%
Financial Business	8,429	8,810	4.5%	9,250	5.0%
Other	47,287	50,920	7.7%	53,912	5.9%
Gross profit	22,339	23,644	5.8%	24,665	4.3%
Gross profit margin	40.1%	39.6%	(0.5)p	39.0%	(0.6)p
Operating profit	12,227	12,853	5.1%	12,827	(0.2)%
Operating profit margin	21.9%	21.5%	(0.4)p	20.3%	(1.2)p

(3) Indicators

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

1) Construction Business

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year % change	Nine months ended December 31, 2025	Year-on-year % change
Orders received (millions of yen) (Note 1)	437,055	456,585	4.5%	431,436	(5.5)%
Orders in hand (millions of yen) (Note 1)*	781,171	810,487	3.8%	800,342	(1.3)%

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

2) Real Estate Leasing Business

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year % change	Nine months ended December 31, 2025	Year-on-year % change
Number of tenant recruitment (cases) (Note 1)	229,277	233,624	1.9%	232,139	(0.6)%
Residential properties	227,857	232,235	1.9%	230,735	(0.6)%
Commercial properties	1,420	1,389	(2.2)%	1,404	1.1%
Rent basis occupancy rate (December) (Note 2)					
Residential properties	97.4%	97.4%	–	97.4%	–
Commercial properties	99.5%	99.4%	(0.1)p	99.5%	0.1p
Number-based occupancy rate (Note 3)*					
Residential properties	97.3%	97.2%	(0.1)p	97.3%	0.1p
Commercial properties	99.1%	99.0%	(0.1)p	99.1%	0.1p
Number of buildings under management*	190,869	194,543	1.9%	197,861	1.7%
Residential properties	172,243	176,147	2.3%	179,679	2.0%
Commercial properties	18,626	18,396	(1.2)%	18,182	(1.2)%
Number of housing units under management*	1,278,612	1,310,612	2.5%	1,340,635	2.3%
Residential properties	1,244,350	1,276,707	2.6%	1,307,038	2.4%
Commercial properties	34,262	33,905	(1.0)%	33,597	(0.9)%

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

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year % change	Nine months ended December 31, 2025	Year-on-year % change
Number of investment-purpose condominiums sold (Note 1)	388	536	38.1%	994	85.4%
Number of income-generating properties sold					
Purchase and resale	22	41	86.4%	74	80.5%
Development and sale	—	16	—	89	456.3%

4) Other Businesses

	Nine months ended December 31, 2023	Nine months ended December 31, 2024	Year-on-year % change	Nine months ended December 31, 2025	Year-on-year % change
Number of housing units with gas supply*					
LP gas	408,233	427,071	4.6%	445,833	4.4%
Town gas	76,282	79,853	4.7%	82,974	3.9%
Number of day care service facilities*	82	82	—	83	1.2%
Number of nursery schools*	30	27	(10.0)%	27	—
Number of home care and nursing care facilities*	23	24	4.3%	23	(4.2)%
Average occupancy rate of hotels in Malaysia (Note 1)					
Le Meridien	71.0%	75.9%	4.9p	79.9%	4.0p
Hilton	73.0%	79.6%	6.6p	78.8%	(0.8)p

Note: 1. 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 September.