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

November 12, 2025

Company name: HASEKO Corporation
Code number: 1808

Stock exchange listing: Tokyo Stock Exchange, Prime section
URL: <https://www.haseko.co.jp/hc/english/>

(Amounts are rounded to the nearest million yen)

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (April 01, 2025 to September 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2025	595,466	6.6	41,333	16.7	39,341	8.5	24,215	25.0
September 30, 2024	558,754	6.8	35,429	(18.1)	36,273	(16.2)	19,373	(32.5)

(Note) Comprehensive income: Six months ended September 30, 2025: ¥ 19,389 million [(37.1) %]
Six months ended September 30, 2024: ¥ 30,828 million [(25.2) %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	89.32	-
September 30, 2024	70.97	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
September 30, 2025	1,364,465	527,410	38.6
March 31, 2025	1,365,203	532,033	39.0

(Reference) Equity: As of September 30, 2025: ¥ 526,761 Million
As of March 31, 2025: ¥ 532,033 Million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	40.00	-	45.00	85.00
Fiscal year ending March 31, 2026	-	45.00			
Fiscal year ending March 31, 2026 (Forecast)			-	45.00	90.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026(April 01, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	1,240,000	5.3	97,000	14.5	90,000	7.9	58,000	68.4	216.85

(Note) Revision to the financial results forecast announced most recently: Yes

For details regarding the revision of the consolidated financial results forecast, please refer to the 'Notice Regarding Differences Between Forecasts and Actual Results for the first Half of the Fiscal Year Ending March 2026 and Revisions to Full-Year Financial Results Forecasts' announced today (November 12, 2025).

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 5 companies (Company Name) WOOD FRIENDS Co., Ltd. and its 4 subsidiaries

Excluded: 0 company

(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 retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2025: 300,794,397 shares

March 31, 2025: 300,794,397 shares

2) Total number of treasury shares at the end of the period:

September 30, 2025: 33,331,869 shares

March 31, 2025: 28,041,754 shares

3) Average number of shares during the period:

Six months ended September 30, 2025: 271,093,888 shares

Six months ended September 30, 2024: 272,975,923 shares

(Note) The number of treasury stocks above includes shares held as the trust assets for the Board Benefit Trust (BBT) and the Employee Stock Ownership Plan (ESOP).

Shares of the Company's own stock held in BBT and ESOP trust accounts are included in treasury stock subtracted from the calculation of the average number of shares during the period.

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

Explanation regarding appropriate use of forecasts, and other specific comments

The forecasts contained herein are based on information available as of the date of this announcement, and the actual results may differ materially from forecasts due to various factors. For details of assumptions for financial forecasts and other related matters, please refer to "1. Overview of Financial Results, etc. (3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking information" on page 3 of the Attachment.

Supplementary materials for this report and results briefing materials can be found on the Company's website.

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1. Overview of Financial Results, etc.

(1) Overview of Financial Results for this period

For the six months ended on September 30, 2025, reflecting strong progress in construction projects and favorable real estate delivery, net sales were 595.5 billion yen (up by 6.6% year on year) compared with the same period of the previous fiscal year, Operating profit rose to 41.3 billion yen (up 16.7%), ordinary profit to 39.3 billion yen (up 8.5%), and profit attributable to owners of parent to 24.2 billion yen (up 25.0%), resulting in improving profit ratio of completed construction contracts.

Operating results by reportable segment are as follow:

Please note that from the current consolidated six-month period, the classification of reportable segments has been changed. For comparison purposes, figures for the previous consolidated six-month period have been restated based on the new segment classification. For details, please refer to the attached document: “2. Semi-annual Consolidated Financial Statements and Principal Notes, (4) Notes to Semi-annual Consolidated Financial Statements, (Notes on Segment Information), 3. Matters Related to Changes in Reportable Segments.”

	Billions of yen							
	Construction-related business		Real estate-related business		Condominium Management and Operation business		Overseas business	
Net Sales	444.1	(+27.3)	117.3	(+8.3)	79.8	(+7.5)	1.6	(+0.7)
Segment profit	32.8	(+7.4)	14.1	(+0.3)	4.1	(+0.5)	-5.1	(-1.7)

Figures in parentheses show the amount of increase or decrease from the same period of the previous fiscal year

(Construction-related business)

In the construction business, the gross profit ratio of completed construction contracts improved during this period, reflecting better profitability at the time of order received. This was supported by favorable evaluations from developers regarding our capabilities in land information gathering, product planning, construction quality, adherence to schedules, and efficient production systems.

