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May 13, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: OBAYASHI CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 1802
 URL: <https://www.obayashi.co.jp/en/>
 Representative: Toshimi Sato, Representative Director, President and CEO
 Inquiries: Yoshiaki Takata, General Manager of Accounting Department
 Telephone: +81-3-5769-1701
 Scheduled date of annual general meeting of shareholders: June 26, 2025
 Scheduled date to commence dividend payments: June 27, 2025
 Scheduled date to file annual securities report: June 25, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for analysts and institutional investors)

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

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	2,620,101	12.7	143,442	80.7	153,383	67.6	146,052	94.6
March 31, 2024	2,325,162	17.2	79,381	(15.4)	91,515	(9.2)	75,059	(3.4)

Note: Comprehensive income For the fiscal year ended March 31, 2025: 96,049 Millions of yen [(49.4)%]
 For the fiscal year ended March 31, 2024: 189,756 Millions of yen [155.6%]

	Profit attributable to owners of parent per share (EPS)	Diluted profit per share	Return on equity (ROE)	Ratio of ordinary income to total assets	Ratio of operating income to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	203.88	—	12.6	5.1	5.5
March 31, 2024	104.69	—	7.0	3.3	3.4

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2025: 1,139 Millions of yen

For the fiscal year ended March 31, 2024: 1,226 Millions of yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share (BPS)
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	3,042,778	1,210,201	38.1	1,628.88
March 31, 2024	3,019,118	1,195,244	38.1	1,606.18

Reference: Equity

As of March 31, 2025: 1,158,245 Millions of yen

As of March 31, 2024: 1,151,630 Millions of yen

Note: During the fiscal year ended March 31, 2025, the Company finalized the provisional accounting treatment for business combinations, and the figures for the fiscal year ended March 31, 2024, reflect the details of the finalized provisional accounting treatment.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	85,625	9,596	(50,593)	380,169
March 31, 2024	50,399	(84,471)	(51,922)	326,688

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	—	21.00	—	54.00	75.00	53,845	71.6	5.0
Fiscal year ended March 31, 2025	—	40.00	—	41.00	81.00	57,911	39.7	5.0
Fiscal year ending March 31, 2026 (Forecast)	—	41.00	—	41.00	82.00		57.7	

3. Consolidated forecast 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 income		Ordinary income		Profit attributable to owners of parent		Profit attributable to owners of parent per share (EPS)
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2026	2,560,000	(2.3)	122,000	(14.9)	126,000	(17.9)	100,000	(31.5)	142.17

Notes:

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

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

Refer to page 21 of the appendix, (5) Notes on the Consolidated Financial Statements “Changes in Accounting Policies” for details.

(3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

March 31, 2025	721,509,646 shares
March 31, 2024	721,509,646 shares

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

March 31, 2025	10,439,266 shares
March 31, 2024	4,510,656 shares

- (iii) Average number of shares outstanding during the period

year ended March 31, 2025	716,367,240 shares
year ended March 31, 2024	716,969,518 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	1,660,662	5.0	89,418	106.4	98,673	78.1	115,721	133.1
March 31, 2024	1,582,199	14.1	43,323	(27.7)	55,400	(22.2)	49,650	(20.6)

	Profit per share (EPS)	Diluted profit per share
Fiscal year ended	Yen	Yen
March 31, 2025	161.54	—
March 31, 2024	69.25	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share (BPS)
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	2,135,276	822,644	38.5	1,156.91
March 31, 2024	2,225,321	866,231	38.9	1,208.13

Reference: Equity

As of March 31, 2025: 822,644 Millions of yen

As of March 31, 2024: 866,231 Millions of yen

2. Non-consolidated forecast 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 income		Ordinary income		Profit		Profit per share (EPS)
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2026	1,530,000	(7.9)	74,000	(17.2)	122,000	23.6	112,000	(3.2)	159.23

* This financial results report is exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

1. Refer to page 2 of the appendix for consolidated forecasts.
2. The Company has resolved the matters concerning the acquisition of own shares pursuant to the provisions of Article 156 of the Companies Act of Japan, as applied by replacing the relevant terms pursuant to the provisions of Article 165, paragraph (3) of the same Act, at a meeting of Board of Directors held on February 10, 2025. The result of acquisition of own shares is reflected on the forecasts of “Profit attributable to owners of parent per share (EPS)” and “Profit per share (EPS)” for the fiscal year ending March 31, 2026.
3. Forward-looking statements and figures in this document are based on the information that the Company is able to obtain at the present point. Actual results may be different due to various factors.
4. The Company will hold a financial results briefing for analysts and institutional investors on Wednesday, May 14, 2025. Presentation document is on the Company’s website.

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1. Overview of Operating Results and Financial Position

(1) Overview of operating results

Operating results for fiscal year ended March 31, 2025 (FY2024)

In FY2024, the Japanese economy continued its gradual recovery, given the upturn in consumer spending and improvement in corporate profits. It is expected that the improvement in employment and personal income will support the gradual recovery in the economy, however, there is an increased risk of downturn in the economic fluctuations due to the impact of US trade policy. In addition, the impact of soaring raw material and energy prices, as well as fluctuations in financial and capital markets require continued close monitoring.

In the domestic construction market, although there are concerns about a decline in companies' capital investments mainly due to the impact of US trade policy, soaring construction material prices, and exchange rate fluctuations, the environment for orders is expected to remain firm for the time being, backed by an increase in private-sector construction based on the government's policy to strengthen supply chains for specific critical products and steady orders for public works projects.

Under such circumstances, the Obayashi Group's consolidated net sales amounted to 2,620.1 billion yen, an increase of 294.9 billion yen (12.7%) from the previous fiscal year, mainly due to the progress in large-scale projects in the domestic construction business and the consolidation of MWH in the overseas civil engineering business. As for profit and loss, operating income resulted in 143.4 billion yen, an increase of 64.0 billion yen (80.7%) from the previous fiscal year. Ordinary income was 153.3 billion yen, an increase of 61.8 billion yen (67.6%). This was mainly due to start and progress in high profitability projects and additional claim approval in the domestic construction business. Profit attributable to owners of parent was 146.0 billion yen, an increase of 70.9 billion yen (94.6%) mainly due to the sale of cross-shareholdings.

Operating results by business segment for FY2024 was as follows:

Construction business

Consolidated construction orders received increased by 847.1 billion yen (36.0%) from the previous fiscal year to 3,202.2 billion yen mainly due to an increase of large-scale projects in the domestic construction business and the consolidation of MWH in the overseas civil engineering business. More specifically, orders received for domestic building construction were 1,554.5 billion yen; for overseas building construction, 496.8 billion yen; for domestic civil engineering, 533.4 billion yen; and for overseas civil engineering, 617.4 billion yen.

Non-consolidated orders received increased by 444.9 billion yen (28.2%) from the previous fiscal year to 2,020.0 billion yen. More specifically, orders received for building construction projects increased 317.7 billion yen (26.5%) year-on-year to 1,516.2 billion yen and for civil engineering projects increased by 127.1 billion yen (33.8%) to 503.8 billion yen.

Consolidated net sales for the construction business increased by 290.1 billion yen (13.1%) from the previous fiscal year to 2,496.8 billion yen, mainly due to the progress in large-scale construction projects in the domestic construction business and the consolidation of MWH in the overseas civil engineering business. More specifically, net sales for domestic building construction were 1,337.1 billion yen; for overseas building construction, 498.7 billion yen; for domestic civil engineering, 402.2 billion yen; and for overseas civil engineering, 258.6 billion yen. Operating income increased by 65.3 billion yen (109.3%) to 125.0 billion yen from the previous fiscal year, mainly due to start and progress in high profitability projects and additional claim approval in the domestic construction business.

Non-consolidated net sales increased by 80.5 billion yen (5.2%) from the previous fiscal year to 1,636.3 billion yen. More specifically, building construction sales increased by 57.4 billion yen (4.6%) year-on-year to 1,297.7 billion yen and civil engineering sales increased by 23.0 billion yen (7.3%) year-on-year to 338.6 billion yen.

Real estate business

Net sales from the real estate business increased by 6.0 billion yen (9.0%) to 72.9 billion yen from the previous fiscal year, and operating income decreased by 2.1 billion yen (11.7%) to 16.1 billion yen.

Other businesses

Net sales from other businesses decreased by 1.2 billion yen (2.4%) to 50.2 billion yen from the previous fiscal year, and operating income increased by 0.8 billion yen (64.7%) to 2.2 billion yen.

<Consolidated net sales and operating income by segment>

(Yen in millions)

Segment	Construction Business					Real Estate Business	Other Businesses	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Total Construction Business			
Net Sales	1,337,171	498,777	402,252	258,678	2,496,880	72,932	50,289	2,620,101
Operating Income	62,784	13,443	40,576	8,277	125,081	16,138	2,222	143,442

Outlook for consolidated performance for FY2025

The outlook for consolidated performance in FY2025 is as follows: 2,700.0 billion yen in orders received (including 110.0 billion yen from the real estate and other businesses), 2,560.0 billion yen in net sales (including 160.0 billion yen from the real estate and other businesses), 122.0 billion yen in operating income, 126.0 billion yen in ordinary income, and 100.0 billion yen in profit attributable to owners of parent.

(2) Overview of consolidated financial position

Total assets as of March 31, 2025 increased by 23.6 billion yen (0.8%) compared with the balance at the end of the previous fiscal year, to 3,042.7 billion yen. This was mainly due to increases in “Cash and deposits” and in trade receivables related to construction contracts (the sum of “Notes and accounts receivable from completed construction contracts and other” and “Electronically recorded monetary claims”) while “Investment securities” decreased mainly due to the sale of cross-shareholdings.

