

Obayashi Corporation Presentation on Financial Results for FY2025 (April 1, 2025 to March 31, 2026)

May 13, 2026

PRIME 1802



Disclaimer Regarding the Appropriate Use of Financial Forecasts:

The forward-looking statements in this document, including financial forecasts, are based on information currently available to the Company and certain assumptions that the Company has judged to be reasonable, and are not intended as a guarantee of their realization. Actual results may differ significantly from the forecasts due to various factors.

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FY2025 Results

*FY2025 full year forecasts revised on February 9, 2026.

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.



Summary of FY2025 Results (P&L)

Consolidated Net Sales

¥2,586.2B

YoY: (¥4.5B) (0.2%)
vs. forecast: +¥16.2B +0.6%

Consolidated Operating Profit

¥194.6B

YoY: +¥52.2B +36.6%
vs. forecast: (¥0.3B) (0.2%)

Profit Attributable to Owners of Parent

¥173.7B

YoY: +¥28.4B +19.5%
vs. forecast: +¥3.7B +2.2%

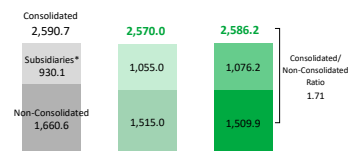
Consolidated Orders Received

¥3,009.0B

YoY: (¥307.5B) (9.3%)
vs. forecast: (¥40.9B) (1.3%)

Consolidated Net Sales

(Billions of yen)



FY2024 Results Largely flat YoY, as steady progress with projects in hand in overseas building and civil engineering, among other factors, offset the decline in domestic building compared to FY2024, which benefited from progress with large projects.

Profit Attributable to Owners of Parent

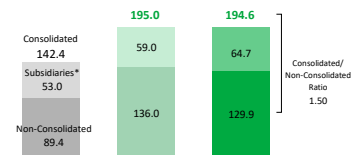
(Billions of yen)



FY2024 Results Increased YoY due to higher operating profit, primarily in domestic building and overseas civil engineering, and other factors.

Consolidated Operating Profit

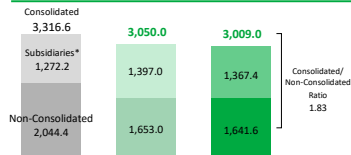
(Billions of yen)



FY2024 Results Increased YoY due to factors including additional claim approvals, change orders, and greater contribution from highly profitable construction projects in domestic building; steady progress with projects in hand in overseas civil engineering; and the sale of developed properties in the real estate business.

Consolidated Orders Received

(Billions of yen)



FY2024 Results Decreased YoY, despite new orders for large projects in overseas building, as new orders received in domestic building and civil engineering declined, reflecting comparison with FY2024—which saw new orders for large projects—and new orders continuing to be strategically received in alignment with the current construction capacity.

*All consolidated journal entries are included in the subsidiaries' figures.

*FY2025 full year forecasts revised on February 9, 2026.

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

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Summary of FY2025 Results (Financial Position)

Consolidated Equity

¥1,258.4B

YoY: +¥100.1B +8.6%

Consolidated Interest-Bearing Debt and Nonrecourse Loans

¥344.0B

YoY: (¥18.6B) (5.2%)

Return on Invested Capital (ROIC)

8.4%

YoY: +200 bps

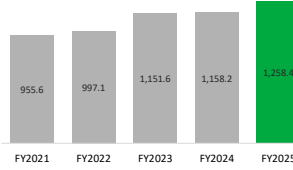
Return on Equity (ROE)

14.4%

YoY: +180 bps

Consolidated Equity

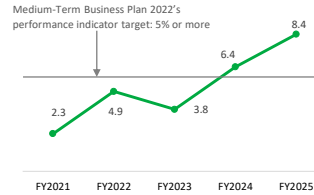
(Billions of yen)



Increased YoY due to higher retained earnings from solid performance, an increase in valuation difference on available-for-sale securities reflecting higher stock prices, and higher foreign currency translation adjustment due to yen depreciation, despite shareholder returns including the purchase of treasury shares.

ROIC

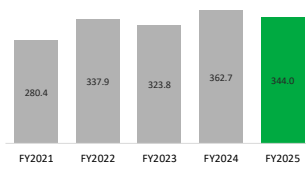
(%)



Improved due to higher operating profit, primarily in domestic building.

Consolidated Interest-Bearing Debt and Nonrecourse Loans

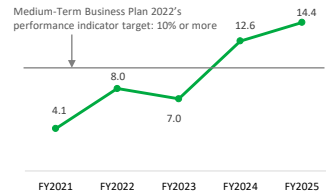
(Billions of yen)



Decreased YoY due to the completion of large projects with improved collections on outstanding construction receivables in FY2025.

ROE

(%)



Exceeded the previous fiscal year's level due to improved profit attributable to owners of parent. Continued management with a focus on capital efficiency.

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.



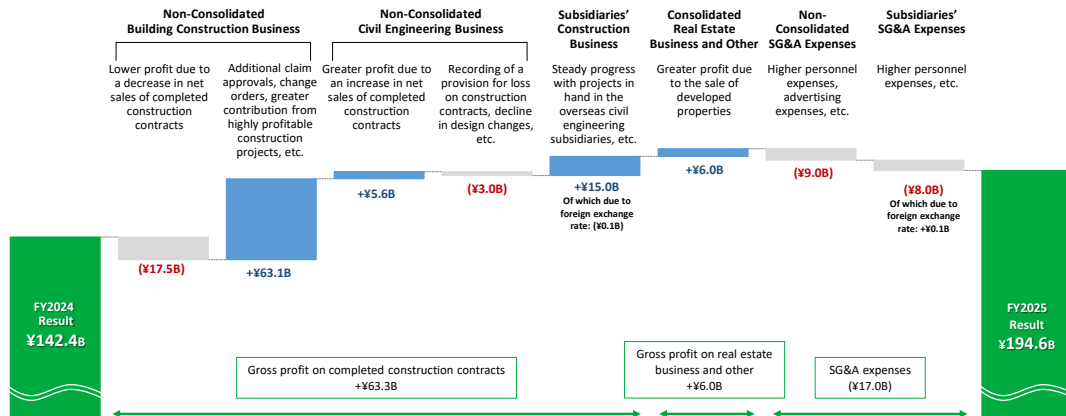
Income Statements

		(Billions of yen)			(Billions of yen)		
		Consolidated			Non-Consolidated		
		FY2024 Results A	FY2025 Results B	YoY B-A	FY2024 Results C	FY2025 Results D	YoY D-C
Net Sales of Completed Construction Contracts	Building	1,815.0	1,646.7	(168.2)	1,297.7	1,104.2	(193.4)
	Civil	652.7	762.6	+109.9	338.6	369.7	+31.0
	Total	2,467.7	2,409.3	(58.3)	1,636.3	1,474.0	(162.3)
Net Sales in Real Estate Business and Other		123.0	176.8	+53.8	24.3	35.9	+11.6
Net Sales		2,590.7	2,586.2	(4.5)	1,660.6	1,509.9	(150.6)
Gross Profit on Completed Construction Contracts	Building	% -	% -	-	9.1	14.8	+45.5
	Civil	-	-	-	18.3	17.5	+2.6
	Total	10.8	13.6	+265.4	11.0	15.5	+48.2
Gross Profit on Real Estate Business and Other		24.4	35.9	+6.0	20.1	6.2	+1.3
Gross Profit		11.4	14.1	+295.3	11.1	15.5	+49.6
Selling, General, and Administrative Expenses		5.9	6.6	+17.0	5.7	6.9	+9.0
Operating Profit		5.5	7.5	+194.6	5.4	8.6	+40.5
Ordinary Profit		5.9	7.9	+152.2	5.9	11.6	+75.9
Profit Attributable to Owners of Parent		5.6	6.7	+145.3	7.0	10.8	+47.1

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

Change in Consolidated Operating Profit: Compared to the FY2024 Result

In FY2025, consolidated operating profit grew by ¥52.2B YoY due to factors including additional claim approvals, change orders, and greater contribution from highly profitable construction projects in domestic building; steady progress with projects in hand in the overseas civil engineering subsidiaries; and the sale of developed properties in the real estate business in 2Q.