Orders received for new condominium construction projects totaled 30, including 22 projects in the Tokyo metropolitan area—10 of which were large-scale projects with over 200 units—and 8 projects in the Kinki and Tokai areas, including 5 large-scale projects.

As for completed construction projects, we completed a total of 38, including 8 rental apartment buildings and other properties.

In this segment, net sales increased to 444.1 billion yen (up 6.6% year on year), and operating profit rose to 32.8 billion yen (up 29.1%).

(Real estate-related business)

The segment posted sales of 117.3 billion yen, up by 7.6% and operating profit of 14.1 billion yen, up by 2.0% compared with the same period of the previous fiscal year because of an increase in new condominium handovers.

(Condominium Management and Operation business)

The segment posted sales of 79.8 billion yen, up by 10.4% and operating profit of 4.1 billion yen, up by 13.6% compared with the same period of the previous fiscal year due to an increase in the number of units under management for both condominium and rental apartment properties, as well as development and sales projects aimed at acquiring rental management contracts.

(Overseas business)

The subsidiaries have been operating a commercial facility and developing new projects of for-sale detached

housing business in Oahu, Hawaii.

The segment posted sales of 1.6 billion yen (the sales of 0.8 billion yen in the same period of the previous fiscal year) and operating loss of 5.1 billion yen (the operating loss of 3.4 billion yen in the same period of the previous fiscal year) due to a 3.8 billion yen inventory valuation loss.

(2) Overview of Financial Position for this period

Total assets as of September 30, 2025 were 1,364.5 billion yen, decreased by 0.7 billion yen from the end of the previous fiscal year. This is mainly due to a decrease in real estate for sale offset by increases in cash and deposits and costs on real estate business.

Total liabilities were 837.1 billion yen, increased by 3.9 billion yen from the end of the previous fiscal year. This is mainly due to an increase in borrowing of debt.

Net assets were 527.4 billion yen, decreased by 4.6 billion yen from the end of the previous fiscal year. This is mainly due to purchase of treasury shares.

(Overview of Cash Flows)

The balance of cash and cash equivalents as of September 30, 2025 was 245.5 billion yen, increased by 9.7 billion yen from the end of the previous fiscal year.

Net cash provided by operating activities for six months ended on September 30, 2025 was 42.6 billion yen, fluctuated by 94.7 billion yen from 52.1 billion yen used in the same period of the previous fiscal year. This is mainly due to 14.2 billion yen increase in deposit received-real estate.

Net cash used by investing activities for six months ended on September 30, 2025 was 19.4 billion yen, fluctuated by 1.7 billion yen from 17.7 billion yen used in the same period of the previous fiscal year. This is mainly due to decrease of 12.6 billion yen in cash (decrease 8.1 billion yen in the same period of the previous fiscal year) as a result of purchase of property, plant and equipment and intangible assets.

Net cash used by financing activities for six months ended on September 30, 2025 was 12.5 billion yen, fluctuated by 10.1 billion yen from 22.6 billion yen used in the same period of the previous fiscal year. This is mainly due to increase of 33.3 billion yen in cash (decrease 10.0 billion yen in the same period of previous year) as a result of funding and repayment of borrowings offset by decrease of 33.1 billion yen (decrease 3 million yen in the same period of previous year) in bond redemptions and purchase of treasury shares.

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

Based on results for the semi-annual period, we revised the forecast of fiscal year ending March 2026 (from April 1, 2025 to March 31, 2026) announced on May 14, 2025. For details, please refer to the notice released today (November 12, 2025) regarding the differences between forecast and actual results for the first half of the fiscal year ending March 2026 and revisions to full-year financial results forecasts.