Total liabilities as of March 31, 2025 increased by 8.7 billion yen (0.5%) compared with the balance at the end of the previous fiscal year, to 1,832.5 billion yen. This was mainly due to an increase in interest-bearing debt such as “Short-term loans payable” while trade payables related to construction costs (the sum of “Notes and accounts payable for construction contracts and other” and “Electronically recorded obligations”) decreased. The balance of interest-bearing debt as of March 31, 2025 increased by 38.8 billion yen (12.0%) compared with the balance at the end of the previous fiscal year, to 362.7 billion yen.

Total net assets as of March 31, 2025 increased by 14.9 billion yen (1.3%) compared with the balance at the end of the previous fiscal year, to 1,210.2 billion yen. This was mainly due to an increase in “Retained earnings” from the recognition of profit attributable to owners of parent while “Valuation difference on available-for-sale securities” decreases.

As a result, the equity ratio as of March 31, 2025 was 38.1%, unchanged from the end of the previous fiscal year.

(3) Overview of consolidated cash flows

During FY2024, net cash provided by operating activities amounted to 85.6 billion yen, primarily due to a steady balance of the domestic construction business. (Net cash provided by operating activities was 50.3 billion yen in the previous fiscal year.) Net cash provided by investing activities amounted to 9.5 billion yen, primarily due to the sale of cross-shareholdings, while investment due to purchase of commercial real estate was made. (Net cash used in investing activities was 84.4 billion yen in the previous fiscal year.) Net cash used in financing activities amounted to 50.5 billion yen, mainly due to the share buybacks and the payment of dividends, while loans payable and bonds increased. (Net cash used in financing activities was 51.9 billion yen in the previous fiscal year.)

Consequently, cash and cash equivalents as of March 31, 2025 increased by 53.4 billion yen to 380.1 billion yen compared with the balance at the end of the previous fiscal year.

(4) Basic policy regarding the allocation of profits and dividend payout plan for FY2024 and FY2025

Aiming to enhance its corporate value, the Company will strengthen investment in human resources, digital transformation (DX), technology, and enhancement of productivity and create sustainable profits to continue to fulfill the social mission of the construction industry where a decline in the number of engineers and workers is expected while giving top priority to the safety and quality. In addition, the Company will primarily carry out timely and proactive growth investments in fields where it can establish a competitive advantage and increase profits. From the point of improving capital efficiency, the Company will implement strategic shareholder returns by setting investment capital for each business according to the growth of the

construction business and related businesses of the Group and set the necessary equity amount after examining the capital structure of each business.

For annual ordinary dividends, the Company established a policy that sets a dividend on equity ratio (DOE) of around 5%, with a priority on maintaining long-term stable dividends.

< Reference: Annual ordinary dividends based on DOE of around 5% >

DOE 5% = [(Equity as of the end of the previous fiscal year + Equity as of the end of the current fiscal year) / 2] × 5%

→ Target for total annual ordinary dividends (interim + year-end)

In addition to annual ordinary dividends, the Company will execute flexible shareholder returns by using various ways such as special dividends and acquisition of own shares, according to necessary equity and profit status (comprehensive decision-making will be made in consideration of the profitability and financial status of the Group, price-to-book ratio, and other factors).

The Company will review the DOE target in line with the medium- to long-term improvement of the profit level.

Based on this policy, the Company plans to pay a year-end dividend of 41 yen per share for the current fiscal year. As a result, the annual ordinary dividend, including the interim dividend of 40 yen per share, will be 81 yen per share (DOE 5.0%, consolidated dividend payout ratio: 39.7%). Please refer to the “Notice Concerning Dividends from Surplus” separately released on May 13, 2025.

For the next fiscal year, the Company plans to pay an interim and year-end dividend of 41 yen per share, for a total annual dividend of 82 yen per share, based on the performance forecast for the relevant fiscal year, calculated at a DOE of around 5%.

(5) Policy regarding cross-shareholdings

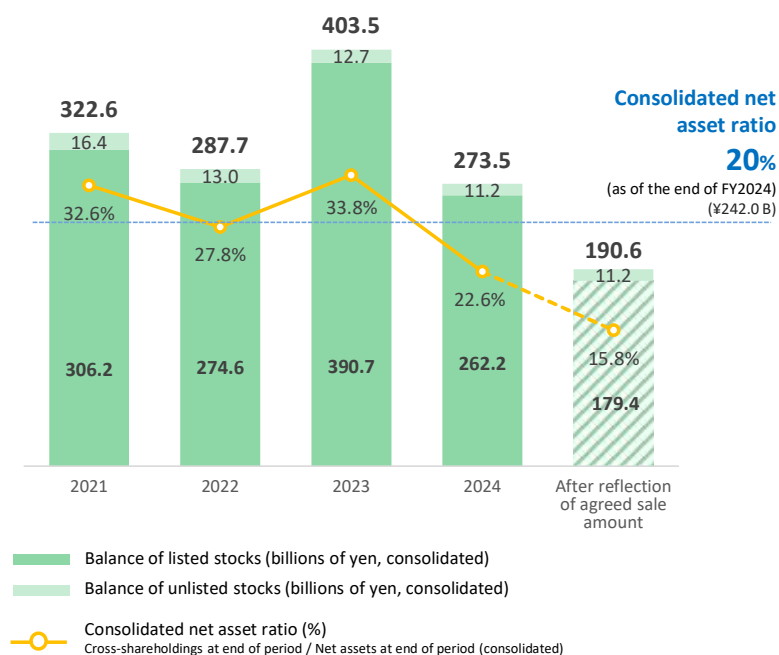
The Company owns cross-shareholdings to maintain and strengthen business relationships with the customers. The Company reviews the significance of owning shares in each company by regularly reporting to the Board of Directors on valuation gains/losses, and collective consideration of indicators of profitability such as capital cost and return on business from maintaining and strengthening the business relationship with a company. The Company verifies the economic rationale for owning shares over the medium and long term, and sells shares as needed when the business significance of owning the shares has weakened.

The Medium-Term Business Plan 2022 states that the Company will proceed further on reassessment of the significance of owning shares and overall investment efficiency for the Company. The Company has reduced cross-shareholdings, aiming to bring the ratio of cross-shareholdings to 20% or less of consolidated net assets by the end of March 2027.

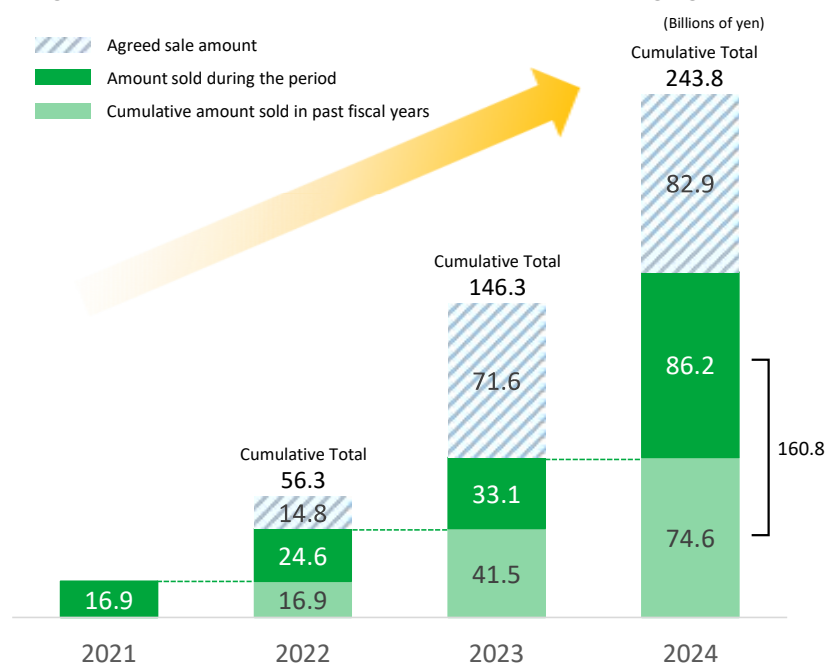
The balance of cross-shareholdings as of March 31, 2025, accounted for 22.6% of consolidated net assets, down 11.2 percentage points from 33.8% at the end of the previous fiscal year. This is mainly due to the progress in selling cross-shareholdings and the decline in the share prices of those holdings. The ratio of cross-shareholdings including the agreed sale amount by the end of March 2027 to consolidated net assets was 15.8%, and the Company will proceed with further sale of cross-shareholdings to achieve its target reducing such shares to 20% or less of consolidated net assets.

To enhance its corporate value, the Company will strengthen investments in human resources, DX, technology, investments to expand production capacity, and growth investments in fields where it can establish a competitive advantage. From the point of improving capital efficiency, the Company will implement strategic shareholder returns by setting the necessary equity amount according to the growth of the Group's businesses. Proceeds from the sale of cross-shareholdings will be used for these investments or shareholder returns.

<Changes in balance of cross-shareholdings and consolidated net asset ratio >



<Changes in cumulative amount sold from FY2021 including agreed sale amount (Consolidated) >



<Factors behind changes in the balance of cross-shareholdings (Consolidated) >

(Billions of yen)	
Balances and Changes	Amount
Balance as of March 31, 2024	403.5
Amount sold from Apr. to Mar. 2025	(86.2)
Decrease due to change in stock price	(42.4)
Other (impairment loss on unlisted stocks, etc.)	(1.3)
Balance as of March 31, 2025 [of which agreed sale amount]	273.5 [82.9]

2. Basic View on Selection of the Accounting Standards

The Obayashi Group intends to prepare consolidated financial statements according to the Japanese generally accepted accounting principles and has taken into account the comparability of consolidated financial statements in different periods and comparisons between companies. The Obayashi Group also intends to respond appropriately to the adoption of IFRS upon collective consideration of conditions in Japan and overseas.