*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

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Factors behind the change in consolidated operating profit compared to the FY2024 result

Consolidated operating profit grew due to the following:

- **Non-consolidated building construction business**
Additional claim approvals, change orders, and greater contribution from highly profitable construction projects
- **Overseas civil engineering subsidiaries**
Steady progress with projects in hand
- **Real estate business**
Sale of developed properties in 2Q

Income Statements: By Reporting Segment

		(Billions of yen)			(Billions of yen)			(Billions of yen)	
		FY2024 Results			FY2025 Results			YoY	
		Net Sales A	Operating Profit B	Operating Margin B/A	Net Sales C	Operating Profit D	Operating Margin D/C	Net Sales C-A	Operating Profit D-B
	Domestic Building	1,337.1	62.7	4.7%	1,138.7	104.0	9.1%	(198.4)	+41.3
	Overseas Building	477.8	12.8	2.7%	507.9	11.9	2.4%	+30.1	(0.8)
	Building Construction	1,815.0	75.5	4.2%	1,646.7	116.0	7.0%	(168.2)	+40.4
	Domestic Civil	402.2	40.5	10.1%	426.6	40.9	9.6%	+24.3	+0.3
	Overseas Civil	250.4	8.0	3.2%	336.0	14.7	4.4%	+85.5	+6.7
	Civil Engineering	652.7	48.5	7.4%	762.6	55.6	7.3%	+109.9	+7.1
	Construction Business	2,467.7	124.1	5.0%	2,409.3	171.7	7.1%	(58.3)	+47.6
	Real Estate Business	72.7	16.0	22.1%	106.7	19.9	18.7%	+34.0	+3.9
	Other	50.2	2.2	4.4%	70.0	2.9	4.2%	+19.7	+0.6
	Real Estate Business and Other	123.0	18.2	14.9%	176.8	22.8	12.9%	+53.8	+4.6
	Total	2,590.7	142.4	5.5%	2,586.2	194.6	7.5%	(4.5)	+52.2

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

Change in Consolidated Operating Profit: Compared to the FY2024 Result by Reporting Segment

1 FY2025 Results

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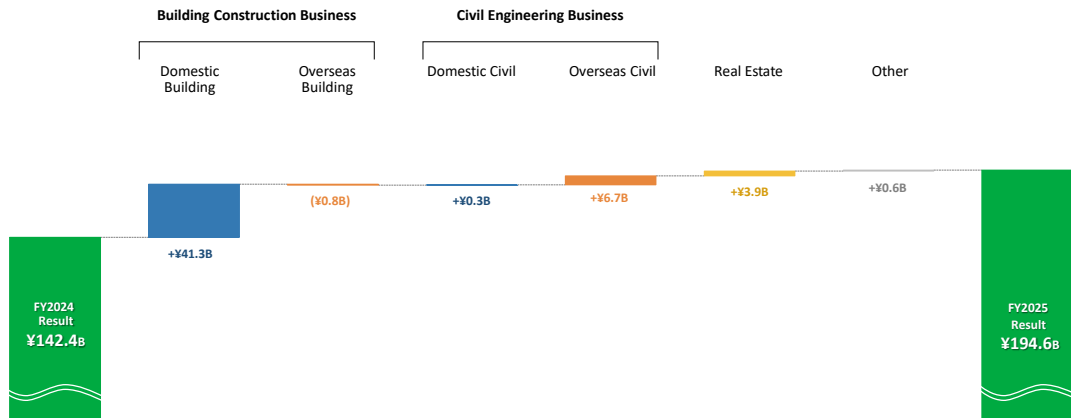
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The YoY growth in consolidated operating profit, by reporting segment, reflects factors such as additional claim approvals, change orders, and greater contribution from highly profitable construction projects in domestic building; steady progress with projects in hand in overseas civil engineering; and the sale of developed properties in the real estate business in 2Q.



*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

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Factors behind the change in consolidated operating profit compared to the FY2024 result by reporting segment

Consolidated operating profit grew due to the following:

- **Domestic building construction business**
Additional claim approvals, change orders, and greater contribution from highly profitable construction projects
- **Overseas civil engineering business**
Steady progress with projects in hand in the subsidiaries
- **Real estate business**
Sales of developed properties

Orders Received

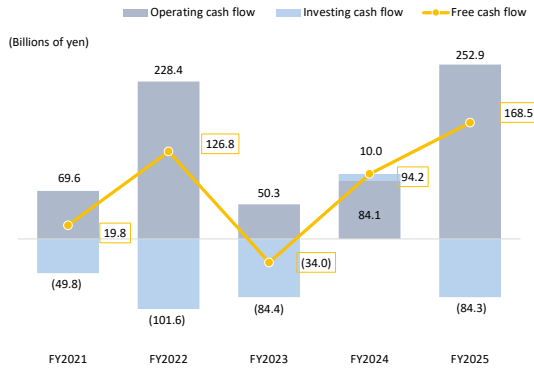
		(Billions of yen)			(Billions of yen)			
		Consolidated			Non-Consolidated			
		FY2024 Results A	FY2025 Results B	YoY B-A	FY2024 Results C	FY2025 Results D	YoY D-C	
Construction Business	Building	Domestic	1,554.5	1,200.9	(353.6)	1,510.8	1,161.3	(349.4)
		Overseas	477.0	788.1	+311.0	5.4	3.5	(1.8)
		Total	2,031.6	1,989.0	(42.5)	1,516.2	1,164.9	(351.3)
	Civil	Domestic	533.4	444.2	(89.1)	456.8	351.9	(104.9)
		Overseas	596.8	416.5	(180.3)	46.9	88.0	+41.0
		Total	1,130.2	860.7	(269.5)	503.8	439.9	(63.8)
	Total	Domestic	2,087.9	1,645.1	(442.8)	1,967.6	1,513.2	(454.3)
		Overseas	1,073.9	1,204.6	+130.7	52.4	91.6	+39.1
		Total	3,161.8	2,849.8	(312.0)	2,020.0	1,604.8	(415.2)
	Real Estate Business and Other		154.7	159.2	+4.4	24.3	36.7	+12.4
Total		3,316.6	3,009.0	(307.5)	2,044.4	1,641.6	(402.7)	

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

Cash Flows

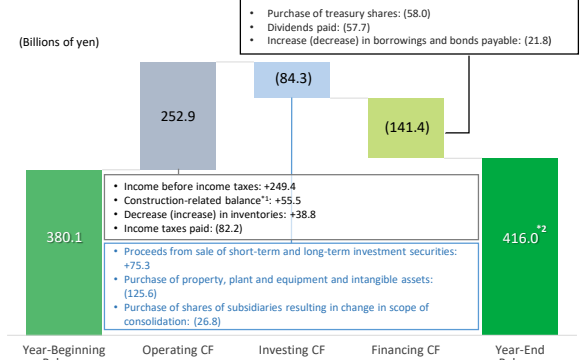
- Net cash provided by operating activities: ¥252.9B, mainly due to firm cash flow from domestic construction.
- Net cash used in investing activities: ¥84.3B, mainly due to the purchase of real estate for business use and the acquisition of shares in GCON, resulting in GCON becoming a consolidated subsidiary, despite proceeds from the sale of cross-shareholdings.
- Net cash used in financing activities: ¥141.4B, due to the purchase of treasury shares, dividends paid, and other outflows.
- As a result, the balance of cash and cash equivalents increased by ¥35.8B from the end of FY2024 to ¥416.0B.