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	235,976	247,798
Notes receivable, accounts receivable from completed construction contracts and other	148,607	126,902
Securities	3,305	865
Costs on construction contracts in progress	13,578	17,581
Real estate for sale	312,779	278,709
Costs on real estate business	281,933	300,815
Real estate for development	36,912	30,931
Other	20,232	28,234
Allowance for doubtful accounts	(121)	(129)
Total current assets	1,053,200	1,031,704
Non-current assets		
Property, plant and equipment		
Buildings and structures	77,922	86,060
Machinery, vehicles, tools, furniture and fixtures	12,898	17,821
Land	79,421	81,828
Leased assets	1,250	2,541
Construction in progress	8,649	14,304
Other	183	1,271
Accumulated depreciation	(36,439)	(44,843)
Total property, plant and equipment	143,883	158,983
Intangible assets		
Leasehold interests in land	1,948	1,948
Goodwill	1,778	1,676
Other	8,679	9,624
Total intangible assets	12,404	13,248
Investments and other assets		
Investment securities	102,774	107,696
Long-term loans receivable	4,483	4,881
Retirement benefit asset	28,471	29,372
Deferred tax assets	6,794	4,696
Other	14,134	14,843
Allowance for doubtful accounts	(941)	(959)
Total investments and other assets	155,716	160,529
Total non-current assets	312,003	332,761
Total assets	1,365,203	1,364,465

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	105,413	95,353
Electronically recorded obligations - operating	42,537	41,719
Short-term borrowings	15,000	23,033
Current portion of long-term borrowings	20,000	21,237
Current portion of bonds payable	40,000	20,442
Income taxes payable	14,820	14,584
Advances received on construction contracts in progress	44,843	61,783
Deposits received - real estate business	38,771	52,941
Deposits received	77,499	40,348
Provision for warranties for completed construction	5,169	4,780
Provision for loss on construction contracts	521	417
Provision for bonuses	6,877	6,725
Provision for bonuses for directors (and other officers)	151	-
Other	31,224	27,188
Total current liabilities	442,824	410,549
Non-current liabilities		
Bonds payable	80,000	80,138
Long-term borrowings	265,000	300,279
Provision for loss on litigation	6,419	5,870
Provision for share awards	4,824	4,933
Provision for share awards for directors (and other officers)	459	500
Retirement benefit liability	1,946	2,041
Deferred tax liabilities	11	11
Other	31,687	32,735
Total non-current liabilities	390,347	426,507
Total liabilities	833,170	837,056
Net assets		
Shareholders' equity		
Share capital	57,500	57,500
Capital surplus	7,373	7,625
Retained earnings	472,561	484,297
Treasury shares	(37,398)	(49,824)
Total shareholders' equity	500,036	499,598
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,215	13,167
Foreign currency translation adjustment	22,938	14,905
Remeasurements of defined benefit plans	(1,155)	(909)
Total accumulated other comprehensive income	31,997	27,163
Non-controlling interests	-	649
Total net assets	532,033	527,410
Total liabilities and net assets	1,365,203	1,364,465

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

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales		
Net sales of completed construction contracts	285,215	304,636
Net sales of design and supervision	5,678	4,910
Net sales of leasing and management	46,333	46,974
Real estate sales	211,048	227,547
Other operating revenue	10,481	11,399
Total net sales	558,754	595,466
Cost of sales		
Cost of sales of completed construction contracts	249,313	261,963
Cost of design and supervision	2,738	2,556
Cost of leasing and management	35,876	36,710
Cost of sales - real estate	187,982	201,596
Other business expenses	8,248	8,753
Total cost of sales	484,157	511,577
Gross profit		
Gross profit on completed construction contracts	35,902	42,673
Gross profit-design and supervision	2,940	2,355
Gross profit-leasing and management	10,456	10,264
Gross profit - real estate sales	23,065	25,951
Gross profit - other business	2,233	2,647
Total gross profit	74,597	83,889
Selling, general and administrative expenses	39,169	42,556
Operating profit	35,429	41,333
Non-operating income		
Interest income	147	345
Dividend income	2,579	354
Other	701	710
Total non-operating income	3,428	1,409
Non-operating expenses		
Interest expenses	1,712	2,331
Share of loss of entities accounted for using equity method	264	827
Other	607	244
Total non-operating expenses	2,583	3,401
Ordinary profit	36,273	39,341

