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

November 12, 2026

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

Company name: TOTETSU KOGYO CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 1835
URL: https://www.totetsu.co.jp/english/
Representative: Katsumi Ise, President, Representative Director
Inquiries: Tsuyoshi Fujii, General Manager, Public Relations & Investor Relations Department, Finance & Corporate Planning Group
Telephone: +81-3-5369-7611
Scheduled date to file semi-annual securities report: November 12, 2026
Scheduled date to commence dividend payments: December 11, 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 | 67,913 | 3.4 | 5,774 | (7.9) | 6,157 | (7.4) | 3,919 | (12.4) |
| September 30, 2025 | 65,688 | 6.0 | 6,270 | 52.2 | 6,650 | 51.2 | 4,474 | 38.6 |

Note: Comprehensive income For the six months ended September 30, 2026: ¥3,098 million [(54.0%)]
For the six months ended September 30, 2025: ¥6,741 million [123.5%]

| | Basic earnings per share | Diluted earnings per share |
|---|---|---|
| Six months ended | Yen | Yen |
| September 30, 2026 | 113.79 | — |
| September 30, 2025 | 129.93 | — |

### (2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|---|---|---|---|
| As of | Millions of yen | Millions of yen | % |
| September 30, 2026 | 170,315 | 134,322 | 78.0 |
| March 31, 2026 | 203,845 | 133,975 | 65.1 |

Reference: Equity

As of September 30, 2026: ¥132,929 million

As of March 31, 2026: ¥132,665million

## 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 | — | 70.00 | — | 80.00 | 150.00 |
| Fiscal year ending March 31, 2027 | — | 76.00 | | | |
| Fiscal year ending March 31, 2027 (Forecast) | | | — | 76.00 | 152.00 |

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

## 3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (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 |
| Full year | 167,000 | 2.4 | 18,000 | 2.3 | 18,500 | 1.5 | 13,000 | 1.2 | 377.48 |

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

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(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 | 36,100,000 shares |
| As of March 31, 2026 | 36,100,000 shares |

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

| | |
|---|---|
| As of September 30, 2026 | 1,652,516 shares |
| As of March 31, 2026 | 1,658,239 shares |

(iii) Average number of shares outstanding during the period

| | |
|---|---|
| Six months ended September 30, 2026 | 34,443,883 shares |
| Six months ended September 30, 2025 | 34,436,261 shares |

(Note) The Company has introduced a “Board Benefit Trust” (BBT) performance-linked stock-based compensation system, and the number of treasury shares at the end of the period includes the Company’s shares 79,100 shares as of September 30, 2026 and 84,900 shares as of March 31, 2026) held by the Trust Account E for the BBT. In addition, the Company’s shares held by the Trust Account E are included in the treasury stock excluded from the calculation of the average number of shares outstanding during the period (82,713 shares for the six months ended September 30, 2026 and 90,492 shares for the six months ended September 30, 2025).

* 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
  - The earnings forecasts and other forward-looking statements herein are based on currently available information and certain assumptions deemed reasonable, and the Company does not in any way guarantee the achievement of the forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors. Please refer to “Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 2 of the Attachments for assumptions on financial results forecasts and notes on the use of such forecasts.

Table of Contents - Attachments

1. Overview of Operating Results ....2
(1) Overview of Operating Results for the Period under Review ....2
(2) Overview of Financial Position for the Period under Review ....2
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information ....2
(4) Other ....2
2. Semi-annual Consolidated Financial Statements and Principal Notes ....3
(1) Semi-annual Consolidated Balance Sheets ....3
(2) Semi-annual Consolidated Statements of Income and Comprehensive Income ....5
(3) Semi-annual Consolidated Statements of Cash Flows ....7
(4) Notes to Semi-annual Consolidated Financial Statements ....8
(Notes on going concern assumption) ....8
(Notes in case of significant changes in shareholders' equity) ....8
(Segment information, etc.) ....9
(Significant subsequent events) ....11
(Additional information) ....12
3. Supplementary Information ....13
Status of orders received, net sales and balance carried forward ....13

## 1. Overview of Operating Results

### (1) Overview of Operating Results for the Period under Review

For the six months ended September 30, 2026, the Company posted orders received of ¥69,071 million (up ¥10,648 million year on year), while net sales amounted to ¥67,913 million (up ¥2,224 million year on year). This was mainly due to steady progress in various construction works carried over, and an increase in net sales of incidental businesses.