Changes in Consolidated Cash Flows



*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

Details of FY2025 Cash Flow (Major Breakdowns)



*1 Total change in trade receivables, trade payables, costs on construction contracts in progress, and advances received on construction contracts in progress

*2 Includes ¥8.7B for the effect of exchange rate change on cash and cash equivalents

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Cash flows

The balance of cash and cash equivalents increased from the end of FY2024 due to firm cash flow from domestic construction.

Consolidated Balance Sheets

March 31, 2025

March 31, 2026

March 31, 2025		March 31, 2026	
(Billions of yen)		(Billions of yen)	
Current Assets 1,809.4	Current Liabilities 1,453.3	Current Assets 1,778.5	Current Liabilities 1,429.5
Non-Current Assets 1,233.3	Non-Current Liabilities 379.2	Non-Current Assets 1,364.9	Non-Current Liabilities 397.4
	Capital (Net Assets) 1,210.2		Capital (Net Assets) 1,316.4
	Of which equity 1,158.2		Of which equity 1,258.4
Total Assets ¥3,042.7B		Total Assets ¥3,143.4B	

Assets and Liabilities: Major Balance and Changes

(Billions of yen)	March 31, 2025	March 31, 2026	Changes
Cash and deposits	394.7	430.8	+36.1
Cross-shareholdings	273.5	288.8	+15.2
Consolidated interest-bearing debt and nonrecourse loans	362.7	344.0	(18.6)
Construction business balance (construction-related assets minus liabilities)*	228.9	167.6	(61.2)

Equity: Major Changes

(Billions of yen)	
Balance of equity as of March 31, 2025 (end of FY2024)	1,158.2
Profit attributable to owners of parent	+173.7
Dividends paid	(57.7)
Purchase of treasury shares	(58.0)
Other comprehensive income:	
A) Increase (decrease) due to sales of cross-shareholdings	(45.8)
B) Increase (decrease) due to changes in the fair value of short-term investment securities, etc.	+66.9
C) Foreign currency translation adjustment	+11.5
Other	+9.6
Balance of equity as of March 31, 2026 (end of FY2025)	1,258.4

*Construction-related assets = Notes receivable, accounts receivable from completed construction contracts and other + Electronically recorded monetary claims - operating + Costs on construction contracts in progress + Inventories from PFI and other projects
 *Construction-related liabilities = Notes payable, accounts payable for construction contracts and other + Electronically recorded obligations - operating + Advances received on construction contracts in progress

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Change in consolidated balance sheets from the end of FY2024 to the end of FY2025

- **Cash and deposits**
Increased due to firm cash flow from domestic construction
- **Cross-shareholdings**
Increased slightly due to higher stock prices, despite progress with their sale
- **Consolidated interest-bearing debt and nonrecourse loans**
Decreased due to the completion of large projects with improved collections on outstanding construction receivables
- **Equity**
Increased compared to the end of FY2024 due to the following:
 (+) Profit attributable to owners of parent of ¥173.7B and an increase in the fair value of short-term investment securities of ¥66.9B
 (–) ¥57.7B in dividends paid, ¥58.0B in purchases of treasury shares, and ¥45.8B due to the sale of cross-shareholdings

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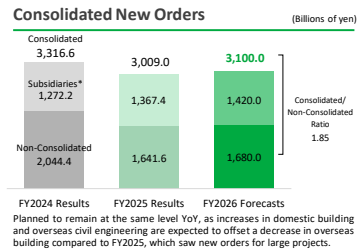
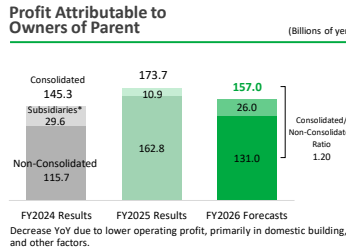
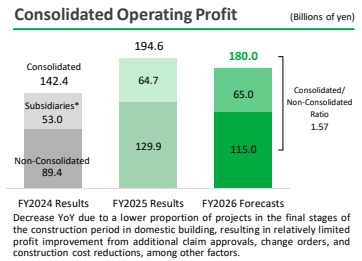
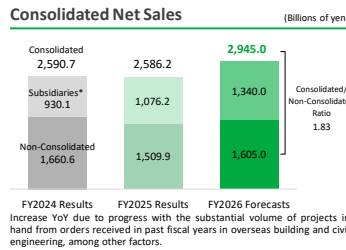
FY2026 Forecasts

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.



Summary of FY2026 Forecasts (P&L)

Consolidated Net Sales	¥2,945.0B	YoY: +¥358.7B +13.9%
Consolidated Operating Profit	¥180.0B	YoY: (¥14.6B) (7.5%)
Profit Attributable to Owners of Parent	¥157.0B	YoY: (¥16.7B) (9.6%)
Consolidated New Orders	¥3,100.0B	YoY: +¥90.9B +3.0%



* All consolidated journal entries are included in the subsidiaries' figures.
 *FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

Summary of FY2026 forecasts

- **Consolidated net sales**
 ¥2,945.0B YoY: JPY 358.7B, +13.9%
 Progress with the substantial volume of projects in hand from orders received in the past fiscal years in overseas building and civil engineering, etc.
- **Consolidated operating profit**
 ¥180.0B YoY: (JPY 14.6B), (7.5%)
 Lower proportion of projects in the final stages of the construction period in domestic building, resulting in relatively limited profit improvement from additional claim approvals, change orders, and construction cost reductions
- **Profit attributable to owners of parent**
 ¥157.0B YoY: (JPY 16.7B), (9.6%)
 Lower operating profit, primarily in domestic building
- **Consolidated new orders**
 ¥3,100.0B YoY: JPY 90.9B, +3.0%
 Increases in domestic building and overseas civil engineering, offsetting reactionary decline in overseas building which saw new orders for large projects in FY2025

Impact of the situation in the Middle East

- Impacts on the construction industry include higher prices and longer lead times for procuring certain construction materials and M&E equipment
- The FY2026 forecast does not incorporate these impacts, as no material disruptions to procurement have been observed to date and the financial impact cannot yet be reasonably quantified
- Deterioration or prolongation of the situation could affect new orders and financial performance through changes in the macroeconomic environment and customer demand — continue to closely monitor trends and take appropriate actions as necessary



Summary of FY2026 Forecasts (Financial Position)

Consolidated Equity

¥1,290.0B

YoY: +¥31.5B +2.5%

Consolidated Interest-Bearing Debt and Nonrecourse Loans

¥330.0B

YoY: (¥14.0B) (4.1%)

Return on Invested Capital (ROIC)

7.4 %

YoY: (100 bps)

Return on Equity (ROE)

12.3 %

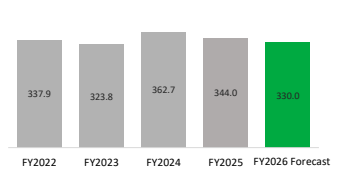
YoY: (210 bps)

Consolidated Equity (Billions of yen)



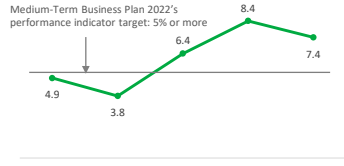
Increase to ¥1,290.0B by the end of FY2026, even after dividend payments and other outflows, reflecting expected profit attributable to owners of parent of ¥157.0B for FY2026.