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Extraordinary income		
Gain on sale of non-current assets	11	5
National subsidies	7	-
Other	0	-
Total extraordinary income	18	5
Extraordinary losses		
Loss on disposal of non-current assets	14	110
Impairment losses	209	110
Loss on valuation of investment securities	3,057	-
Provision for loss on litigation	1,609	-
Other	7	-
Total extraordinary losses	4,895	220
Profit before income taxes	31,395	39,126
Income taxes - current	11,485	14,083
Income taxes - deferred	538	820
Total income taxes	12,022	14,903
Profit	19,373	24,224
Profit attributable to non-controlling interests	-	8
Profit attributable to owners of parent	19,373	24,215

Semi-annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	19,373	24,224
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,656)	2,952
Foreign currency translation adjustment	13,959	(8,033)
Remeasurements of defined benefit plans, net of tax	152	246
Total other comprehensive income	11,455	(4,834)
Comprehensive income	30,828	19,389
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	30,828	19,381
Comprehensive income attributable to non-controlling interests	-	8

(3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	31,395	39,126
Depreciation	3,969	4,066
Impairment losses	209	110
Amortization of goodwill	102	389
Increase (decrease) in allowance for doubtful accounts	12	10
Increase (decrease) in provision for loss on litigation	1,606	(14)
Interest and dividend income	(2,726)	(699)
Interest expenses	1,712	2,331
Share of loss (profit) of entities accounted for using equity method	264	827
Loss (gain) on sale of investment securities	(0)	-
Loss (gain) on valuation of investment securities	3,057	-
Loss (gain) on disposal of non-current assets	3	105
Loss on valuation of inventories	1,159	3,842
Decrease (increase) in trade receivables	28,310	22,267
Decrease (increase) in costs on construction contracts in progress	(1,717)	(2,457)
Decrease (increase) in inventories	708	19,144
Increase (decrease) in trade payables	(42,951)	(12,187)
Increase (decrease) in advances received on construction contracts in progress	1,750	16,883
Increase (decrease) in deposit received-real estate	(16,617)	14,176
Increase (decrease) in deposits received	(37,606)	(37,348)
Other, net	(13,565)	(12,762)
Subtotal	(40,927)	57,809
Interest and dividends received	2,728	675
Interest paid	(1,703)	(2,187)
Income taxes paid	(12,147)	(13,676)
Net cash provided by (used in) operating activities	(52,050)	42,620
Cash flows from investing activities		
Payments into time deposits	-	(10)
Proceeds from withdrawal of time deposits	31	42
Purchase of securities	-	(721)
Proceeds from redemption of securities	-	721
Purchase of property, plant and equipment and intangible assets	(8,062)	(12,557)
Proceeds from sale of property, plant and equipment and intangible assets	27	5
Purchase of investment securities	(8,679)	(7,746)
Proceeds from sales and withdrawal of investment securities	448	2,291
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(567)
Loan advances	(14,364)	(16,956)
Proceeds from collection of loans receivable	12,830	16,659
Payments of leasehold and guarantee deposits	(451)	(819)
Proceeds from refund of leasehold and guarantee deposits	586	288
Other, net	(51)	(27)
Net cash provided by (used in) investing activities	(17,685)	(19,398)

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	3,408
Proceeds from long-term borrowings	-	40,150
Repayments of long-term borrowings	(10,000)	(10,273)
Redemption of bonds	-	(20,397)
Purchase of treasury shares	(3)	(12,750)
Incidental expenses for loan	(82)	(82)
Dividends paid	(12,492)	(12,479)
Other, net	(41)	(69)
Net cash provided by (used in) financing activities	(22,618)	(12,492)
Effect of exchange rate change on cash and cash equivalents	1,304	(1,070)
Net increase (decrease) in cash and cash equivalents	(91,049)	9,660
Cash and cash equivalents at beginning of period	283,493	235,798
Cash and cash equivalents at end of period	192,444	245,458

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes to Going Concern Assumption)

Not applicable.

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

Based on the Board resolution on May 14, 2025, we acquired 5,511,400 shares of treasury share during the semi-annual period. As a result, treasury stock increased by 12,426 million yen, totaling 49,824 million yen at the end of the semi-annual period.