In terms of profit, gross profit came to ¥11,243 million (up ¥455 million year on year), operating profit was ¥5,774 million (down ¥495 million year on year), ordinary profit came to ¥6,157 million (down ¥492 million year on year), and profit attributable to owners of parent amounted to ¥3,919 million (down ¥554 million year on year).

Operating results by segment are as follows. Net sales in each segment are presented as net sales to outside customers.

(Civil Engineering Business)

Orders received were ¥46,928 million (up 15.6% year on year), net sales were ¥45,420 million (down 0.6% year on year), and balance carried forward was ¥75,910 million.

Segment profit totaled ¥3,413 million (down 22.0% year on year).

(Architectural Business)

Orders received were ¥22,143 million (up 24.3% year on year), net sales were ¥17,279 million (up 7.7% year on year), and balance carried forward was ¥38,552 million.

Segment profit totaled ¥1,596 million (up 17.1% year on year).

(Other Businesses)

Net sales amounted to ¥5,213 million (up 32.0% year on year), the principal source of which is manufacturing and sales income of railway-related products.

Segment profit totaled ¥757 million (up 45.4% year on year).

### (2) Overview of Financial Position for the Period under Review

Total assets as of September 30, 2026 amounted to ¥170,315 million (a decrease of ¥33,529 million from the end of the previous fiscal year). Main factors included a decrease in notes receivable, accounts receivable from completed construction contracts and other.

Total liabilities amounted to ¥35,993 million (a decrease of ¥33,876 million from the end of the previous fiscal year). Main factors included a decrease in short-term borrowings.

Total net assets amounted to ¥134,322 million (an increase of ¥347 million from the end of the previous fiscal year).

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

At this point, the consolidated financial results forecast for the full fiscal year remains unchanged from the one announced on May 14, 2026, as a result of examining the financial results for the six months ended September 30, 2026.

## 2. Semi-annual Consolidated Financial Statements and Principal Notes

### (1) Semi-annual Consolidated Balance Sheets

(Thousands of yen)

| | As of March 31, 2026 | As of September 30, 2026 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 20,574,436 | 20,055,951 |
| Notes receivable, accounts receivable from completed construction contracts and other | 121,605,185 | 84,485,994 |
| Costs on construction contracts in progress | 4,369,278 | 8,924,645 |
| Other | 2,080,222 | 1,909,601 |
| Allowance for doubtful accounts | (6,829) | (9,628) |
| Total current assets | 148,622,293 | 115,366,565 |
| Non-current assets | | |
| Property, plant and equipment | 23,007,624 | 23,021,734 |
| Intangible assets | 418,087 | 668,930 |
| Investments and other assets | | |
| Investment securities | 22,164,087 | 21,004,627 |
| Other | 9,677,186 | 10,291,909 |
| Allowance for doubtful accounts | (43,813) | (37,906) |
| Total investments and other assets | 31,797,460 | 31,258,630 |
| Total non-current assets | 55,223,172 | 54,949,295 |
| Total assets | 203,845,466 | 170,315,860 |