Consolidated Interest-Bearing Debt and Nonrecourse Loans (Billions of yen)



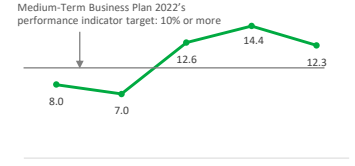
Decrease due to the completion of large projects with improved collections on outstanding construction receivables, continuing from FY2025.

ROIC (%)



Medium-Term Business Plan 2022's performance indicator target: 5% or more
Decrease from FY2025 due to lower operating profit, while remaining well above WACC.

ROE (%)



Medium-Term Business Plan 2022's performance indicator target: 10% or more
Remain above the performance indicator target of 10% from FY2024 onward, despite lower forecasted profit attributable to owners of parent compared to FY2025 and a slight increase in equity.

*Calculated by adjusting the equity balance at the end of March 2026 by the following amounts: (1) forecasted profit attributable to owners of parent for FY2026, (2) amount of impact by the scheduled purchase of treasury shares, (3) decrease in retained earnings due to dividend payments, and (4) adjustment amount of the valuation difference on available-for-sale securities due to the sale of cross-shareholdings.

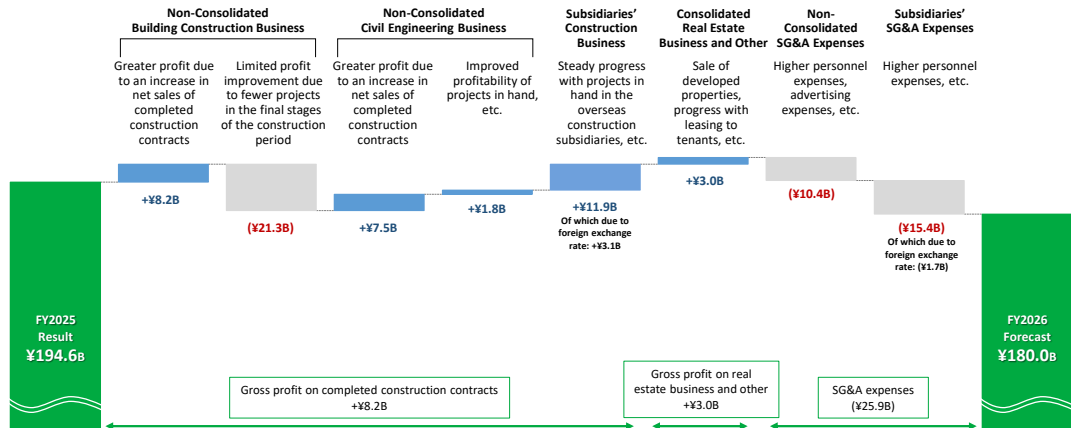


Income Statements (Forecasts)

		(Billions of yen)			(Billions of yen)						
		Consolidated			Non-Consolidated						
		FY2025 Results A	FY2026 Forecasts B	YoY B-A	FY2025 Results C	FY2026 Forecasts D	YoY D-C				
Net Sales of Completed Construction Contracts	Building	1,646.7	1,890.0	+243.2	1,104.2	1,160.0	+55.7				
	Civil	762.6	890.0	+127.3	369.7	413.0	+43.2				
	Total	2,409.3	2,780.0	+370.6	1,474.0	1,573.0	+98.9				
Net Sales in Real Estate Business and Other		176.8	165.0	(11.8)	35.9	32.0	(3.9)				
Net Sales		2,586.2	2,945.0	+358.7	1,509.9	1,605.0	+95.0				
Gross Profit on Completed Construction Contracts	Building	% -	-	% -	14.8	163.6	% 13.0	150.5	(13.1)		
	Civil	-	-	-	17.5	64.5	17.9	74.0	+9.4		
	Total	13.6	328.7	12.1	337.0	+8.2	15.5	228.2	14.3	224.5	(3.7)
Gross Profit on Real Estate Business and Other		20.3	35.9	23.6	39.0	+3.0	17.4	6.2	17.2	5.5	(0.7)
Gross Profit		14.1	364.6	12.8	376.0	+11.3	15.5	234.4	14.3	230.0	(4.4)
Selling, General, and Administrative Expenses		6.6	170.0	6.7	196.0	+25.9	6.9	104.5	7.1	115.0	+10.4
Operating Profit		7.5	194.6	6.1	180.0	(14.6)	8.6	129.9	7.2	115.0	(14.9)
Ordinary Profit		7.9	204.1	6.2	183.0	(21.1)	11.6	174.6	8.5	137.0	(37.6)
Profit Attributable to Owners of Parent		6.7	173.7	5.3	157.0	(16.7)	10.8	162.8	8.2	131.0	(31.8)

Forecasted Change in Consolidated Operating Profit: Compared to the FY2025 Result

FY2026 consolidated operating profit is expected to be ¥180.0B, a YoY decrease of ¥14.6B, due to factors including a lower proportion of projects in the final stages of the construction period in domestic building, resulting in relatively limited profit improvement from additional claim approvals, change orders, and construction cost reductions.



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Factors behind the forecasted change in consolidated operating profit compared to the FY2025 result

Consolidated operating profit is expected to decrease compared to FY2025 due to factors including the following:

- **Non-consolidated building construction business**
Relatively limited profit improvement from additional claim approvals, change orders, and construction cost reductions due to a lower proportion of projects in the final stages of the construction period
- **Non-consolidated civil engineering business**
Greater profit due to an increase in net sales of completed construction contracts
- **Subsidiaries' construction business**
Steady progress with projects in hand in the overseas construction subsidiaries
- **SG&A expenses**
Higher personnel expenses due to wage increases, etc.

Income Statements (Forecasts): By Reporting Segment

		(Billions of yen)			(Billions of yen)			(Billions of yen)	
		FY2025 Results			FY2026 Forecasts			YoY	
		Net Sales A	Operating Profit B	Operating Margin B/A	Net Sales C	Operating Profit D	Operating Margin D/C	Net Sales C-A	Operating Profit D-B
	Domestic Building	1,138.7	104.0	9.1%	1,200.0	82.0	6.8%	+61.2	(22.0)
	Overseas Building	507.9	11.9	2.4%	690.0	12.5	1.8%	+182.0	+0.5
	Building Construction	1,646.7	116.0	7.0%	1,890.0	94.5	5.0%	+243.2	(21.5)
	Domestic Civil	426.6	40.9	9.6%	460.0	46.0	10.0%	+33.3	+5.0
	Overseas Civil	336.0	14.7	4.4%	430.0	15.0	3.5%	+93.9	+0.2
	Civil Engineering	762.6	55.6	7.3%	890.0	61.0	6.9%	+127.3	+5.3
	Construction Business	2,409.3	171.7	7.1%	2,780.0	155.5	5.6%	+370.6	(16.2)
	Real Estate Business	106.7	19.9	18.7%	85.0	22.5	26.5%	(21.7)	+2.5
	Other	70.0	2.9	4.2%	80.0	2.0	2.5%	+9.9	(0.9)
	Real Estate Business and Other	176.8	22.8	12.9%	165.0	24.5	14.8%	(11.8)	+1.6
	Total	2,586.2	194.6	7.5%	2,945.0	180.0	6.1%	+358.7	(14.6)