3. Financial Highlights

(1) Financial Results for the Fiscal Year Ended March 31, 2025 (YoY Comparison)

(Billions of yen)

	Consolidated						Non-consolidated					
	Results Fiscal Year Ended March 31, 2024		Results Fiscal Year Ended March 31, 2025		Change	% Change	Results Fiscal Year Ended March 31, 2024		Results Fiscal Year Ended March 31, 2025		Change	% Change
Net sales of completed construction contracts	%	2,206.7	%	2,496.8	290.1	13.1	%	1,555.8	%	1,636.3	80.5	5.2
Building construction		—		—	—	—		1,240.2		1,297.7	57.4	4.6
Civil engineering		—		—	—	—		315.6		338.6	23.0	7.3
Gross profit on completed construction contracts	8.6	188.8	10.7	267.7	78.9	41.8	8.2	126.9	11.0	179.9	53.0	41.8
Building construction		—		—	—	—	6.3	78.3	9.1	118.0	39.6	50.6
Civil engineering		—		—	—	—	15.4	48.5	18.3	61.9	13.3	27.6
Net sales of real estate business and other		118.3		123.2	4.8	4.1		26.3		24.3	(2.0)	(7.7)
Gross profit on real estate business and other	26.0	30.7	24.4	30.0	(0.6)	(2.2)	19.7	5.1	20.1	4.8	(0.3)	(6.1)
Net sales		2,325.1		2,620.1	294.9	12.7		1,582.1		1,660.6	78.4	5.0
Gross profit	9.4	219.6	11.4	297.8	78.2	35.6	8.3	132.1	11.1	184.8	52.7	39.9
Selling, general and administrative expenses	6.0	140.2	5.9	154.3	14.1	10.1	5.6	88.7	5.7	95.4	6.6	7.5
(Personnel expenses)		70.4		82.8	12.3			42.8		47.5	4.6	
(Others)		69.7		71.5	1.7			45.9		47.9	1.9	
Operating income	3.4	79.3	5.5	143.4	64.0	80.7	2.7	43.3	5.4	89.4	46.0	106.4
Non-operating income		16.6		15.9	(0.7)	(4.4)		13.9		14.0	0.1	1.1
Non-operating expenses		4.5		6.0	1.4	32.1		1.8		4.8	2.9	161.5
Ordinary income	3.9	91.5	5.9	153.3	61.8	67.6	3.5	55.4	5.9	98.6	43.2	78.1
Extraordinary income		24.1		69.0	44.9	186.2		25.3		69.1	43.8	173.0
Extraordinary loss		8.5		11.4	2.8	33.6		11.4		7.3	(4.1)	(35.9)
Income before income taxes	4.6	107.1	8.1	211.0	103.9	97.0	4.4	69.2	9.7	160.4	91.1	131.7
Total income taxes		29.9		60.5	30.5	102.2		19.5		44.7	25.1	128.3
Profit		77.1		150.5	73.3	95.0		—		—	—	—
Profit attributable to non-controlling interests (deduction)		2.1		4.4	2.3	111.4		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	3.2	75.0	5.6	146.0	70.9	94.6	3.1	49.6	7.0	115.7	66.0	133.1

Orders Received

(Billions of yen)

	Consolidated					Non-consolidated				
	Results Fiscal Year Ended March 31, 2024	Results Fiscal Year Ended March 31, 2025	Change	% Change		Results Fiscal Year Ended March 31, 2024	Results Fiscal Year Ended March 31, 2025	Change	% Change	
Building construction	1,757.3	2,051.3	294.0	16.7		1,198.5	1,516.2	317.7	26.5	
Domestic	1,236.9	1,554.5	317.6	25.7		1,194.8	1,510.8	315.9	26.4	
Overseas	520.3	496.8	(23.5)	(4.5)		3.7	5.4	1.7	46.0	
Civil engineering	597.7	1,150.8	553.0	92.5		376.6	503.8	127.1	33.8	
Domestic	423.1	533.4	110.2	26.0		328.0	456.8	128.7	39.2	
Overseas	174.5	617.4	442.8	253.7		48.5	46.9	(1.5)	(3.2)	
Construction total	2,355.0	3,202.2	847.1	36.0		1,575.1	2,020.0	444.9	28.2	
Domestic	1,660.1	2,087.9	427.8	25.8		1,522.9	1,967.6	444.7	29.2	
Overseas	694.9	1,114.2	419.3	60.3		52.2	52.4	0.1	0.3	
Real estate business and other	158.0	154.9	(3.0)	(1.9)		26.3	24.3	(2.0)	(7.8)	
Total orders received	2,513.0	3,357.2	844.1	33.6		1,601.5	2,044.4	442.8	27.7	

Interest-bearing Debt Balances

(Billions of yen)

	Consolidated				Non-consolidated			
	Results As of March 31, 2024	Results As of March 31, 2025	Change	% Change	Results As of March 31, 2024	Results As of March 31, 2025	Change	% Change
Interest-bearing debt (except nonrecourse loans)	249.7	285.2	35.4	14.2	177.8	178.4	0.6	0.4
Nonrecourse loans	74.1	77.5	3.4	4.6	—	—	—	—
Total interest-bearing debt	323.8	362.7	38.8	12.0	177.8	178.4	0.6	0.4

(2) Financial Results for the Fiscal Year Ended March 31, 2025 (Comparison with the latest forecast announced on February 10, 2025)

(Billions of yen)

	Consolidated						Non-consolidated					
	Forecasts Announced on February 10, 2025		Results Fiscal Year Ended March 31, 2025		Change	% Change	Forecasts Announced on February 10, 2025		Results Fiscal Year Ended March 31, 2025		Change	% Change
Net sales of completed construction contracts	%	2,485.0	%	2,496.8	11.8	0.5	%	1,625.0	%	1,636.3	11.3	0.7
Building construction		—		—	—	—		1,285.0		1,297.7	12.7	1.0
Civil engineering		—		—	—	—		340.0		338.6	(1.3)	(0.4)
Gross profit on completed construction contracts	10.4	258.0	10.7	267.7	9.7	3.8	10.9	177.0	11.0	179.9	2.9	1.7
Building construction		—		—	—	—	8.9	115.0	9.1	118.0	3.0	2.6
Civil engineering		—		—	—	—	18.2	62.0	18.3	61.9	(0.0)	(0.1)
Net sales of real estate business and other		125.0		123.2	(1.7)	(1.4)		25.0		24.3	(0.6)	(2.7)
Gross profit on real estate business and other	23.2	29.0	24.4	30.0	1.0	3.7	16.0	4.0	20.1	4.8	0.8	22.0
Net sales		2,610.0		2,620.1	10.1	0.4		1,650.0		1,660.6	10.6	0.6
Gross profit	11.0	287.0	11.4	297.8	10.8	3.8	11.0	181.0	11.1	184.8	3.8	2.1
Selling, general and administrative expenses	5.9	155.0	5.9	154.3	(0.6)	(0.4)	5.8	96.0	5.7	95.4	(0.5)	(0.6)
(Personnel expenses)		82.5		82.8	0.3			47.0		47.5	0.5	
(Others)		72.5		71.5	(0.9)			49.0		47.9	(1.0)	
Operating income	5.1	132.0	5.5	143.4	11.4	8.7	5.2	85.0	5.4	89.4	4.4	5.2
Non-operating income		16.5		15.9	(0.5)	(3.2)		13.5		14.0	0.5	4.2
Non-operating expenses		5.5		6.0	0.5	9.5		3.5		4.8	1.3	37.5
Ordinary income	5.5	143.0	5.9	153.3	10.3	7.3	5.8	95.0	5.9	98.6	3.6	3.9
Extraordinary income		46.0		69.0	23.0	50.1		46.0		69.1	23.1	50.3
Extraordinary loss		8.0		11.4	3.4	42.6		7.0		7.3	0.3	5.1
Income before income taxes	6.9	181.0	8.1	211.0	30.0	16.6	8.1	134.0	9.7	160.4	26.4	19.7
Total income taxes		49.0		60.5	11.5	23.5		36.0		44.7	8.7	24.2
Profit		132.0		150.5	18.5	14.0		—		—	—	—
Profit attributable to non-controlling interests (deduction)		4.0		4.4	0.4	12.1		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	4.9	128.0	5.6	146.0	18.0	14.1	5.9	98.0	7.0	115.7	17.7	18.1

Orders Received

(Billions of yen)

	Consolidated				Non-consolidated			
	Forecasts Announced on February 10, 2025	Results Fiscal Year Ended March 31, 2025	Change	% Change	Forecasts Announced on February 10, 2025	Results Fiscal Year Ended March 31, 2025	Change	% Change
Building construction	2,020.0	2,051.3	31.3	1.6	1,505.0	1,516.2	11.2	0.7
Domestic	1,550.0	1,554.5	4.5	0.3	1,500.0	1,510.8	10.8	0.7
Overseas	470.0	496.8	26.8	5.7	5.0	5.4	0.4	9.4
Civil engineering	1,100.0	1,150.8	50.8	4.6	525.0	503.8	(21.1)	(4.0)
Domestic	530.0	533.4	3.4	0.6	445.0	456.8	11.8	2.7
Overseas	570.0	617.4	47.4	8.3	80.0	46.9	(33.0)	(41.3)
Construction total	3,120.0	3,202.2	82.2	2.6	2,030.0	2,020.0	(9.9)	(0.5)
Domestic	2,080.0	2,087.9	7.9	0.4	1,945.0	1,967.6	22.6	1.2
Overseas	1,040.0	1,114.2	74.2	7.1	85.0	52.4	(32.5)	(38.3)
Real estate business and other	140.0	154.9	14.9	10.7	25.0	24.3	(0.6)	(2.8)
Total orders received	3,260.0	3,357.2	97.2	3.0	2,055.0	2,044.4	(10.5)	(0.5)

Interest-bearing Debt Balances

(Billions of yen)

	Consolidated				Non-consolidated			
	Forecasts Announced on February 10, 2025	Results As of March 31, 2025	Change	% Change	Forecasts Announced on February 10, 2025	Results As of March 31, 2025	Change	% Change
Interest-bearing debt (except nonrecourse loans)	320.0	285.2	(34.7)	(10.9)	220.0	178.4	(41.5)	(18.9)
Nonrecourse loans	80.0	77.5	(2.4)	(3.1)	—	—	—	—
Total interest-bearing debt	400.0	362.7	(37.2)	(9.3)	220.0	178.4	(41.5)	(18.9)