(Notes on Segment information)

I The previous fiscal year (From April 1, 2024 to September 30, 2024)

For the six months ended September 30, 2024

(Millions of Yen)

	Reportable Segments				Total	Adjustments and eliminations (Note 1)	Consolidated (Note 2)
	Construction-related business	Real estate-related business	Condominium management and operation business	Overseas business			
Net sales							
Sales to third parties	381,471	107,338	69,120	825	558,754	—	558,754
Inter-segment sales and transfer	35,285	1,693	3,161	—	40,140	(40,140)	—
Total	416,756	109,032	72,281	825	598,894	(40,140)	558,754
Segment profit(loss)	25,426	13,806	3,596	(3,402)	39,425	(3,997)	35,429

Note 1 : Adjustment and eliminations for segment profit include (1,715) million yen of elimination of inter-segment transactions and (2,282) million yen of corporate expenses, which are not allocable to the reportable segments. These corporate expenses mainly consist of general and administrative expenses not attributable to reportable segments.

Note 2 : Segment profit(loss) has been adjusted with operating profit in the semi-annual consolidated statement of income.

II The current fiscal year (From April 1, 2025 to September 30, 2025)

1. Reportable segment information (net sales and profit (loss))

For the six months ended September 30, 2025

(Millions of Yen)

	Reportable Segments				Total	Adjustments and eliminations (Note 1)	Consolidated (Note 2)
	Construction-related business	Real estate-related business	Condominium management and operation business	Overseas business			
Net sales							
Sales to third parties	401,940	115,511	76,445	1,570	595,466	—	595,466
Inter-segment sales and transfer	42,157	1,772	3,352	—	47,280	(47,280)	—
Total	444,097	117,283	79,796	1,570	642,746	(47,280)	595,466
Segment profit(loss)	32,824	14,081	4,086	(5,083)	45,908	(4,575)	41,333

Note 1 : Adjustment and eliminations for segment profit include (2,198) million yen of elimination of inter-segment transactions and (2,377) million yen of corporate expenses, which are not allocable to the reportable segments. These corporate expenses mainly consist of general and administrative expenses not attributable to reportable segments.

Note 2 : Segment profit(loss) has been adjusted with operating profit in the semi-annual consolidated statement of income.

2. Information on Assets by Reportable Segment

(Significant changes due to subsidiary acquisition)

For the six months ended on September 30, 2025, the segment assets of the "Construction-related Business" increased by 17,672 million yen and the segment assets of the "Condominium management and operation Business" increased by 2,371 million yen compared to the end of the previous consolidated fiscal year, due to Wood Friends Co., Ltd. and its four subsidiaries becoming a consolidated subsidiary.

3. Matters Related to Changes in Reportable Segments

In conjunction with the formulation of a new medium-term business plan starting from the fiscal year ending March 2026, the names of the reportable segments have been revised from the semi-annual of the current consolidated accounting period. Specifically, the segment previously referred to as "Service-related Business" has been renamed to "Condominium management and operation Business," and "Overseas-related Business" has been renamed to "Overseas Business." As part of this revision, the composition of subsidiaries within each segment has also been partially adjusted.

Furthermore, the segment information for the cumulative semi-annual of the previous consolidated accounting period has been presented based on the revised classification of reportable segments.

(Business Combinations and Related Matters)

(Business Combination through Acquisition)

On June 3, 2025, we acquired 1,317,741 shares of Wood Friends Co., Ltd. via a tender offer, raising our voting rights to 90.38% and making it a consolidated subsidiary.

On July 15, 2025, through a share acquisition under the Companies Act, Wood Friends Co., Ltd. became our wholly owned subsidiary.

1. Overview of business combination

(1) Acquired company's name and its business description

Name : Wood Friends Co., Ltd. and its four subsidiaries

Business description : Planning and design of buildings, construction and sales, other businesses related to living environments

(2) Main reason for the business combination

As a measure to simultaneously work towards creating a sustainable society and improve the quality of living spaces, we believe that "promoting the use of wood in construction and using wood materials not only has an environmental benefit of reducing CO2 emissions, but also contributes greatly to the physical and mental health and happiness of residents", We are therefore working to create wooden common areas for condominiums and our own unique hybrid timber homes that combine reinforced concrete and wood construction. On the other hand, Wood Friends Co., Ltd. aims to realize a consistent manufacturing and retail business from forestry to construction and sales, and to provide a stable supply of domestic timber at fair prices. Wood Friends Co., Ltd. is also focusing on realizing a "wood resource cascade business" that aims to properly circulate local forestry and use up wood resources without waste. We believe that by adding Wood Friends Group to our group, we will be able to further accelerate our efforts, and have therefore decided to carry out the business combination.