Forecasted Change in Consolidated Operating Profit: Compared to the FY2025 Result by Reporting Segment

1

2

FY2026 Forecasts

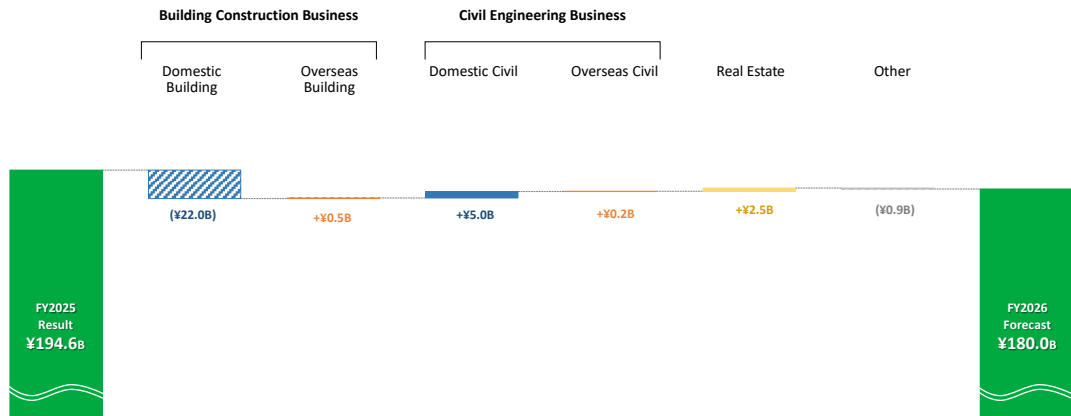
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4

5



The forecasted YoY decline in consolidated operating profit, by reporting segment, reflects factors such as a lower proportion of projects in the final stages of the construction period in domestic building, resulting in relatively limited profit improvement from additional claim approvals, change orders, and construction cost reductions.



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Factors behind the forecasted change in consolidated operating profit compared to the FY2025 result by reporting segment

- (+) Domestic civil engineering business
- (+) Real estate business
- (-) Domestic building construction business

Order Environment for the Domestic Construction Business

Domestic Building Construction

Market Landscape

- Demand for construction in a wide range of fields (such as semiconductors, machine tools, general machinery, and electrical machinery) boosted by the return of production bases to Japan and the government's designation of specified critical products.
- Continued demand for large-scale urban redevelopments and data centers, despite some project cancellations and postponements.
- Accumulating information on upcoming projects at a high level of over ¥3 trillion through FY2029 but carefully selecting projects in terms of construction capacity, securing of the supply chain, and other factors. Continuing to focus on profitability in receiving new orders.

FY2025 Results and FY2026 Forecasts (Non-Consolidated)

- ¥1,161.3B in FY2025; ¥1,240.0B forecasted for FY2026.
- Continuing to receive new orders strategically in FY2026 in alignment with the current annual construction capacity of approx. ¥1,200.0B.

Domestic Civil Engineering

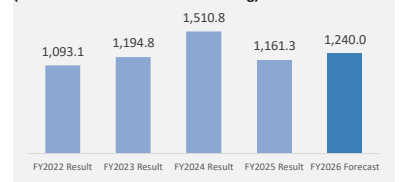
Market Landscape

- Government works: Remain firm in areas such as disaster prevention/mitigation and national resilience projects. Also anticipating an increase in new orders for defense-related facility development projects in the future.
- Private-sector construction: Expected to be firm due to the anticipated expansion of the market for renewable energy and decarbonization-related businesses, in addition to railroad construction in the Tokyo metropolitan area.
- Competition will remain intense for government works, as contracts are awarded through bidding, in principle.

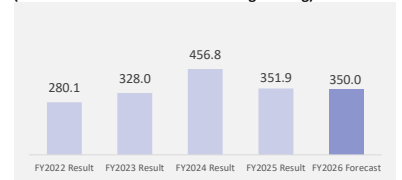
FY2025 Results and FY2026 Forecasts (Non-Consolidated)

- ¥351.9B in FY2025; ¥350.0B forecasted for FY2026.
- Continuing to receive new orders strategically in FY2026, while strengthening construction capacity in anticipation of medium- to long-term demand.

Changes in Orders Received
(Non-Consolidated Domestic Building) (Billions of yen)



Changes in Orders Received
(Non-Consolidated Domestic Civil Engineering) (Billions of yen)



Order Environment for the Overseas Construction Business



Overseas Building Construction

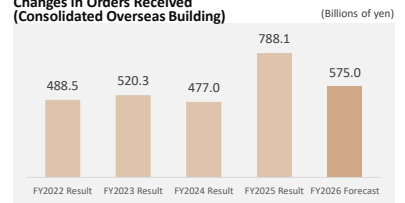
Market Landscape

- North America: Projects ordered by private real estate developers and other customers, for which requests for estimates or commencement had been delayed, are showing signs of recovery due to an improved financing environment following interest rate cuts implemented in 2025. Meanwhile, expectations for further rate cuts have receded amid inflation concerns driven by factors such as higher crude oil prices, and we are closely monitoring the impact.
- Further growth is expected in the North American semiconductor and data center sectors, where GCON—acquired in FY2025—has strengths, as capital investment aimed at enhancing performance and ensuring stable operations continues, supported by expanding demand for AI and cloud services.
- Asia: Construction investment across a wide range of fields—including manufacturing-related facilities, data center facilities, wellness-related facilities such as hospitals, offices, and residential properties—remains steady in various countries.

FY2025 Results and FY2026 Forecasts (Consolidated)

- ¥788.1B in FY2025; ¥575.0B forecasted for FY2026.
- FY2026 new orders forecast was prepared factoring in orders for large projects received in both North America and Asia in FY2025.

Changes in Orders Received (Consolidated Overseas Building)



Overseas Civil Engineering

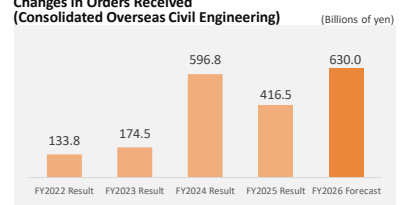
Market Landscape

- North America: Stable market growth expected for infrastructure and civil engineering in 2025 and beyond. Continued strong demand for water treatment facility construction by MWH (a subsidiary that became consolidated in FY2023).
- Asia: Expected to remain firm, especially regarding construction investments in the energy and transportation infrastructure sectors.

FY2025 Results and FY2026 Forecasts (Consolidated)

- ¥416.5B in FY2025; ¥630.0B forecasted for FY2026.
- New orders are projected to continue to be stably secured in FY2026, supported by an expected increase in new orders for large projects and other factors.