(3) Forecasts for the Fiscal Year Ending March 31, 2026 (YoY Comparison)

(Billions of yen)

	Consolidated						Non-consolidated					
	Results Fiscal Year Ended March 31, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Change	Results Fiscal Year Ended March 31, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Change
Net sales of completed construction contracts	%	2,496.8	%	2,400.0	(96.8)	(3.9)	%	1,636.3	%	1,502.5	(133.8)	(8.2)
Building construction		—		—	—	—		1,297.7		1,140.5	(157.2)	(12.1)
Civil engineering		—		—	—	—		338.6		362.0	23.3	6.9
Gross profit on completed construction contracts	10.7	267.7	10.5	251.0	(16.7)	(6.3)	11.0	179.9	11.3	169.5	(10.4)	(5.8)
Building construction		—		—	—	—	9.1	118.0	9.7	110.5	(7.5)	(6.4)
Civil engineering		—		—	—	—	18.3	61.9	16.3	59.0	(2.9)	(4.7)
Net sales of real estate business and other		123.2		160.0	36.7	29.8		24.3		27.5	3.1	13.1
Gross profit on real estate business and other	24.4	30.0	19.4	31.0	0.9	3.1	20.1	4.8	16.4	4.5	(0.3)	(7.8)
Net sales		2,620.1		2,560.0	(60.1)	(2.3)		1,660.6		1,530.0	(130.6)	(7.9)
Gross profit	11.4	297.8	11.0	282.0	(15.8)	(5.3)	11.1	184.8	11.4	174.0	(10.8)	(5.9)
Selling, general and administrative expenses	5.9	154.3	6.2	160.0	5.6	3.6	5.7	95.4	6.6	100.0	4.5	4.8
(Personnel expenses)		82.8		86.0	3.1			47.5		50.0	2.4	
(Others)		71.5		74.0	2.4			47.9		50.0	2.0	
Operating income	5.5	143.4	4.8	122.0	(21.4)	(14.9)	5.4	89.4	4.8	74.0	(15.4)	(17.2)
Non-operating income		15.9		11.0	(4.9)	(31.1)		14.0		51.0	36.9	262.5
Non-operating expenses		6.0		7.0	0.9	16.2		4.8		3.0	(1.8)	(37.7)
Ordinary income	5.9	153.3	4.9	126.0	(27.3)	(17.9)	5.9	98.6	8.0	122.0	23.3	23.6
Extraordinary income		69.0		23.0	(46.0)	(66.7)		69.1		23.0	(46.1)	(66.7)
Extraordinary loss		11.4		4.0	(7.4)	(64.9)		7.3		3.0	(4.3)	(59.2)
Income before income taxes	8.1	211.0	5.7	145.0	(66.0)	(31.3)	9.7	160.4	9.3	142.0	(18.4)	(11.5)
Total income taxes		60.5		41.5	(19.0)	(31.4)		44.7		30.0	(14.7)	(32.9)
Profit		150.5		103.5	(47.0)	(31.2)		—		—	—	—
Profit attributable to non-controlling interests (deduction)		4.4		3.5	(0.9)	(21.9)		—		—	—	—
Profit attributable to owners of parent (Non-consolidated: Profit)	5.6	146.0	3.9	100.0	(46.0)	(31.5)	7.0	115.7	7.3	112.0	(3.7)	(3.2)

Orders Received

(Billions of yen)

	Consolidated					Non-consolidated			
	Results Fiscal Year Ended March 31, 2025	Forecasts Fiscal Year Ending March 31, 2026	Change	% Change		Results Fiscal Year Ended March 31, 2025	Forecasts Fiscal Year Ending March 31, 2026	Change	% Change
Building construction	2,051.3	1,720.0	(331.3)	(16.2)		1,516.2	1,170.0	(346.2)	(22.8)
Domestic	1,554.5	1,205.0	(349.5)	(22.5)		1,510.8	1,160.0	(350.8)	(23.2)
Overseas	496.8	515.0	18.1	3.7		5.4	10.0	4.5	82.8
Civil engineering	1,150.8	870.0	(280.8)	(24.4)		503.8	333.0	(170.8)	(33.9)
Domestic	533.4	385.0	(148.4)	(27.8)		456.8	300.0	(156.8)	(34.3)
Overseas	617.4	485.0	(132.4)	(21.4)		46.9	33.0	(13.9)	(29.8)
Construction total	3,202.2	2,590.0	(612.2)	(19.1)		2,020.0	1,503.0	(517.0)	(25.6)
Domestic	2,087.9	1,590.0	(497.9)	(23.8)		1,967.6	1,460.0	(507.6)	(25.8)
Overseas	1,114.2	1,000.0	(114.2)	(10.3)		52.4	43.0	(9.4)	(18.0)
Real estate business and other	154.9	110.0	(44.9)	(29.0)		24.3	27.0	2.6	11.1
Total orders received	3,357.2	2,700.0	(657.2)	(19.6)		2,044.4	1,530.0	(514.4)	(25.2)

Interest-bearing Debt Balances

(Billions of yen)

	Consolidated				Non-consolidated			
	Results As of March 31, 2025	Forecasts As of March 31, 2026	Change	% Change	Results As of March 31, 2025	Forecasts As of March 31, 2026	Change	% Change
Interest-bearing debt (except nonrecourse loans)	285.2	250.0	(35.2)	(12.3)	178.4	150.0	(28.4)	(15.9)
Nonrecourse loans	77.5	70.0	(7.5)	(9.7)	—	—	—	—
Total interest-bearing debt	362.7	320.0	(42.7)	(11.8)	178.4	150.0	(28.4)	(15.9)

4. Breakdown of Net Sales and Operating Income/Gross Profit for Domestic/Overseas Segments

(1) Operating Results for the Fiscal Year Ended March 31, 2025 (YoY Comparison)

【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results Fiscal Year Ended March 31, 2024	Results Fiscal Year Ended March 31, 2025	Change	% Change	Results Fiscal Year Ended March 31, 2024		Results Fiscal Year Ended March 31, 2025		Change	% Change
					% Profit		% Profit			
<u>Building Construction</u>										
Domestic	1,264,181	1,337,171	72,989	5.8	1.9	24,204	4.7	62,784	38,580	159.4
Overseas	457,818	498,777	40,959	8.9	2.8	12,942	2.7	13,443	500	3.9
Subtotal	1,722,000	1,835,949	113,949	6.6	2.2	37,147	4.2	76,228	39,080	105.2
<u>Civil Engineering</u>										
Domestic	369,367	402,252	32,884	8.9	7.1	26,389	10.1	40,576	14,186	53.8
Overseas	115,396	258,678	143,281	124.2	(3.3)	(3,782)	3.2	8,277	12,059	—
Subtotal	484,764	660,931	176,166	36.3	4.7	22,607	7.4	48,853	26,246	116.1
<u>Construction Total</u>										
Domestic	1,633,549	1,739,423	105,874	6.5	3.1	50,594	5.9	103,361	52,766	104.3
Overseas	573,215	757,456	184,241	32.1	1.6	9,160	2.9	21,720	12,560	137.1
Subtotal	2,206,764	2,496,880	290,115	13.1	2.7	59,754	5.0	125,081	65,326	109.3
<u>Real Estate Business and Other</u>										
Real Estate Business	66,888	72,932	6,043	9.0	27.3	18,277	22.1	16,138	(2,139)	(11.7)
Other	51,509	50,289	(1,220)	(2.4)	2.6	1,349	4.4	2,222	872	64.7
Subtotal	118,398	123,221	4,822	4.1	16.6	19,626	14.9	18,360	(1,266)	(6.5)
Total	2,325,162	2,620,101	294,938	12.7	3.4	79,381	5.5	143,442	64,060	80.7

Note: Consolidated net sales and operating income show the sales and operating income for external customers.

【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Results Fiscal Year Ended March 31, 2024	Results Fiscal Year Ended March 31, 2025	Change	% Change	Results Fiscal Year Ended March 31, 2024		Results Fiscal Year Ended March 31, 2025		Change	% Change
					% Gross Profit		% Gross Profit			
<u>Building Construction</u>										
Domestic	1,234,232	1,290,917	56,685	4.6	6.3	78,246	9.1	117,800	39,553	50.6
Overseas	6,000	6,798	798	13.3	1.8	107	3.5	236	128	119.4
Subtotal	1,240,232	1,297,716	57,483	4.6	6.3	78,354	9.1	118,036	39,682	50.6
<u>Civil Engineering</u>										
Domestic	286,591	309,199	22,607	7.9	15.8	45,263	18.8	58,235	12,971	28.7
Overseas	29,020	29,433	412	1.4	11.3	3,289	12.6	3,696	406	12.4
Subtotal	315,612	338,632	23,020	7.3	15.4	48,553	18.3	61,931	13,377	27.6
<u>Construction Total</u>										
Domestic	1,520,823	1,600,117	79,293	5.2	8.1	123,510	11.0	176,035	52,525	42.5
Overseas	35,021	36,231	1,210	3.5	9.7	3,397	10.9	3,932	535	15.8
Subtotal	1,555,844	1,636,348	80,503	5.2	8.2	126,907	11.0	179,968	53,060	41.8
Real Estate Business and Other	26,354	24,313	(2,040)	(7.7)	19.7	5,199	20.1	4,881	(318)	(6.1)
Total	1,582,199	1,660,662	78,463	5.0	8.3	132,107	11.1	184,849	52,742	39.9

(2) Forecasts for the Fiscal Year Ending March 31, 2026 (YoY Comparison)

【Consolidated】

(Yen in millions)