(Thousands of yen)

| | As of March 31, 2026 | As of September 30, 2026 |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Notes payable, accounts payable for construction contracts and other | 26,420,466 | 17,317,172 |
| Short-term borrowings | 20,000,000 | — |
| Income taxes payable | 3,286,955 | 2,000,811 |
| Advances received on construction contracts in progress | 1,140,148 | 1,666,605 |
| Provision for warranties for completed construction | 186,008 | 84,618 |
| Provision for loss on construction contracts | 67,843 | 40,277 |
| Provision for bonuses | 2,608,754 | 2,695,107 |
| Provision for loss on Anti-Monopoly Act | — | 131,130 |
| Asset retirement obligations | 138,314 | 155,320 |
| Other | 8,580,238 | 4,157,857 |
| Total current liabilities | 62,428,730 | 28,248,899 |
| Non-current liabilities | | |
| Provision for repairs | 1,301,779 | 1,723,880 |
| Retirement benefit liability | 870,974 | 903,638 |
| Provision for share awards for directors (and other officers) | 123,731 | 129,262 |
| Provision for retirement benefits for directors (and other officers) | 22,389 | 17,814 |
| Asset retirement obligations | 140,986 | 281,545 |
| Other | 4,981,845 | 4,688,446 |
| Total non-current liabilities | 7,441,707 | 7,744,588 |
| Total liabilities | 69,870,437 | 35,993,488 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 2,810,000 | 2,810,000 |
| Capital surplus | 3,166,700 | 3,166,700 |
| Retained earnings | 118,534,905 | 119,692,280 |
| Treasury shares | (3,859,211) | (3,845,997) |
| Total shareholders' equity | 120,652,394 | 121,822,983 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 7,924,585 | 7,160,982 |
| Remeasurements of defined benefit plans | 4,088,154 | 3,945,348 |
| Total accumulated other comprehensive income | 12,012,740 | 11,106,331 |
| Non-controlling interests | 1,309,893 | 1,393,056 |
| Total net assets | 133,975,028 | 134,322,372 |
| Total liabilities and net assets | 203,845,466 | 170,315,860 |

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

Six Months Ended September 30

(Thousands of yen)

| | For the six months ended September 30, 2025 | For the six months ended September 30, 2026 |
|---|---|---|
| Net sales | | |
| Net sales of completed construction contracts | 61,739,479 | 62,700,178 |
| Net sales for incidental businesses | 3,948,778 | 5,213,047 |
| Total net sales | 65,688,258 | 67,913,225 |
| Cost of sales | | |
| Cost of sales of completed construction contracts | 51,967,184 | 52,733,471 |
| Cost of sales on incidental businesses | 2,932,785 | 3,936,025 |
| Total cost of sales | 54,899,969 | 56,669,497 |
| Gross profit | | |
| Gross profit on completed construction contracts | 9,772,295 | 9,966,706 |
| Gross profit on incidental businesses | 1,015,993 | 1,277,021 |
| Total gross profit | 10,788,288 | 11,243,728 |
| Selling, general and administrative expenses | 4,517,640 | 5,468,813 |
| Operating profit | 6,270,648 | 5,774,914 |
| Non-operating income | | |
| Interest income | 6,527 | 13,988 |
| Dividend income | 310,114 | 393,177 |
| Share of profit of entities accounted for using equity method | 35,159 | — |
| Other | 45,403 | 47,437 |
| Total non-operating income | 397,205 | 454,603 |
| Non-operating expenses | | |
| Interest expenses | 12,242 | 26,106 |
| Share of loss of entities accounted for using equity method | — | 45,765 |
| Other | 5,349 | 16 |
| Total non-operating expenses | 17,592 | 71,889 |
| Ordinary profit | 6,650,262 | 6,157,628 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 796 | 16,570 |
| Gain on sale of investment securities | 35,035 | — |
| Total extraordinary income | 35,831 | 16,570 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | — | 10 |
| Loss on retirement of non-current assets | 4,061 | 11,075 |
| Provision for loss on Anti-Monopoly Act | — | 131,130 |
| Total extraordinary losses | 4,061 | 142,215 |
| Profit before income taxes | 6,682,032 | 6,031,982 |
| Income taxes - current | 2,013,846 | 1,875,927 |
| Income taxes - deferred | 136,977 | 152,500 |
| Total income taxes | 2,150,824 | 2,028,427 |
| Profit | 4,531,208 | 4,003,554 |
| Profit attributable to non-controlling interests | 56,766 | 84,046 |
| Profit attributable to owners of parent | 4,474,442 | 3,919,508 |