Changes in Orders Received (Consolidated Overseas Civil Engineering)



*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

New Orders Forecasts

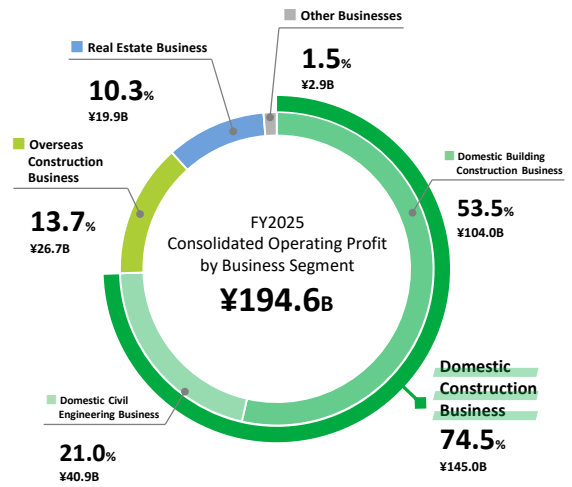
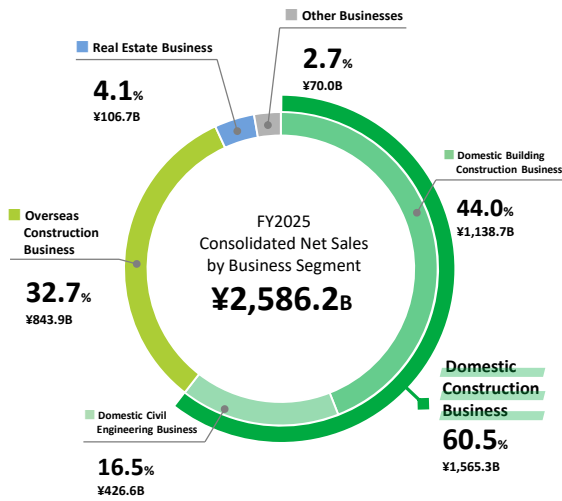
			(Billions of yen)			(Billions of yen)		
			Consolidated			Non-Consolidated		
			FY2025 Results A	FY2026 Forecasts B	YoY B-A	FY2025 Results C	FY2026 Forecasts D	YoY D-C
Construction Business	Building	Domestic	1,200.9	1,315.0	+114.0	1,161.3	1,240.0	+78.6
		Overseas	788.1	575.0	(213.1)	3.5	10.0	+6.4
		Total	1,989.0	1,890.0	(99.0)	1,164.9	1,250.0	+85.0
	Civil	Domestic	444.2	440.0	(4.2)	351.9	350.0	(1.9)
		Overseas	416.5	630.0	+213.4	88.0	47.0	(41.0)
		Total	860.7	1,070.0	+209.2	439.9	397.0	(42.9)
	Total	Domestic	1,645.1	1,755.0	+109.8	1,513.2	1,590.0	+76.7
		Overseas	1,204.6	1,205.0	+0.3	91.6	57.0	(34.6)
		Total	2,849.8	2,960.0	+110.1	1,604.8	1,647.0	+42.1
	Real Estate Business and Other			159.2	140.0	(19.2)	36.7	33.0
Total			3,009.0	3,100.0	+90.9	1,641.6	1,680.0	+38.3

Overview of Each Business Segment

*FY2025 full year forecasts revised on February 9, 2026.

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

Business Scale





Major New Orders, Completed Projects, and Projects in Progress

	Client	Project Name
New Orders	Domestic Building	HORIBA, Ltd. HORIBA World Headquarters Project
	Domestic Building	ES-CON JAPAN Ltd. OBAYASHI-SHINSEIWA REAL ESTATE CORPORATION ES CON FIELD TOWER
	Domestic Building	Hulic Co., Ltd. (Tentative name) Ginza 7-Chome Showadori Development Project
	Domestic Civil Engineering	East Nippon Expressway Company Limited Construction work of the Kan-Etsu Expressway Replacing of Concrete Slab on Irumagawa-Bridge
	Overseas Building	Ministry of Health PROPOSED DEVELOPMENT OF AN INTEGRATED ACUTE AND COMMUNITY HOSPITAL AT BEDOK NORTH (SINGAPORE) *1
Overseas Building	AEG PLENARY CONVENTIONS LOS ANGELES LLC LOS ANGELES CONVENTION CENTER EXPANSION AND MODERNIZATION PROJECT (U.S.A.)*2	
Completed Projects	Domestic Building	KINDAI UNIVERSITY KINDAI UNIVERSITY, KINDAI UNIVERSITY HOSPITAL
	Domestic Building	NIPPON STEEL CORPORATION Next-generation hot strip mill at Nagoya Works
	Domestic Building	HIROSE HOLDINGS&CO., LTD. (Tentative name) Hirose Kanto New Factory Project
	Domestic Building	Imperial Hotel, Ltd. IMPERIAL HOTEL, KYOTO
	Domestic Building	ADEKA CORPORATION (Tentative name) ADEKA Corporation Kuki New Research Building Construction Plan
Domestic Building	University of California, Irvine Mesa Court Residence Hall Expansion Project (U.S.A.)*2	
Projects in Progress	Domestic Building	MGM Osaka Corporation Osaka IR Construction Project (MUSUBI Hotel, Kansai Tourism Center, and Others)
	Domestic Building	MUFG Bank, Ltd. M Project, Construction of new MUFG Headquarters Building
	Domestic Civil Engineering	NARITA INTERNATIONAL AIRPORT CORPORATION Runway C Southward Development Project (Package 1, Package 2)
	Domestic Building	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
	Domestic Building	Shibuya Nishi Kaihatsu TMK Shibuya Upper West Project
Overseas Civil Engineering	The Portland Water Bureau The Bull Run Filtration Projects (U.S.A.)*3	

*1 Undertaken by OBAYASHI SINGAPORE

*2 Undertaken by WEBCOR (Subsidiary of Obayashi USA)

*3 Undertaken by MWH (Subsidiary of Obayashi USA)

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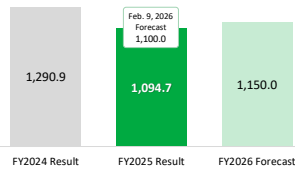
26

Domestic Building Construction Business (Non-Consolidated)



Net Sales of Completed Construction Contracts

(Billions of yen)



FY2024 Result vs FY2025 Result

-¥196.1B

(-15.2%)

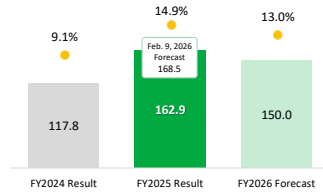
FY2025 Result vs FY2026 Forecast

+¥55.2B

(+5.0%)

Gross Profit on Completed Construction Contracts / Margin

(Billions of yen)



FY2024 Result vs FY2025 Result

+¥45.1B

(+38.3%)

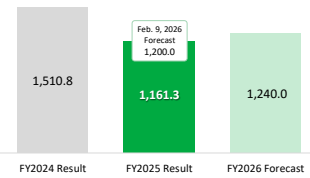
FY2025 Result vs FY2026 Forecast

-¥12.9B

(-7.9%)

Orders Received

(Billions of yen)



FY2024 Result vs FY2025 Result

-¥349.4B

(-23.1%)

FY2025 Result vs FY2026 Forecast

+¥78.6B

(+6.8%)

FY2025 Results

- Net sales of completed construction contracts decreased by ¥196.1B YoY, reflecting comparison with FY2024—which benefited from progress with large projects—and new orders being strategically received in alignment with the current construction capacity, among other factors.
- Gross profit on completed construction contracts grew by ¥45.1B YoY due to factors including additional claim approvals, change orders, and greater contribution from highly profitable construction projects.
- Orders received decreased by ¥349.4B YoY, reflecting comparison with FY2024—which saw new orders for large projects—and new orders continuing to be strategically received in alignment with the current construction capacity.

