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November 10, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

Company name: YAHAGI CONSTRUCTION CO., LTD.
Listing: Tokyo Stock Exchange / Nagoya Stock Exchange
Securities code: 1870
URL: https://www.yahagi.co.jp/
Representative: President and Representative Director Eiji Takeshita
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Scheduled date to file semi-annual securities report: November 11, 2026
Scheduled date to commence dividend payments: November 27, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

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

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

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	69,474	(22.5)	3,474	(56.5)	3,586	(55.1)	4,829	(15.8)
September 30, 2025	89,665	52.6	7,989	520.9	7,982	502.0	5,737	492.9

Note: Comprehensive income For the six months ended September 30, 2026: ¥4,394 million [(26.6)%]
For the six months ended September 30, 2025: ¥5,983 million [742.1%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	111.95	-
September 30, 2025	133.34	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	133,476	77,348	58.0
March 31, 2026	147,662	76,010	51.5

Reference: Equity
As of September 30, 2026: ¥77,348 million
As of March 31, 2026: ¥76,001 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 March 31, 2026	-	45.00	-	55.00	100.00
Fiscal year ending March 31, 2027	-	55.00			
Fiscal year ending March 31, 2027 (Forecast)			-	55.00	110.00

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

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	150,000	(11.5)	9,500	(30.9)	9,380	(31.5)	9,300	9.8	216.14

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 2 companies (Aquarius Invesco Ltd., Kaisho Inc.)
Excluded: 1 company (Minamichita Future Partners Co., Ltd.)

Note: For details, please refer to Appendix P.8 of the Japanese-language original "2. Interim Consolidated Financial Statements and Major Notes (4) Notes on Interim Consolidated Financial Statements (Notes on Significant Changes in Consolidated Scope)".

(2) Adoption of accounting treatment specific to the preparation of semi-annual 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 September 30, 2026	44,607,457 shares
As of March 31, 2026	44,607,457 shares

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

As of September 30, 2026	1,688,563 shares
As of March 31, 2026	1,425,741 shares

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

Six months ended September 30, 2026	43,137,898 shares
Six months ended September 30, 2025	43,032,238 shares

Note: The number of treasury shares at the end of the period and the number of treasury shares to be deducted for the calculation of the average number of shares during the period include the Company's shares held by the trust established under the performance-linked stock-based compensation plan for directors.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for the use of earnings forecasts, please refer to Appendix P.2 of the Japanese-language original "1. Summary of Operating Results, etc. (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

(Method of accessing supplementary material on financial results)

Supplementary information is included in the Japanese-language financial results release. In addition, as IR materials, we separately disclosed the "Material on the Financial Results for the Second Quarter (Interim Period) of the Fiscal Year Ending March 31, 2027" on TDnet on the same day.

Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	16,260	20,175
Accounts receivable from completed construction contracts and other	66,239	52,796
Electronically recorded monetary claims - operating	351	55
Costs on construction contracts in progress	3,310	2,171
Real estate for sale	19,602	16,911
Merchandise and finished goods	20	18
Raw materials and supplies	469	673
Other	7,888	5,273
Allowance for doubtful accounts	(92)	(92)
Total current assets	114,051	97,983
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,677	15,920
Machinery, vehicles, tools, furniture and fixtures	4,350	4,754
Land	14,676	13,589
Leased assets	105	89
Construction in progress	419	862
Accumulated depreciation	(12,632)	(12,966)
Total property, plant and equipment	22,596	22,249
Intangible assets		
Goodwill	163	3,190
Other	574	661
Total intangible assets	738	3,852
Investments and other assets		
Investment securities	7,081	6,890
Deferred tax assets	1,864	1,082
Retirement benefit asset	266	282
Other	1,111	1,181
Allowance for doubtful accounts	(47)	(45)
Total investments and other assets	10,276	9,390
Total non-current assets	33,611	35,492
Total assets	147,662	133,476