Semi-annual Consolidated Statements of Comprehensive Income

Six Months Ended September 30

(Thousands of yen)

| | For the six months ended September 30, 2025 | For the six months ended September 30, 2026 |
|---|---|---|
| Profit | 4,531,208 | 4,003,554 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 2,274,274 | (762,196) |
| Remeasurements of defined benefit plans, net of tax | (64,066) | (142,806) |
| Total other comprehensive income | 2,210,207 | (905,002) |
| Comprehensive income | 6,741,416 | 3,098,552 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 6,663,415 | 3,013,099 |
| Comprehensive income attributable to non-controlling interests | 78,001 | 85,453 |

(3) Semi-annual Consolidated Statements of Cash Flows

(Thousands of yen)

| | For the six months ended September 30, 2025 | For the six months ended September 30, 2026 |
|---|---|---|
| Cash flows from operating activities | | |
| Profit before income taxes | 6,682,032 | 6,031,982 |
| Depreciation | 1,332,071 | 1,638,636 |
| Increase (decrease) in allowance for doubtful accounts | (2,504) | (3,108) |
| Increase (decrease) in provision for warranties for completed construction | (125,766) | (101,390) |
| Increase (decrease) in provision for loss on construction contracts | (47,802) | (27,566) |
| Increase (decrease) in provision for bonuses | 132,179 | 86,352 |
| Increase (decrease) in provision for repairs | 129,020 | 422,101 |
| Increase (decrease) in retirement benefit liability | (23,075) | 32,664 |
| Increase (decrease) in provision for share awards for directors (and other officers) | 1,276 | 5,531 |
| Increase (decrease) in provision for retirement benefits for directors (and other officers) | 3,532 | (4,575) |
| Increase (decrease) in provision for loss related to the antimonopoly act | — | 131,130 |
| Interest and dividend income | (316,642) | (407,165) |
| Interest expenses | 12,242 | 26,106 |
| Share of loss (profit) of entities accounted for using equity method | (35,159) | 45,765 |
| Loss (gain) on sale of investment securities | (35,035) | — |
| Decrease (increase) in trade receivables | 34,356,859 | 37,119,190 |
| Decrease (increase) in costs on construction contracts in progress | (4,212,159) | (4,555,366) |
| Increase (decrease) in trade payables | (8,493,922) | (9,103,293) |
| Increase (decrease) in advances received on construction contracts in progress | 118,848 | 526,456 |
| Other, net | (4,407,370) | (4,905,165) |
| Subtotal | 25,068,624 | 26,958,289 |
| Interest and dividends received | 316,642 | 407,165 |
| Interest paid | (12,242) | (26,106) |
| Income taxes paid | (2,874,008) | (2,908,199) |
| Net cash provided by (used in) operating activities | 22,499,015 | 24,431,148 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (1,184,269) | (1,961,422) |
| Proceeds from sale of property, plant and equipment | 796 | 16,560 |
| Proceeds from sale of investment securities | 46,977 | — |
| Purchase of shares of subsidiaries and associates | (1,964,649) | — |
| Other, net | (543,318) | (170,143) |
| Net cash provided by (used in) investing activities | (3,644,461) | (2,115,005) |
| Cash flows from financing activities | | |
| Proceeds from short-term borrowings | — | 5,000,000 |
| Repayments of short-term borrowings | (10,000,000) | (25,000,000) |
| Repayments of lease liabilities | (65,231) | (71,411) |
| Purchase of treasury shares | (271) | (416) |
| Dividends paid | (2,932,820) | (2,760,510) |
| Dividends paid to non-controlling interests | (2,155) | (2,290) |
| Net cash provided by (used in) financing activities | (13,000,478) | (22,834,628) |
| Net increase (decrease) in cash and cash equivalents | 5,854,075 | (518,485) |
| Cash and cash equivalents at beginning of period | 15,714,414 | 20,574,436 |
| Cash and cash equivalents at end of period | 21,568,489 | 20,055,951 |

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Segment information, etc.)