FY2026 Forecasts

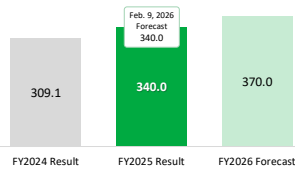
- Net sales of completed construction contracts are expected to grow by ¥55.2B YoY, reflecting progress with projects in hand in alignment with the current construction capacity.
- Gross profit on completed construction contracts is expected to decrease by ¥12.9B YoY due to a lower proportion of projects in the final stages of the construction period, resulting in relatively limited profit improvement from additional claim approvals, change orders, and construction cost reductions, among other factors. However, with the gross profit margin on completed construction contracts projected at 13%, gross profit on completed construction contracts is expected to reach ¥150.0B.
- New orders forecast: An increase of ¥78.6B YoY, reflecting expected new orders for large projects, while new orders will continue to be strategically received in alignment with the current construction capacity.

Domestic Civil Engineering Business (Non-Consolidated)



Net Sales of Completed Construction Contracts

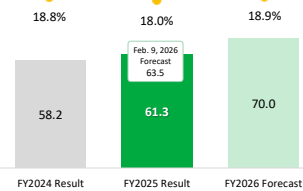
(Billions of yen)



FY2024 Result vs FY2025 Result	FY2025 Result vs FY2026 Forecast
+¥30.88 (+10.0%)	+¥29.9B (+8.8%)

Gross Profit on Completed Construction Contracts / Margin

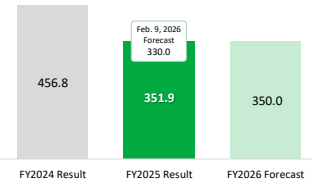
(Billions of yen)



FY2024 Result vs FY2025 Result	FY2025 Result vs FY2026 Forecast
+¥3.1B (+5.3%)	+¥8.6B (+14.1%)

Orders Received

(Billions of yen)



FY2024 Result vs FY2025 Result	FY2025 Result vs FY2026 Forecast
-¥104.9B (-23.0%)	-¥1.9B (-0.5%)

FY2025 Results

- Net sales of completed construction contracts grew by ¥30.8B YoY due to steady progress with projects in hand.
- Gross profit on completed construction contracts grew by ¥3.1B YoY due to higher net sales of completed construction contracts.
- Orders received decreased by ¥104.9B YoY due to a decline in new orders for large projects.

FY2026 Forecasts

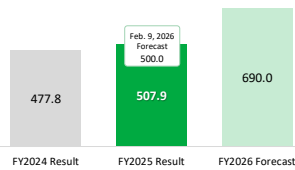
- Net sales of completed construction contracts are expected to grow by ¥29.9B YoY due to steady progress with projects in hand.
- Gross profit on completed construction contracts is expected to grow by ¥8.6B YoY, reflecting higher net sales of completed construction contracts as well as improved profitability of projects in hand due to new orders being received with a focus on profitability.
- New orders forecast: Same level as FY2025, as new orders will continue to be strategically received in alignment with the current construction capacity.

Overseas Building Construction Business (Consolidated)



Net Sales of Completed Construction Contracts

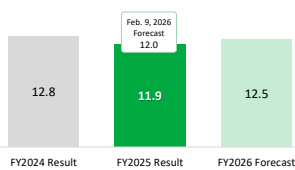
(Billions of yen)



Comparison	Change (Billions of yen)	Change (%)
FY2024 Result vs FY2025 Result	+¥30.1B	+6.3%
FY2025 Result vs FY2026 Forecast	+¥182.0B	+35.8%

Operating Profit

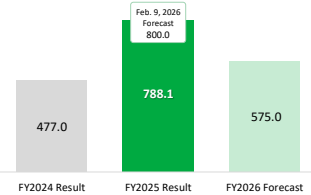
(Billions of yen)



Comparison	Change (Billions of yen)	Change (%)
FY2024 Result vs FY2025 Result	-¥0.8B	(-6.3%)
FY2025 Result vs FY2026 Forecast	+¥0.5B	(+4.2%)

Orders Received

(Billions of yen)



Comparison	Change (Billions of yen)	Change (%)
FY2024 Result vs FY2025 Result	+¥311.0B	(+65.2%)
FY2025 Result vs FY2026 Forecast	-¥213.1B	(-27.0%)

FY2025 Results

- Net sales of completed construction contracts grew by ¥30.1B YoY due to steady progress with projects in hand, primarily in Singapore and Thailand.
- Operating profit decreased slightly YoY to ¥11.9B due to a decline in net sales of completed construction contracts resulting from the impact of lower orders received in prior years in North America, acquisition-related costs for GCON recorded at Webcor, and other factors.
- Orders received increased by ¥311.0B YoY due to new orders for large projects in both North America and Asia.

FY2026 Forecasts

- Net sales of completed construction contracts are expected to grow by ¥182.0B YoY due to factors including steady progress with projects in hand at Webcor and Thai Obayashi.
- Operating profit is expected to grow by ¥0.5B YoY due to factors including higher net sales of completed construction contracts.
- New orders forecast: A decrease of ¥213.1B, reflecting comparison with FY2025, which saw new orders for large projects.

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

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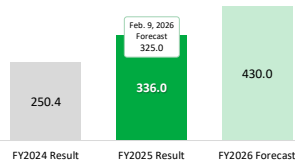
29

Overseas Civil Engineering Business (Consolidated)



Net Sales of Completed Construction Contracts

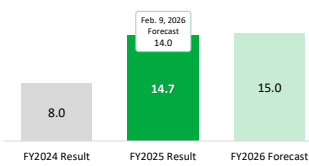
(Billions of yen)



Comparison	Change (Billions of yen)	Change (%)
FY2024 Result vs FY2025 Result	+¥85.5B	(+34.2%)
FY2025 Result vs FY2026 Forecast	+¥93.9B	(+28.0%)

Operating Profit

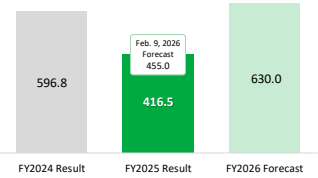
(Billions of yen)



Comparison	Change (Billions of yen)	Change (%)
FY2024 Result vs FY2025 Result	+¥6.7B	(+84.5%)
FY2025 Result vs FY2026 Forecast	+¥0.2B	(+1.6%)

Orders Received

(Billions of yen)



Comparison	Change (Billions of yen)	Change (%)
FY2024 Result vs FY2025 Result	-¥180.3B	(-30.2%)
FY2025 Result vs FY2026 Forecast	+¥213.4B	(+51.2%)

FY2025 Results

- Net sales of completed construction contracts grew by ¥85.5B YoY due to progress with the substantial volume of projects in hand in the North American subsidiaries.
- Operating profit grew by ¥6.7B YoY due to higher net sales of completed construction contracts.
- Orders received decreased by ¥180.3B YoY, despite new orders for large projects in Asia, due to a decline compared to FY2024, which saw new orders for large projects in the North American subsidiaries.