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Accounts payable for construction contracts	13,075	12,734
Short-term borrowings	23,500	8,112
Income taxes payable	2,583	1,134
Accrued consumption taxes	4,732	542
Advances received on construction contracts in progress	10,590	13,037
Provision for warranties for completed construction	591	613
Provision for loss on construction contracts	567	165
Provision for bonuses for directors (and other officers)	93	42
Provision for bonuses	756	135
Other	1,665	7,621
Total current liabilities	58,154	44,140
Non-current liabilities		
Long-term borrowings	7,300	6,055
Deferred tax liabilities for land revaluation	228	228
Retirement benefit liability	2,586	2,468
Asset retirement obligations	464	453
Provision for share-based payments	251	236
Other	2,666	2,545
Total non-current liabilities	13,498	11,987
Total liabilities	71,652	56,128
Net assets		
Shareholders' equity		
Share capital	6,808	6,808
Capital surplus	7,521	7,521
Retained earnings	63,400	65,834
Treasury shares	(795)	(1,449)
Total shareholders' equity	76,934	78,714
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,352	2,980
Revaluation reserve for land	(5,888)	(5,888)
Remeasurements of defined benefit plans	1,603	1,542
Total accumulated other comprehensive income	(932)	(1,366)
Non-controlling interests	8	-
Total net assets	76,010	77,348
Total liabilities and net assets	147,662	133,476

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales		
Net sales of completed construction contracts	79,064	65,012
Net sales in real estate business and other	10,601	4,461
Total net sales	89,665	69,474
Cost of sales		
Cost of sales of completed construction contracts	69,408	56,770
Cost of sales in real estate business and other	6,925	3,469
Total cost of sales	76,333	60,240
Gross profit		
Gross profit on completed construction contracts	9,655	8,241
Gross profit on real estate business and other	3,676	992
Total gross profit	13,331	9,233
Selling, general and administrative expenses	5,341	5,758
Operating profit	7,989	3,474
Non-operating income		
Interest income	4	34
Dividend income	104	119
Other	64	105
Total non-operating income	172	259
Non-operating expenses		
Interest expenses	173	140
Other	6	7
Total non-operating expenses	180	147
Ordinary profit	7,982	3,586
Extraordinary income		
Gain on sale of non-current assets	212	876
Gain on sale of investment securities	63	1,563
Gain on sale of businesses	-	1,000
Other	56	-
Total extraordinary income	332	3,439
Extraordinary losses		
Loss on retirement of non-current assets	0	26
Loss on valuation of investment securities	1	-
Loss on sale of golf club membership	2	-
Other	1	-
Total extraordinary losses	5	26
Profit before income taxes	8,309	7,000
Income taxes - current	1,764	996
Income taxes - deferred	807	1,176
Total income taxes	2,571	2,172
Profit	5,738	4,828
Profit (loss) attributable to non-controlling interests	0	(1)
Profit attributable to owners of parent	5,737	4,829

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	5,738	4,828
Other comprehensive income		
Valuation difference on available-for-sale securities	272	(372)
Remeasurements of defined benefit plans, net of tax	(27)	(61)
Total other comprehensive income	245	(433)
Comprehensive income	5,983	4,394
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,983	4,395
Comprehensive income attributable to non-controlling interests	0	(1)

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	8,309	7,000
Depreciation	552	477
Amortization of goodwill	40	174
Increase (decrease) in allowance for doubtful accounts	0	(2)
Interest and dividend income	(108)	(153)
Interest expenses	173	140
Loss (gain) on sale and retirement of property, plant and equipment	(212)	(856)
Loss (gain) on sale of businesses	-	(1,000)
Loss (gain) on sale of investment securities	(63)	(1,563)
Decrease (increase) in trade receivables	(12,953)	13,590
Decrease (increase) in inventories	483	(1,125)
Increase (decrease) in trade payables	3,293	(402)
Increase (decrease) in advances received on construction contracts in progress	1,655	2,490
Other, net	(71)	2,164
Subtotal	1,099	20,934
Interest and dividends received	108	151
Interest paid	(172)	(160)
Income taxes paid	(343)	(2,400)
Net cash provided by (used in) operating activities	691	18,524
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(664)	(885)
Proceeds from sale of property, plant and equipment	2,042	2,151
Purchase of investment securities	-	(635)
Proceeds from sale of investment securities	80	1,845
Proceeds from sale of businesses	-	6,000
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(1,861)
Other, net	60	35
Net cash provided by (used in) investing activities	1,519	6,650
Cash flows from financing activities		
Proceeds from short-term borrowings	5,350	8,000
Repayments of short-term borrowings	(5,850)	(24,000)
Repayments of long-term borrowings	-	(2,258)
Net decrease (increase) in treasury shares	(0)	(598)
Dividends paid	(1,736)	(2,395)
Other, net	(6)	(8)
Net cash provided by (used in) financing activities	(2,243)	(21,260)
Net increase (decrease) in cash and cash equivalents	(32)	3,914
Cash and cash equivalents at beginning of period	15,619	16,230
Cash and cash equivalents at end of period	15,587	20,145