I. For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

1. Information on net sales and profit (loss) and information on disaggregation of revenue by reportable segment

(Thousands of yen)

| | Reportable segment | | | Others (Note 1) | Total | Adjustment (Note 2) | Amount recorded in Semi-annual Consolidated Statements of Income (Note 3) |
|---|---|---|---|---|---|---|---|
| | Civil Engineering Business | Architectural Business | Total | | | | |
| Net sales | | | | | | | |
| Goods or services transferred at a point in time | 13,605,115 | 2,009,896 | 15,615,012 | 3,722,956 | 19,337,969 | — | 19,337,969 |
| Goods or services transferred over time | 32,093,576 | 14,030,890 | 46,124,467 | — | 46,124,467 | — | 46,124,467 |
| Revenue from contracts with customers | 45,698,692 | 16,040,786 | 61,739,479 | 3,722,956 | 65,462,436 | — | 65,462,436 |
| Revenue from other sources | — | — | — | 225,822 | 225,822 | — | 225,822 |
| Net sales to outside customers | 45,698,692 | 16,040,786 | 61,739,479 | 3,948,778 | 65,688,258 | — | 65,688,258 |
| Inter-segment net sales or transfers | — | 365,398 | 365,398 | 197,136 | 562,535 | (562,535) | — |
| Total | 45,698,692 | 16,406,185 | 62,104,878 | 4,145,915 | 66,250,793 | (562,535) | 65,688,258 |
| Segment profit | 4,376,218 | 1,363,102 | 5,739,320 | 520,861 | 6,260,182 | 10,466 | 6,270,648 |

(Notes) 1. The “Others” category is a business segment not included in reportable segments, and includes manufacturing and sale of railway-related products, real estate leasing business and environmental business, etc.

2. Segment profit adjustment of ¥10,466 thousand consists of inter-segment elimination of ¥4,982 thousand and adjustment of unrealized gain (loss) on non-current assets of ¥5,484 thousand.

3. Segment profit is adjusted with operating profit in the Semi-annual Consolidated Statements of Income.

2. Information on impairment loss on non-current assets and goodwill by reportable segment

Not applicable.

II. For the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

1. Information on net sales and profit (loss) and information on disaggregation of revenue by reportable segment

(Thousands of yen)

| | Reportable segment | | | Others (Note 1) | Total | Adjustment (Note 2) | Amount recorded in Semi-annual Consolidated Statements of Income (Note 3) |
|---|---|---|---|---|---|---|---|
| | Civil Engineering Business | Architectural Business | Total | | | | |
| Net sales | | | | | | | |
| Goods or services transferred at a point in time | 14,304,426 | 2,110,043 | 16,414,470 | 4,976,900 | 21,391,371 | — | 21,391,371 |
| Goods or services transferred over time | 31,115,762 | 15,169,945 | 46,285,707 | — | 46,285,707 | — | 46,285,707 |
| Revenue from contracts with customers | 45,420,189 | 17,279,988 | 62,700,178 | 4,976,900 | 67,677,078 | — | 67,677,078 |
| Revenue from other sources | — | — | — | 236,146 | 236,146 | — | 236,146 |
| Net sales to outside customers | 45,420,189 | 17,279,988 | 62,700,178 | 5,213,047 | 67,913,225 | — | 67,913,225 |
| Inter-segment net sales or transfers | 380 | 161,659 | 162,039 | 461,509 | 623,549 | △623,549 | — |
| Total | 45,420,569 | 17,441,648 | 62,862,218 | 5,674,557 | 68,536,775 | △623,549 | 67,913,225 |
| Segment profit | 3,413,069 | 1,596,454 | 5,009,524 | 757,176 | 5,766,700 | 8,214 | 5,774,914 |

(Notes) 1. The “Others” category is a business segment not included in reportable segments, and includes manufacturing and sale of railway-related products, real estate leasing business and environmental business, etc.