	Net Sales				Operating Income					
	Results Fiscal Year Ended March 31, 2025	Forecasts Fiscal Year Ending March 31, 2026	Change	% Change	Results Fiscal Year Ended March 31, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Change
					% Profit		% Profit			
<u>Building Construction</u>										
Domestic	1,337,171	1,180,000	(157,171)	(11.8)	4.7	62,784	4.4	51,500	(11,284)	(18.0)
Overseas	498,777	495,000	(3,777)	(0.8)	2.7	13,443	1.6	8,000	(5,443)	(40.5)
Subtotal	1,835,949	1,675,000	(160,949)	(8.8)	4.2	76,228	3.6	59,500	(16,728)	(21.9)
<u>Civil Engineering</u>										
Domestic	402,252	420,000	17,747	4.4	10.1	40,576	8.5	35,500	(5,076)	(12.5)
Overseas	258,678	305,000	46,321	17.9	3.2	8,277	2.6	8,000	(277)	(3.3)
Subtotal	660,931	725,000	64,068	9.7	7.4	48,853	6.0	43,500	(5,353)	(11.0)
<u>Construction Total</u>										
Domestic	1,739,423	1,600,000	(139,423)	(8.0)	5.9	103,361	5.4	87,000	(16,361)	(15.8)
Overseas	757,456	800,000	42,543	5.6	2.9	21,720	2.0	16,000	(5,720)	(26.3)
Subtotal	2,496,880	2,400,000	(96,880)	(3.9)	5.0	125,081	4.3	103,000	(22,081)	(17.7)
<u>Real Estate Business and Other</u>										
Real Estate Business	72,932	97,000	24,067	33.0	22.1	16,138	18.0	17,500	1,361	8.4
Other	50,289	63,000	12,710	25.3	4.4	2,222	2.4	1,500	(722)	(32.5)
Subtotal	123,221	160,000	36,778	29.8	14.9	18,360	11.9	19,000	639	3.5
Total	2,620,101	2,560,000	(60,101)	(2.3)	5.5	143,442	4.8	122,000	(21,442)	(14.9)

Note: Consolidated net sales and operating income show the sales and operating income for external customers.

【Non-consolidated】

(Yen in millions)

	Net Sales				Gross Profit					
	Results Fiscal Year Ended March 31, 2025	Forecasts Fiscal Year Ending March 31, 2026	Change	% Change	Results Fiscal Year Ended March 31, 2025		Forecasts Fiscal Year Ending March 31, 2026		Change	% Change
					% Gross Profit		% Gross Profit			
<u>Building Construction</u>										
Domestic	1,290,917	1,130,000	(160,917)	(12.5)	9.1	117,800	9.7	110,000	(7,800)	(6.6)
Overseas	6,798	10,500	3,701	54.4	3.5	236	4.8	500	263	111.7
Subtotal	1,297,716	1,140,500	(157,216)	(12.1)	9.1	118,036	9.7	110,500	(7,536)	(6.4)
<u>Civil Engineering</u>										
Domestic	309,199	330,000	20,800	6.7	18.8	58,235	17.1	56,500	(1,735)	(3.0)
Overseas	29,433	32,000	2,566	8.7	12.6	3,696	7.8	2,500	(1,196)	(32.4)
Subtotal	338,632	362,000	23,367	6.9	18.3	61,931	16.3	59,000	(2,931)	(4.7)
<u>Construction Total</u>										
Domestic	1,600,117	1,460,000	(140,117)	(8.8)	11.0	176,035	11.4	166,500	(9,535)	(5.4)
Overseas	36,231	42,500	6,268	17.3	10.9	3,932	7.1	3,000	(932)	(23.7)
Subtotal	1,636,348	1,502,500	(133,848)	(8.2)	11.0	179,968	11.3	169,500	(10,468)	(5.8)
Real Estate Business and Other	24,313	27,500	3,186	13.1	20.1	4,881	16.4	4,500	(381)	(7.8)
Total	1,660,662	1,530,000	(130,662)	(7.9)	11.1	184,849	11.4	174,000	(10,849)	(5.9)

5. Breakdown of Non-consolidated Orders Received, Net Sales and Projects in Process

(1) Breakdown of Non-consolidated Orders Received

(Yen in millions)

	Results Fiscal Year Ended March 31, 2024		Results Fiscal Year Ended March 31, 2025		Change	
		% of Total		% of Total		% Change
<u>Building Construction</u>						
Domestic Public	72,891	4.6	91,098	4.5	18,207	25.0
Domestic Private	1,121,934	70.1	1,419,714	69.4	297,779	26.5
Domestic Total	1,194,826	74.7	1,510,813	73.9	315,986	26.4
Overseas	3,746	0.2	5,471	0.3	1,725	46.0
Subtotal	1,198,572	74.9	1,516,284	74.2	317,711	26.5
<u>Civil Engineering</u>						
Domestic Public	213,329	13.3	270,528	13.2	57,198	26.8
Domestic Private	114,748	7.2	186,296	9.1	71,547	62.4
Domestic Total	328,078	20.5	456,825	22.3	128,746	39.2
Overseas	48,542	3.0	46,986	2.3	(1,556)	(3.2)
Subtotal	376,621	23.5	503,811	24.6	127,190	33.8
<u>Construction Total</u>						
Domestic Public	286,221	17.9	361,627	17.7	75,406	26.3
Domestic Private	1,236,683	77.3	1,606,010	78.5	369,327	29.9
Domestic Total	1,522,904	95.2	1,967,638	96.2	444,733	29.2
Overseas	52,289	3.2	52,457	2.6	168	0.3
Subtotal	1,575,194	98.4	2,020,096	98.8	444,902	28.2
Real Estate Business and Other	26,358	1.6	24,309	1.2	(2,048)	(7.8)
Total	1,601,552	100	2,044,406	100	442,853	27.7

(2) Breakdown of Non-consolidated Net Sales

(Yen in millions)

	Results Fiscal Year Ended March 31, 2024		Results Fiscal Year Ended March 31, 2025		Change	
		% of Total		% of Total		% Change
<u>Building Construction</u>						
Domestic Public	73,169	4.6	73,304	4.4	135	0.2
Domestic Private	1,161,063	73.4	1,217,612	73.3	56,549	4.9
Domestic Total	1,234,232	78.0	1,290,917	77.7	56,685	4.6
Overseas	6,000	0.4	6,798	0.4	798	13.3
Subtotal	1,240,232	78.4	1,297,716	78.1	57,483	4.6
<u>Civil Engineering</u>						
Domestic Public	155,748	9.8	192,208	11.6	36,459	23.4
Domestic Private	130,843	8.3	116,991	7.0	(13,851)	(10.6)
Domestic Total	286,591	18.1	309,199	18.6	22,607	7.9
Overseas	29,020	1.8	29,433	1.8	412	1.4
Subtotal	315,612	19.9	338,632	20.4	23,020	7.3
<u>Construction Total</u>						
Domestic Public	228,917	14.4	265,512	16.0	36,595	16.0
Domestic Private	1,291,906	81.7	1,334,604	80.3	42,698	3.3
Domestic Total	1,520,823	96.1	1,600,117	96.3	79,293	5.2
Overseas	35,021	2.2	36,231	2.2	1,210	3.5
Subtotal	1,555,844	98.3	1,636,348	98.5	80,503	5.2
Real Estate Business and Other	26,354	1.7	24,313	1.5	(2,040)	(7.7)
Total	1,582,199	100	1,660,662	100	78,463	5.0

(3) Breakdown of Non-consolidated Projects in Process

(Yen in millions)

	Results As of March 31, 2024		Results As of March 31, 2025		Change	
		% of Total		% of Total		% Change
<u>Building Construction</u>						
Domestic Public	121,045	5.1	138,840	5.0	17,794	14.7
Domestic Private	1,569,891	65.5	1,771,992	63.8	202,101	12.9
Domestic Total	1,690,937	70.6	1,910,832	68.8	219,895	13.0
Overseas	15,794	0.7	14,467	0.5	(1,327)	(8.4)
Subtotal	1,706,732	71.3	1,925,300	69.3	218,568	12.8
<u>Civil Engineering</u>						
Domestic Public	397,789	16.6	476,109	17.1	78,320	19.7
Domestic Private	193,986	8.1	263,292	9.5	69,305	35.7
Domestic Total	591,775	24.7	739,401	26.6	147,625	24.9
Overseas	97,089	4.0	114,642	4.1	17,553	18.1
Subtotal	688,865	28.7	854,044	30.7	165,179	24.0
<u>Construction Total</u>						
Domestic Public	518,834	21.7	614,949	22.1	96,114	18.5
Domestic Private	1,763,878	73.6	2,035,284	73.3	271,406	15.4
Domestic Total	2,282,713	95.3	2,650,234	95.4	367,521	16.1
Overseas	112,884	4.7	129,110	4.6	16,226	14.4
Subtotal	2,395,597	100.0	2,779,344	100	383,747	16.0
Real Estate Business and Other	4	0.0	—	—	(4)	(100.0)
Total	2,395,601	100	2,779,344	100	383,743	16.0

6. Major Projects

(1) Orders Received

Client	Project Name
MUFG Bank, Ltd.	M Project, Construction of New Building
Shibuya Nishi Kaihatsu TMK	Shibuya Upper West Project
Okuma Corporation	Okuma Corporation Engineering Center and Innovation Center Construction Project
Sendai City	Sendai City Hall Building Development Phase 1, Construction
CENTRAL JAPAN INTERNATIONAL AIRPORT COMPANY , LIMITED	Alternative Runway Construction Project
Science Centre Board	New Science Centre (Singapore)*

* Undertaken by OBAYASHI SINGAPORE

(2) Completed Projects

Client	Project Name
East Japan Railway Company	TAKANAWA GATEWAY CITY THE LINKPILLAR 1 NORTH/SOUTH
MITSUBISHI ESTATE CO., LTD. Osaka Gas Urban Development Co., Ltd. ORIX Real Estate Corporation Kanden Realty & Development Co.,Ltd. Sekisui House, Ltd. Takenaka Corporation Hankyu Corporation Umekita Development SPC	GRAND GREEN OSAKA Construction Project
TOYOTA MOTOR CORPORATION	Toyota Woven City Phase1 Construction Project
Japan Association for the 2025 World Exposition	Expo 2025 Osaka, Kansai, Japan Facilities Development Project PW Northeast Construction Area
Bangladesh Railways	Jamuna Railway Bridge Construction Project (Eastern Part of Civil Works Package WD-1) (Bangladesh)
K-COMMERCIAL Pte Ltd	Keppel South Central (Singapore)*