(3) Date of business combination

Date of Share Acquisition via a tender offer : June 3, 2025 (Deemed Acquisition Date: May 31, 2025)

Date of Share Acquisition via share buyout : July 15, 2025 (Deemed Acquisition Date: June 1, 2025)

(4) Legal forms of business combination

Acquisition of shares for cash consideration

(5) Name of the combined entity

Not change

(6) Acquired voting interest

- ① Acquisition via a tender offer: 90.38%
- ② Acquisition via share buyout after the day of business combination: 9.62%
- ③ Acquisition after share buyout: 100%

(7) Key reasons for determining the acquiring entity

This is attributable to the Company's acquisition of shares for cash consideration.

2. Period of performance of the acquired company included in the consolidated financial statements

From June 1, 2025 to Aug. 31, 2025

3. Purchase price of the acquired entity and the breakdown of consideration by type

Consideration transferred:

Business combination	Cash and cash equivalents	2,267 million yen
Share buyout	Cash and cash equivalents	241 million yen
Purchase price		2,508 million yen

4. Details and amounts of major acquisition-related costs

Advisory fees and other acquisition-related costs 162 million yen

5. Amount of goodwill recognized, reasons for its recognition, amortization method, and amortization period

(1) Amount of goodwill recognized

288 million yen

(2) Cause of Goodwill Recognition

Goodwill was recognized as it arose from the expected future excess earnings generated by the Company's ongoing business activities.

(3) Amortization method and amortization period

Due to the immateriality of the amount, goodwill is fully amortized at the time of recognition.

6. Amounts and major components of assets acquired and liabilities assumed on the date of business combination

Current assets	10,227 million yen
<u>Non-current assets</u>	<u>8,831 million yen</u>
Total of assets	19,057 million yen

Current liabilities	9,003 million yen
<u>Non-current liabilities</u>	<u>6,942 million yen</u>
Total of liabilities	15,945 million yen

3. Supplementary Information

Non-consolidated Orders received

(1) Result of Non-consolidated Orders received

	Orders	
	Millions of Yen	%
For the six months ended September 30, 2025	306,245	(0.3)
For the six months ended September 30, 2024	307,084	50.8

* % indicates changes from the previous corresponding period.

Breakdown of Orders received

[Millions of Yen]

		For the six months ended September 30 2024		For the six months ended September 30 2025		Increase (decrease)	
		Amount	%	Amount	%	Amount	%
Private-sector condominiums		282,133	(94.9%)	265,433	(90.5%)	(16,700)	(5.9%)
Rental condominiums, Company housing, etc.		7,093	(2.4%)	822	(0.3%)	(6,271)	(88.4%)
Residence Total		289,225	(97.3%)	266,255	(90.8%)	(22,970)	(7.9%)
Non-Residence		4,512	(1.5%)	21,823	(7.4%)	17,312	383.7%
Others		3,492	(1.2%)	5,199	(1.8%)	1,707	48.9%
Construction Total		297,228	96.8%	293,277	95.8%	(3,951)	(1.3%)
Consulting Contracts		2,424	0.8%	2,423	0.8%	(1)	(0.1%)
Construction business		299,653	97.6%	295,700	96.6%	(3,953)	(1.3%)
Design and Supervision		7,432	2.4%	10,545	3.4%	3,114	41.9%
Orders Total		307,084	100.0%	306,245	100.0%	(839)	(0.3%)

* The figures in parentheses refer to the proportion of Construction Total.

(2) Forecast of Non-consolidated Orders received

	Annual	
	Millions of Yen	%
March 2026 forecast	700,000	19.3
March 2025 result	586,632	9.3

* % indicates changes from the previous corresponding period.

(Qualitative information of Orders received result and forecast)

Construction total were 293.3 billion yen, decreased by 4.0 billion yen y/y (down by 1.3% compared with the same period of the previous fiscal year) and Orders received were 306.2 billion yen (down by 0.3% compared with the same period of the previous fiscal year). Reflecting semi-annual results, we revised the full-year order forecast from 620.0 billion yen, announced May 14, 2025 to 700.0 billion yen, an increase of 80.0 billion yen.