2. Segment profit adjustment of ¥8,214 thousand consists of inter-segment elimination of ¥2,701 thousand and adjustment of unrealized gain (loss) on non-current assets of ¥5,512 thousand.

3. Segment profit is adjusted with operating profit in the Semi-annual Consolidated Statements of Income.

2. Information on impairment loss on non-current assets and goodwill by reportable segment

Not applicable.

(Significant subsequent events)

(Acquisition of shares in Prosta Execution Co., Ltd.)

The Company resolved at a meeting of the Board of Directors held on November 12, 2026, to acquire shares in Prosta Execution Co., Ltd. and make it its consolidated subsidiary and entered into a share transfer agreement as of the same date.

1. Overview of the business combination

(1) Name and business of the company to be acquired

Name: Prosta Execution Co., Ltd.

Business: Dispatch, secondment, etc. of personnel to perform duties to ensure safe train operations related to railway works

(2) Main reason for the business combination

Prosta Execution Co., Ltd. has a wealth of experience relating to duties to ensure safe train operations that are essential for railway-related works as well as specialized personnel with expertise in these duties. By making it a consolidated subsidiary, the Company, a leading company of railway-related works, aims to secure such personnel on a stable basis and enhance its capabilities to develop such talent, while further strengthening the Group's construction framework for railway-related works and laying a foundation for its sustainable growth.

(3) Date of the business combination

December 1, 2026 (scheduled date of the share acquisition)

(4) Legal form of the business combination

Share acquisition with cash consideration

(5) Company name after the combination

Prosta Execution Co., Ltd. (the trade name to be changed)

(6) Percentage of voting rights to be acquired

66.6%

(7) Main basis for determining the acquiring company

The Company's acquiring the shares with cash consideration

2. Acquisition cost of the company to be acquired and a breakdown of the consideration by type

| | | |
|---|---|---|
| Consideration for the acquisition: | Cash: | ¥333,000 thousand |
| Acquisition cost: | | ¥333,000 thousand |

3. Major acquisition-related expenses and the amount thereof

The amount has not been determined at this point.

4. Amount of goodwill to be recognized, reason for the recognition, the method of amortization, and the period thereof

They have not been determined at this point.

5 Amounts of assets acquired and liabilities assumed on the date of the business combination and breakdowns thereof

They have not been determined at this point.

(Additional information)

(Regarding the on-site inspections by the Japan Fair Trade Commission)

The Company underwent on-site inspections by the Japan Fair Trade Commission concerning bids for track maintenance and other work for Toei Subway and other railways on November 11, 2025, and concerning bids for track installation work for Hokkaido Shinkansen on May 19, 2026, both in connection with suspected violations of the Antimonopoly Act, and has since fully cooperated with the Commission's inspections. On October 8, 2026, with respect to the bids for track maintenance and other work for Toei Subway and other railways, the Company received from the Commission a written notice of hearing of opinions regarding a draft written cease and desist order and a draft written surcharge payment order pursuant to the Antimonopoly Act (hereinafter the "Written Notice.") Accordingly, the Company recorded a provision for loss on Anti-Monopoly Act of ¥131,130 thousand, as an amount estimated at this point, under extraordinary losses for the six months ended September 30, 2026.

The amount was estimated by the Company based on the draft written surcharge payment order it received and is subject to change depending on future developments. The Company will examine and verify the contents of the Written Notice, receive explanations from the Commission, and carefully consider how to respond in the future.