* Undertaken by OBAYASHI SINGAPORE

(3) Projects in Process

Client	Project Name
Kumoidori 5-Chome Redevelopment Corporation	Demolition of Basement and Construction of New Facility Building in Kobe-Sannomiya Kumoidori 5-Chome District Class 1 Urban Redevelopment Project
East Japan Railway Company	TAKANAWA GATEWAY CITY THE LINKPILLAR 2
MITSUBISHI ESTATE CO., LTD. TBS HOLDINGS, INC.	Demolition of Existing Building's Basement and Construction of New Building and Others in Akasaka 2,6-Chome District Development Project (Construction Section B)
MITSUBISHI ESTATE CO., LTD.	(Tentative name) Tenjin 1-7 Project Demolition of Existing Building's Basement and Construction of New Building
East Nippon Expressway Company Limited	The Yokohama Kanjo-Minami Expressway Kuden Interchange Construction Project
San Francisco Public Utilities Commission (SFPUC)	Southeast Water Pollution Control Plant Biosolids Digester Facilities Project (U.S.A.)*

* Undertaken by MWH and WEBCOR (Subsidiary of Obayashi USA)

7. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Yen in millions)

	March 31, 2024	March 31, 2025	Change
Assets			
Current assets			
Cash and deposits	339,188	394,728	55,540
Notes and accounts receivable from completed construction contracts and other	1,036,514	1,139,624	103,109
Electronically recorded monetary claims	40,717	15,172	(25,545)
Short-term investment securities	8,430	11,410	2,980
Real estate for sale	15,236	31,301	16,064
Costs on uncompleted construction contracts	40,121	38,399	(1,721)
Costs on real estate business	35,530	38,006	2,476
Inventories for PFI and other projects	4,847	3,141	(1,706)
Other inventories	15,788	16,013	225
Accounts receivable	127,323	96,954	(30,369)
Other	32,709	32,132	(576)
Allowance for doubtful accounts	(7,270)	(7,425)	(154)
Total current assets	1,689,137	1,809,460	120,322
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	191,208	207,945	16,737
Machinery, vehicles, tools, furniture and fixtures	80,155	81,664	1,509
Land	413,163	424,354	11,190
Lease assets	5,175	6,001	826
Construction in progress	46,212	17,611	(28,600)
Total property, plant and equipment	735,914	737,577	1,663
Intangible assets	38,537	37,116	(1,421)
Investments and other assets			
Investment securities	422,583	311,557	(111,026)
Long-term loans receivable	2,637	2,812	175
Deferred tax assets	3,256	3,031	(225)
Assets for retirement benefits	7,482	8,718	1,235
Other	119,721	132,675	12,953
Allowance for doubtful accounts	(152)	(171)	(18)
Total investments and other assets	555,529	458,624	(96,904)
Total noncurrent assets	1,329,981	1,233,318	(96,662)
Total assets	3,019,118	3,042,778	23,660

(Yen in millions)

	March 31, 2024	March 31, 2025	Change
Liabilities			
Current liabilities			
Notes and accounts payable for construction contracts and other	676,252	678,719	2,467
Electronically recorded obligations	144,615	95,232	(49,383)
Short-term loans payable	68,142	97,532	29,389
Current portion of nonrecourse loans	8,252	9,496	1,244
Current portion of bonds	10,000	—	(10,000)
Lease obligations	2,105	2,709	604
Income taxes payable	10,398	49,085	38,686
Advances received on uncompleted construction contracts	191,909	193,434	1,524
Deposits received	202,026	177,156	(24,869)
Provision for warranties for completed construction	3,155	3,333	178
Provision for loss on construction contracts	33,149	16,726	(16,423)
Other	83,510	129,931	46,421
Total current liabilities	1,433,517	1,453,358	19,840
Noncurrent liabilities			
Bonds payable	40,107	60,091	19,984
Long-term loans payable	131,507	127,589	(3,918)
Nonrecourse loans	65,875	68,056	2,180
Lease obligations	6,915	8,160	1,245
Deferred tax liabilities	48,689	14,558	(34,130)
Deferred tax liabilities for land revaluation	17,931	18,124	192
Provision for stock payments for directors	625	686	60
Provision for environmental measures	23	—	(23)
Liability for retirement benefits	51,914	52,095	181
Other	26,765	29,855	3,090
Total noncurrent liabilities	390,356	379,218	(11,137)
Total liabilities	1,823,874	1,832,577	8,702
Net assets			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus	42,002	41,328	(673)
Retained earnings	773,841	853,125	79,284
Treasury stock	(2,711)	(14,828)	(12,117)
Total shareholders' equity	870,884	937,378	66,493
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	205,623	126,640	(78,982)
Deferred gains (losses) on hedges	15,341	15,268	(73)
Revaluation reserve for land	22,777	21,545	(1,232)
Foreign currency translation adjustments	32,304	53,135	20,830
Retirement benefit asset and liability adjustments	4,698	4,277	(421)
Total accumulated other comprehensive income	280,745	220,867	(59,878)
Non-controlling interests	43,614	51,956	8,342
Total net assets	1,195,244	1,210,201	14,957
Total liabilities and net assets	3,019,118	3,042,778	23,660
(Reference)			
Interest-bearing debt balances	323,884	362,765	38,880

Note: During the fiscal year ended March 31, 2025, the Company finalized the provisional accounting treatment for business combinations, and the figures for the fiscal year ended March 2024 reflect the details of the finalized provisional accounting treatment.

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Yen in millions)

	April 1, 2023 - March 31, 2024	April 1, 2024 - March 31, 2025	Change
Net sales			
Net sales of completed construction contracts	2,206,764	2,496,880	290,115
Net sales of real estate business and other	118,398	123,221	4,822
Total net sales	2,325,162	2,620,101	294,938
Cost of sales			
Cost of sales on completed construction contracts	2,017,917	2,229,115	211,197
Cost of sales on real estate business and other	87,643	93,152	5,509
Total cost of sales	2,105,560	2,322,267	216,706
Gross profit			
Gross profit on completed construction contracts	188,846	267,765	78,918
Gross profit on real estate business and other	30,755	30,068	(686)
Total gross profit	219,602	297,833	78,231
Selling, general and administrative expenses	140,220	154,391	14,171
Operating income	79,381	143,442	64,060
Non-operating income			
Interest income	3,136	4,848	1,712
Dividends income	7,969	8,946	977
Foreign exchange gains	3,439	—	(3,439)
Other	2,148	2,168	20
Total non-operating income	16,693	15,963	(729)
Non-operating expenses			
Interest expenses	3,530	4,725	1,194
Other	1,028	1,297	268
Total non-operating expenses	4,559	6,022	1,463
Ordinary income	91,515	153,383	61,868
Extraordinary income			
Gain on sales of investment securities	23,874	68,718	44,843
Other	257	346	88
Total extraordinary income	24,132	69,064	44,932
Extraordinary loss			
Impairment loss	4,832	4,450	(381)
Loss on liquidation of business	23	3,849	3,826
Loss on valuation of investment securities	1,042	2,112	1,070
Loss on valuation of other investments	1,064	—	(1,064)
Other	1,578	994	(583)
Total extraordinary losses	8,541	11,407	2,866
Profit before income taxes	107,106	211,040	103,934
Income taxes-current	27,656	62,499	34,843
Income taxes-deferred	2,270	(1,993)	(4,263)
Total income taxes	29,926	60,506	30,579
Profit	77,179	150,534	73,354
Profit attributable to non-controlling interests	2,119	4,482	2,362
Profit attributable to owners of parent	75,059	146,052	70,992

Consolidated Statements of Comprehensive Income

(Yen in millions)

	April 1, 2023 - March 31, 2024	April 1, 2024 - March 31, 2025
Profit	77,179	150,534
Other comprehensive income		
Valuation difference on available-for-sale securities	87,537	(78,996)
Deferred gains (losses) on hedges	5,110	311
Revaluation reserve for land	—	(513)
Foreign currency translation adjustment	16,879	26,424
Retirement benefit adjustment	2,889	(420)
Share of other comprehensive income of associates accounted for using equity method	160	(1,289)
Total other comprehensive income	112,577	(54,484)
Comprehensive income	189,756	96,049
Comprehensive income attributable to owners of parent	184,593	86,892
Comprehensive income attributable to non-controlling interests	5,162	9,157

(3) Consolidated Statements of Changes in Net Assets

For the Fiscal Year Ended March 31, 2024

(Yen in millions)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	57,752	41,962	728,087	(2,754)	825,047
Changes during period					
Cash dividends paid			(30,155)		(30,155)
Profit attributable to owners of parent			75,059		75,059
Reversal of revaluation reserve for land			850		850
Purchase of treasury stock				(110)	(110)
Disposal of treasury stock				153	153
Share changes in parent's ownership interests associated with transaction with non-controlling interests		39			39
Net changes in items other than those in shareholders' equity					
Total changes during period	—	39	45,754	43	45,836
Balance at the end of current period	57,752	42,002	773,841	(2,711)	870,884

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains (losses) on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Retirement benefit asset and liability adjustments	Total accumulated other comprehensive income		
Balance at the beginning of current period	118,057	10,130	23,627	18,437	1,808	172,061	38,772	1,035,881
Changes during period								
Cash dividends paid								(30,155)
Profit attributable to owners of parent								75,059
Reversal of revaluation reserve for land								850
Purchase of treasury stock								(110)
Disposal of treasury stock								153
Share changes in parent's ownership interests associated with transaction with non-controlling interests								39
Net changes in items other than those in shareholders' equity	87,566	5,211	(850)	13,866	2,890	108,684	4,842	113,526
Total changes during period	87,566	5,211	(850)	13,866	2,890	108,684	4,842	159,363
Balance at the end of current period	205,623	15,341	22,777	32,304	4,698	280,745	43,614	1,195,244