## 3. Supplementary Information

Status of orders received, net sales and balance carried forward

Comparison of orders received by consolidated division

(Figures of less than one million yen are rounded down.)

| Category | | For the six months ended September 30, 2025 | Composition ratio | | For the six months ended September 30, 2026 | Composition ratio |
|---|---|---|---|---|---|---|
| <Construction business> | | Millions of yen | | | Millions of yen | |
| Civil Engineering | | 40,602 | 69.5% | | 46,928 | 67.9% |
| Architectural | | 17,820 | 30.5% | | 22,143 | 32.1% |
| Total | | 58,423 | 100.0% | | 69,071 | 100.0% |
| Public sector | | 3,150 | 5.4% | | 3,231 | 4.7% |
| | Railway | 573 | 1.0% | Railway | 298 | 0.5% |
| | General | 2,576 | 4.4% | General | 2,932 | 4.2% |
| Private sector | | 55,273 | 94.6% | | 65,840 | 95.3% |
| | Railway | 49,144 | 84.1% | Railway | 55,633 | 80.5% |
| | General | 6,128 | 10.5% | General | 10,206 | 14.8% |
| Total | | 58,423 | 100.0% | | 69,071 | 100.0% |
| | Railway | 49,718 | 85.1% | Railway | 55,932 | 81.0% |
| | General | 8,705 | 14.9% | General | 13,138 | 19.0% |

Comparison of net sales by consolidated division

(Figures of less than one million yen are rounded down.)

| Category | | For the six months ended September 30, 2025 | Composition ratio | | For the six months ended September 30, 2026 | Composition ratio |
|---|---|---|---|---|---|---|
| <Construction business> Net sales of completed construction contracts | | Millions of yen | | | Millions of yen | |
| Civil Engineering | | 45,698 | 74.0% | | 45,420 | 72.4% |
| Architectural | | 16,040 | 26.0% | | 17,279 | 27.6% |
| Total | | 61,739 | 100.0% | | 62,700 | 100.0% |
| Public sector | | 5,075 | 8.3% | | 3,573 | 5.7% |
| | Railway | 1,893 | 3.1% | Railway | 1,371 | 2.2% |
| | General | 3,181 | 5.2% | General | 2,201 | 3.5% |
| Private sector | | 56,664 | 91.7% | | 59,126 | 94.3% |
| | Railway | 49,851 | 80.7% | Railway | 53,046 | 84.6% |
| | General | 6,812 | 11.0% | General | 6,080 | 9.7% |
| Total | | 61,739 | 100.0% | | 62,700 | 100.0% |
| | Railway | 51,745 | 83.8% | Railway | 54,417 | 86.8% |
| | General | 9,994 | 16.2% | General | 8,282 | 13.2% |
| <Incidental businesses> Net sales | | 3,948 | — | | 5,213 | — |
| Net sales total | | 65,688 | — | | 67,913 | — |

Comparison of balance carried forward by consolidated division

(Figures of less than one million yen are rounded down.)

| Category | | For the six months ended September 30, 2025 | Composition ratio | | For the six months ended September 30, 2026 | Composition ratio |
|---|---|---|---|---|---|---|
| <Construction business> | | Millions of yen | | | Millions of yen | |
| Civil Engineering | | 77,986 | 68.8% | | 75,910 | 66.3% |
| Architectural | | 35,303 | 31.2% | | 38,552 | 33.7% |
| Total | | 113,290 | 100.0% | | 114,462 | 100.0% |
| Public sector | | 8,513 | 7.5% | | 7,036 | 6.1% |
| | Railway | 2,123 | 1.9% | Railway | 838 | 0.7% |
| | General | 6,390 | 5.6% | General | 6,198 | 5.4% |
| Private sector | | 104,776 | 92.5% | | 107,426 | 93.9% |
| | Railway | 95,799 | 84.6% | Railway | 93,512 | 81.7% |
| | General | 8,977 | 7.9% | General | 13,913 | 12.2% |
| Total | | 113,290 | 100.0% | | 114,462 | 100.0% |
| | Railway | 97,922 | 86.5% | Railway | 94,350 | 82.4% |
| | General | 15,368 | 13.5% | General | 20,112 | 17.6% |