For the Fiscal Year Ended March 31, 2025

(Yen in millions)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	57,752	42,002	773,841	(2,711)	870,884
Changes during period					
Cash dividends paid			(67,486)		(67,486)
Profit attributable to owners of parent			146,052		146,052
Reversal of revaluation reserve for land			718		718
Purchase of treasury stock				(12,217)	(12,217)
Disposal of treasury stock				100	100
Share changes in parent's ownership interests associated with transaction with non-controlling interests		(673)			(673)
Net changes in items other than those in shareholders' equity					
Total changes during period	—	(673)	79,284	(12,117)	66,493
Balance at the end of current period	57,752	41,328	853,125	(14,828)	937,378

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains (losses) on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Retirement benefit asset and liability adjustments	Total accumulated other comprehensive income		
Balance at the beginning of current period	205,623	15,341	22,777	32,304	4,698	280,745	43,614	1,195,244
Changes during period								
Cash dividends paid								(67,486)
Profit attributable to owners of parent								146,052
Reversal of revaluation reserve for land								718
Purchase of treasury stock								(12,217)
Disposal of treasury stock								100
Share changes in parent's ownership interests associated with transaction with non-controlling interests								(673)
Net changes in items other than those in shareholders' equity	(78,982)	(73)	(1,232)	20,830	(421)	(59,878)	8,342	(51,536)
Total changes during period	(78,982)	(73)	(1,232)	20,830	(421)	(59,878)	8,342	14,957
Balance at the end of current period	126,640	15,268	21,545	53,135	4,277	220,867	51,956	1,210,201

(4) Consolidated Statements of Cash Flows

(Yen in millions)

	April 1, 2023 - March 31, 2024	April 1, 2024 - March 31, 2025	Change
Net cash provided by (used in) operating activities			
Income before income taxes	107,106	211,040	103,934
Depreciation and amortization	27,117	32,457	5,339
Impairment loss	4,832	4,450	(381)
Increase (decrease) in allowance for doubtful accounts	7,103	1	(7,101)
Increase (decrease) in provision for loss on construction contracts	(10,200)	(16,440)	(6,239)
Increase (decrease) in liability for retirement benefits	496	189	(307)
Loss (gain) on valuation of short-term and long term investment securities	1,042	2,112	1,070
Interest and dividends income	(11,105)	(13,795)	(2,689)
Interest expenses	3,530	4,725	1,194
Loss (gain) on sales of short-term and long term investment securities	(24,026)	(68,756)	(44,729)
Loss on valuation of other investments	1,064	—	(1,064)
Decrease (increase) in notes and accounts receivable—trade	(193,800)	(61,556)	132,244
Decrease (increase) in costs on uncompleted construction contracts	(2,578)	2,039	4,618
Decrease (increase) in inventories	2,503	8,021	5,518
Decrease (increase) in inventories for PFI and other projects	1,762	1,706	(56)
Decrease (increase) in other assets	(32,829)	32,455	65,285
Increase (decrease) in notes and accounts payable—trade	125,767	(60,220)	(185,987)
Increase (decrease) in advances received on uncompleted construction contracts	47,242	(3,572)	(50,814)
Increase (decrease) in other liabilities	27,663	21,718	(5,944)
Other, net	(545)	4,529	5,074
Subtotal	82,145	101,107	18,961
Interest and dividends income received	11,045	14,341	3,296
Interest expenses	(3,634)	(4,126)	(492)
Income taxes (paid) refund	(39,157)	(25,697)	13,460
Net cash provided by (used in) operating activities	50,399	85,625	35,225
Net cash provided by (used in) investing activities			
Payments into time deposits	(17,622)	(17,254)	367
Proceeds from withdrawal of time deposits	19,837	16,401	(3,435)
Purchase of property, plant and equipment and intangible assets	(78,391)	(50,178)	28,213
Proceeds from sales of property, plant and equipment and intangible assets	1,224	1,931	706
Purchase of short-term and long term investment securities	(7,006)	(33,731)	(26,724)
Proceeds from sales and redemption of short-term and long term investment securities	40,026	96,701	56,675
Payments of loans receivable	(289)	(327)	(38)
Collection of loans receivable	30	122	92
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(14,452)	—	14,452
Other, net	(27,826)	(4,068)	23,757
Net cash provided by (used in) investing activities	(84,471)	9,596	94,067
Net cash provided by (used in) financing activities			
Net increase (decrease) in short-term loans payable	5,843	(599)	(6,442)
Repayments of lease obligations	(518)	(2,359)	(1,840)
Proceeds from long-term loans payable	20,682	36,400	15,717
Repayment of long-term loans payable	(20,756)	(15,619)	5,137
Proceeds from nonrecourse loans payable	5,140	16,804	11,664
Payment of nonrecourse loans payable	(10,580)	(13,379)	(2,798)
Proceeds from issuance of bonds	—	20,000	20,000
Redemption of bonds	(20,000)	(10,016)	9,984
Purchase of treasury shares	(110)	(12,217)	(12,107)
Cash dividends paid	(30,155)	(67,486)	(37,330)
Capital contribution from non-controlling interests	—	1,181	1,181
Cash dividends paid to non-controlling interests	(1,460)	(1,834)	(374)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(5)	(1,467)	(1,462)
Net cash provided by (used in) financing activities	(51,922)	(50,593)	1,328
Effect of exchange rate change on cash and cash equivalents	7,048	8,853	1,805
Net increase (decrease) in cash and cash equivalents	(78,945)	53,481	132,426
Cash and cash equivalents at beginning of period	405,633	326,688	(78,945)
Cash and cash equivalents at end of period	326,688	380,169	53,481

(5) Notes on the Consolidated Financial Statements

Changes in Accounting Policies:

Implementation of Accounting Standard for Current Income Taxes

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022) from the beginning of the fiscal year under review. In addition, regarding to the amendments related to the review of the treatment of the consolidated financial statements in the case of deferring the gain or loss on the sale of shares in subsidiaries, etc. between consolidated companies for tax purposes, the Company has applied "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022) from the beginning of the fiscal year under review. There is no impact of the implementation of the accounting standards and related guidance on the consolidated financial statements.

Change of Presentation Method:

Notes to Consolidated Statements of Income

"Loss on liquidation of business," which was included in "Other" under extraordinary loss in the previous consolidated fiscal year, is separately presented in the current consolidated fiscal year due to their increased monetary importance. To reflect this change in presentation, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, ¥388 million presented as "Other" under extraordinary loss in the consolidated statement of income for the previous fiscal year has been reclassified as "Loss on liquidation of business" of ¥23 million and "Other" of ¥365 million.

"Loss on retirement of noncurrent assets", which was separately presented under extraordinary loss in the previous consolidated fiscal year, is included in "Other" in the current consolidated fiscal year due to their decreased monetary importance. To reflect this change in presentation, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, ¥1,213 million presented as "Loss on retirement of noncurrent assets" under extraordinary loss in the consolidated statement of income for the previous fiscal year has been reclassified as "Other".

Additional Information:

Performance-linked stock compensation plan for directors and executive officers

(a) Transaction Summary

The Company has introduced a performance-linked stock compensation plan as an incentive plan for its directors and executive officers (the "Directors") since the fiscal year ended March 31, 2016. The plan is highly transparent and objective and closely linked with the Company's performance for the Directors, with the goal of increasing awareness of the importance of contributing to further enhancing the corporate value and performance over the medium to long term.

The Company's shares are acquired through the Board Incentive Plan Trust (the "BIP Trust") and awarded to the Directors in accordance with performance targets achieved.

(b) The Company's own stock in the BIP Trust

The Company's own stock in the BIP Trust is recorded in "Treasury stock" under net assets based on the book value in the BIP Trust (excluding ancillary expenses). The book value and the number of these treasury shares in the BIP Trust as of March 31, 2024 increased from ¥904 million and 941,568 shares, to ¥1,067 million and 978,650 shares as of March 31, 2025. In accordance with the resolution at the Board of Directors on August 6, 2024, the Company has acquired additional shares due to extension of three-year-period of the trust. This resulted in increase in the book value and the number of these treasury shares in the BIP Trust.

Consolidated Segment Information

Reportable Segment Information (Net Sales and Income) the Fiscal Year Ended March 31, 2024

(Yen in millions)

	Reporting segment						Others *1	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Real Estate	Subtotal		
Net sales								
Sales to third parties	1,264,181	457,818	369,367	115,396	66,888	2,273,653	51,509	2,325,162
Intersegment sales and transfers	37,001	83	15,465	—	900	53,449	11,151	64,601
Segment sales	1,301,182	457,901	384,832	115,396	67,789	2,327,102	62,661	2,389,764
Operating income and loss								
Operating income and loss from sales to third parties *2	24,204	12,942	26,389	(3,782)	18,277	78,032	1,349	79,381
Intersegment operating income and transfers	2,658	(182)	(163)	—	(1,017)	1,294	(31)	1,262
Segment income and loss	26,863	12,759	26,226	(3,782)	17,260	79,326	1,317	80,644

*1 Businesses that cannot be classified into the reportable segments are shown as "Others." These include PFI (Private Finance Initiative), renewable energy, finance and other businesses.

*2 "Operating income and loss from sales to third parties" was computed by subtracting "Intersegment operating income and transfers" from "Segment income and loss."

The total "Operating income and loss from sales to third parties" equals to "Operating income" as shown in the consolidated statements of income.

Note: Assets are not allocated to reportable segments.

Reportable Segment Information (Net Sales and Income) the Fiscal Year Ended March 31, 2025

(Yen in millions)

	Reporting segment						Others *1	Total
	Domestic Building Construction	Overseas Building Construction	Domestic Civil Engineering	Overseas Civil Engineering	Real Estate	Subtotal		
Net sales								
Sales to third parties	1,337,171	498,777	402,252	258,678	72,932	2,569,812	50,289	2,620,101
Intersegment sales and transfers	18,383	179	15,457	—	851	34,872	12,245	47,118
Segment sales	1,355,554	498,957	417,710	258,678	73,783	2,604,685	62,535	2,667,220
Operating income								
Operating income from sales to third parties *2	62,784	13,443	40,576	8,277	16,138	141,220	2,222	143,442
Intersegment operating income and transfers	(42)	(143)	(142)	—	(30)	(359)	(27)	(387)
Segment income	62,742	13,299	40,433	8,277	16,107	140,860	2,194	143,054

*1 Businesses that cannot be classified into the reportable segments are shown as "Others." These include PFI (Private Finance Initiative), renewable energy, finance and other businesses.

*2 "Operating income from sales to third parties" was computed by subtracting "Intersegment operating income and transfers" from "Segment income."

The total "Operating income from sales to third parties" equals to "Operating income" as shown in the consolidated statements of income.

Note: Assets are not allocated to reportable segments.

Amounts per Share

	(Yen)	
	Fiscal Year Ended March 31, 2024	Fiscal Year Ended March 31, 2025
Net assets per share (BPS)	1,606.18	1,628.88
Profit attributable to owners of parent per share (EPS)	104.69	203.88

Note:

1. Diluted profit per share is not presented because the Company has no potentially dilutive shares.
2. The basis for calculating net assets per share (BPS)

		As of March 31, 2024	As of March 31, 2025
Net assets	(Yen in millions)	1,195,244	1,210,201
Amounts deducted from net assets	(Yen in millions)	43,614	51,956
[Non-controlling interests]	(Yen in millions)	43,614	51,956
Net assets applicable to shareholders of common stock	(Yen in millions)	1,151,630	1,158,245
Number of shares of common stock at the year-end	(Thousands of shares)	716,998	711,070

Shares in the BIP Trust are included in "Treasury stock" which are deducted from the number of shares of common stock in calculating net assets per share. The numbers of the treasury shares at March 31, 2024 and 2025 are 4,510 thousand and 10,439 thousand, including 941 thousand and 978 thousand shares in the BIP Trust, respectively.

3. The basis for calculating profit attributable to owners of parent per share (EPS)

		Fiscal Year Ended March 31, 2024	Fiscal Year Ended March 31, 2025
Profit attributable to owners of parent	(Yen in millions)	75,059	146,052
Profit attributable to owners of parent not attributable to shareholders of common stock	(Yen in millions)	—	—
Profit attributable to owners of parent attributable to shareholders of common stock	(Yen in millions)	75,059	146,052
Average number of shares issued and outstanding during the fiscal year	(Thousands of shares)	716,969	716,367

Shares in the BIP Trust are included in "Treasury stock" which are deducted from the number of shares of common stock in calculating profit attributable to owners of parent per share. The average numbers of shares and outstanding during the years ended March 31, 2024 and 2025 are 4,540 thousand and 5,142 thousand, including 988 thousand and 956 thousand shares in the BIP Trust, respectively.

Significant Subsequent Events

There are no applicable items.

8. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheets

(Yen in millions)

	March 31, 2024	March 31, 2025	Change
Assets			
Current assets			
Cash and deposits	173,279	194,430	21,151
Notes receivable—trade	3,024	313	(2,710)
Electronically recorded monetary claims	37,442	12,945	(24,496)
Accounts receivable from completed construction contracts	753,643	848,985	95,341
Accounts receivable—real estate business and other	5,270	6,393	1,122
Short-term investment securities	15	10	(4)
Real estate for sale	2,216	2,116	(99)
Costs on uncompleted construction contracts	34,300	35,998	1,697
Costs on real estate business and other	4,198	6,992	2,793
Short-term loans receivable	55,024	46,819	(8,204)
Accounts receivable—other	116,229	84,799	(31,429)
Other	53,964	25,832	(28,132)
Allowance for doubtful accounts	(92)	(96)	(4)
Total current assets	1,238,517	1,265,541	27,023
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	71,950	69,510	(2,439)
Machinery, equipment and vehicles	15,125	17,042	1,916
Tools, furniture and fixtures	3,592	3,742	150
Land	175,677	183,219	7,542
Leased assets	6	7	0
Construction in progress	12,108	11,289	(819)
Total property, plant and equipment	278,462	284,812	6,350
Intangible assets	8,325	7,902	(422)
Investments and other assets			
Investment securities	407,382	278,270	(129,112)
Shares and investments in capital of subsidiaries and affiliates	246,990	283,746	36,755
Long-term loans receivable	35,300	3,511	(31,789)
Claims provable in bankruptcy, claims provable in rehabilitation and other	620	610	(10)
Prepaid pensions cost	1,318	2,542	1,223
Other	9,099	9,023	(76)
Allowance for doubtful accounts	(696)	(683)	12
Total investments and other assets	700,016	577,019	(122,996)
Total noncurrent assets	986,804	869,735	(117,068)
Total assets	2,225,321	2,135,276	(90,045)

(Yen in millions)

	March 31, 2024	March 31, 2025	Change
Liabilities			
Current liabilities			
Notes payable—trade	7,552	4,556	(2,996)
Electronically recorded obligations	145,335	98,463	(46,871)
Accounts payable for construction contracts	504,725	513,317	8,592
Accounts payable—real estate and other	1,808	1,869	61
Short-term loans payable	39,449	67,111	27,662
Current portion of bonds	10,000	—	(10,000)
Lease obligations	5	4	(1)
Accounts payable	4,195	33,651	29,455
Accrued expenses	17,819	23,754	5,935
Income taxes payable	4,792	41,594	36,802
Advances received on uncompleted construction contracts	130,298	124,776	(5,521)
Deposit received—real estate and other	2,486	4,953	2,466
Deposits received	186,910	164,784	(22,126)
Provision for warranties for completed construction	2,824	2,734	(90)
Provision for loss on construction contracts	32,932	15,061	(17,871)
Deposits received from employees	26,379	25,255	(1,124)
Other	1,393	4,554	3,160
Total current liabilities	1,118,909	1,126,442	7,533
Noncurrent liabilities			
Bonds payable	40,000	60,000	20,000
Long-term loans payable	88,373	51,352	(37,021)
Lease obligations	1	3	2
Deferred tax liabilities	41,980	6,580	(35,399)
Deferred tax liabilities for land revaluation	14,592	14,696	104
Provision for retirement benefits	43,954	43,614	(340)
Provision for stock payments for directors	625	686	60
Provision for loss on business of subsidiaries and affiliates	5,204	3,312	(1,892)
Other	5,450	5,944	493
Total noncurrent liabilities	240,181	186,189	(53,992)
Total liabilities	1,359,090	1,312,632	(46,458)
Net assets			
Shareholders' equity			
Capital stock	57,752	57,752	—
Capital surplus			
Legal capital surplus	41,694	41,694	—
Total capital surpluses	41,694	41,694	—
Retained earnings			
Legal retained earnings	14,438	14,438	—
Other retained earnings			
Reserve for advanced depreciation of noncurrent assets	2,287	2,217	(69)
General reserve	460,000	460,000	—
Retained earnings brought forward	69,557	118,583	49,025
Total retained earnings	546,283	595,239	48,956
Treasury stock	(2,711)	(14,828)	(12,117)
Total shareholders' equity	643,018	679,857	36,839
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	205,396	126,467	(78,928)
Deferred gains (losses) on hedges	355	—	(355)
Revaluation reserve for land	17,460	16,318	(1,141)
Total valuation and translation adjustments	223,212	142,786	(80,425)
Total net assets	866,231	822,644	(43,586)
Total liabilities and net assets	2,225,321	2,135,276	(90,045)
(Reference)			
Interest-bearing debt balances	177,822	178,463	641

(2) Non-consolidated Statements of Income

(Yen in millions)

	April 1, 2023 - March 31, 2024	April 1, 2024 - March 31, 2025	Change
Net sales			
Net sales of completed construction contracts	1,555,844	1,636,348	80,503
Net sales of real estate business and other	26,354	24,313	(2,040)
Total net sales	1,582,199	1,660,662	78,463
Cost of sales			
Cost of sales on completed construction contracts	1,428,937	1,456,380	27,443
Cost of sales on real estate business and other	21,155	19,432	(1,722)
Total cost of sales	1,450,092	1,475,813	25,720
Gross profit			
Gross profit on completed construction contracts	126,907	179,968	53,060
Gross profit on real estate business and other	5,199	4,881	(318)
Total gross profit	132,107	184,849	52,742
Selling, general and administrative expenses	88,783	95,431	6,647
Operating income	43,323	89,418	46,094
Non-operating income			
Interest and dividend income	10,523	12,939	2,415
Foreign exchange gains	2,592	—	(2,592)
Other	800	1,128	327
Total non-operating income	13,916	14,067	150
Non-operating expenses			
Interest expenses	883	1,391	507
Provision of allowance for doubtful accounts	5	—	(5)
Loss on investments in silent partnerships	4	1,674	1,669
Foreign exchange losses	—	1,040	1,040
Other	946	707	(238)
Total non-operating expenses	1,840	4,812	2,972
Ordinary income	55,400	98,673	43,272
Extraordinary income			
Gain on sales of investment securities	23,415	68,709	45,294
Other	1,902	410	(1,492)
Total extraordinary income	25,318	69,120	43,801
Extraordinary loss			
Loss on liquidation of business	—	3,849	3,849
Loss on valuation of investment securities	1,042	2,112	1,070
Impairment loss	3,486	745	(2,741)
Other	6,954	652	(6,301)
Total extraordinary losses	11,484	7,360	(4,123)
Profit before income taxes	69,235	160,433	91,198
Income taxes-current	16,836	48,021	31,184
Income taxes-deferred	2,748	(3,309)	(6,057)
Total income taxes	19,585	44,711	25,126
Profit	49,650	115,721	66,071