FY2026 Forecasts

- Net sales of completed construction contracts are expected to grow by ¥93.9B YoY due to steady progress with the substantial volume of projects in hand in North America and Singapore.
- Operating profit is expected to grow by ¥0.2B YoY due to factors including higher net sales of completed construction contracts, despite a decline compared to FY2025, which benefited from the completion of highly profitable construction projects.
- New orders forecast: An increase of ¥213.4B YoY, as new orders for large projects are planned to be received in the North American subsidiaries.

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

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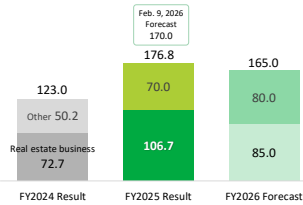
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Real Estate Business and Other (Consolidated)

Net Sales

(Billions of yen)



FY2024 Result vs FY2025 Result

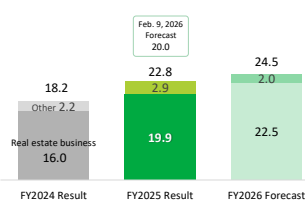
+¥53.8B
(+43.8%)

FY2025 Result vs FY2026 Forecast

-¥11.8B
(-6.7%)

Operating Profit

(Billions of yen)



FY2024 Result vs FY2025 Result

+¥4.6B
(+25.2%)

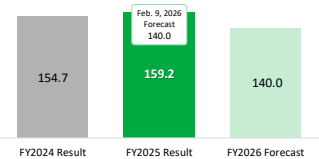
FY2025 Result vs FY2026 Forecast

+¥1.6B
(+7.0%)

Orders Received

(Billions of yen)

(Breakdown of real estate business and other not disclosed)



FY2024 Result vs FY2025 Result

+¥4.4B
(+2.9%)

FY2025 Result vs FY2026 Forecast

-¥19.2B
(-12.1%)

FY2025 Results

- Net sales grew by ¥53.8B YoY, reflecting factors including the sale of developed properties in the real estate business in 2Q and an increase in revenue from design-related work in other businesses.
- Operating profit grew by ¥4.6B YoY due to factors including the sale of developed properties in the real estate business in 2Q.

FY2026 Forecasts

- Net sales are expected to decrease by ¥11.8B YoY, despite progress with PPP projects, due to factors including a decline in the sale of condominiums in the real estate business.
- Operating profit is expected to grow by ¥1.6B YoY due to factors including the sale of highly profitable properties and progress with leasing to tenants in the real estate business.

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

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Addendum to the Medium-Term Business Plan 2022 and Capital Policy Progress



Addendum to the Medium-Term Business Plan 2022 (Announced on May 13, 2024)

Continue thorough measures to strengthen the foundations of the construction business

- Considering the Group's current situation, in which serious accidents have not been eradicated, we will reaffirm securing safety and quality as a top management priority. This commitment will be instilled not only within the Group, but across all the people involved in the construction business including the supply chain.

Partial revision of performance indicator targets

- On March 4, 2024, we announced the Notice Concerning Revision of Capital Policy. In addition to setting targets for equity, return on equity (ROE), and dividend on equity ratio (DOE), we also set new targets for consolidated net sales, profit attributable to owners of parent, and earnings per share (EPS).
- Regarding investment plans for the five-year period covered by the Medium-Term Business Plan 2022, in addition to increased investment for strengthening our business foundation, we have increased the amount of growth investment to be used for M&A and other means of expanding our business portfolio, and have also revised our cash allocations accordingly.

Additional measures for accelerating transformation for sustainable growth

- To achieve sustainable growth of the Group, we will execute the measures for accelerating transformation for platform development within the period of the Medium-Term Business Plan 2022, which include developing the organizational and governance structure.
- Having defined the direction of our sustainable growth strategy, in which we are positioning the domestic construction business as our core operation while strengthening other businesses to generate performance that equals or exceeds that of the domestic construction business, we will aim to build a groupwide business structure that will underpin this strategy.



Key Performance Indicators (KPIs)

	FY2022 Results	FY2023 Results	FY2024 Results	FY2025 Results	FY2026 Forecasts	Addendum to the Medium-Term Business Plan 2022 KPI Targets
Consolidated net sales	¥1,983.8 billion	¥2,325.1 billion	¥2,590.7 billion	¥2,586.2 billion	¥2,945.0 billion	Mid-¥2 trillion range
Consolidated operating profit	¥93.8 billion	¥79.3 billion	¥142.4 billion	¥194.6 billion	¥180.0 billion	¥100.0 billion or more
Profit attributable to owners of parent	¥77.6 billion	¥75.0 billion	¥145.3 billion	¥173.7 billion	¥157.0 billion	Around ¥100.0 billion
Profit attributable to owners of parent per share (EPS)	¥108.34	¥104.69	¥202.91	¥249.42	¥228.39	Around ¥140
Invested capital at the end of period	¥1,373.8 billion	¥1,519.1 billion	¥1,572.9 billion	¥1,660.5 billion	¥1,680.0 billion	—
Equity at the end of period	¥997.1 billion	¥1,151.6 billion	¥1,158.2 billion	¥1,258.4 billion	¥1,290.0 billion	¥1 trillion level
Consolidated interest-bearing debt and nonrecourse loans at the end of period	¥337.9 billion	¥323.8 billion	¥362.7 billion	¥344.0 billion	¥330.0 billion	—
Return on invested capital (ROIC)	4.9%	3.8%	6.4%	8.4%	7.4%	5% or more in the medium term
Return on equity (ROE)	8.0%	7.0%	12.6%	14.4%	12.3%	10% or more by FY2026
Dividend on equity ratio (DOE)	3.1%	5.0%	5.0%	5.1%	5.0%	Around 5%

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

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Performance indicator targets and performance

- FY2025: Achieved the targets for financial performance and efficiency
- FY2026: Expected to exceed the targets for financial performance and efficiency due to continued solid performance

Aiming to further improve these indicators through profit improvement



Cash Allocations

Cash allocations for the Medium-Term Business Plan 2022 period:

Cash Inflows

<p>5-year forecast of consolidated operating profit during Medium-Term Business Plan 2022: Around ¥480.0 billion</p> <p>Note: Reflects budget allocated for the base salary increase in line with the transition to an inflation economy</p>
<p>Depreciation: ¥120.0 billion over 5 years</p>
<p>Sale of cross-shareholdings to less than 20% of consolidated net assets: ¥260.0 billion* based on the current stock market prices</p>
<p>Use of leverage in real estate development business: ¥200.0 billion</p>

Cash Outflows

Income taxes
<p>Shareholder returns</p> <ul style="list-style-type: none"> Annual dividend at a DOE of around 5% Flexible shareholder returns in line with levels of equity and profits
Improved payment terms for subcontractors and suppliers
<p>Cash used in investing activities: Around ¥420.0 billion</p>

Breakdown of Cash Used in Investing Activities

Item	Investment Plan
Human resource-related investment	¥30.0 billion
DX-related investment	¥90.0 billion
Technology-related investment	¥100.0 billion
Construction machinery and business facilities	¥75.0 billion
Real estate development business	¥300.0 billion
Green energy business	¥60.0 billion
M&A, capital tie-ups, VC, etc.	¥95.0 billion
Investment plan	¥750.0 billion
Deduction of amount not included in cash flows from investing activities	(¥190.0 billion)
Amount recovered from the sale of assets in real estate development business	(¥140.0 billion)
Amount to be included in cash flows from investing activities	¥420.0 billion

*As of the announcement of the Addendum to the Medium-Term Business Plan 2022 (May 13, 2024)



Investment Progress

Total investment during the Medium-Term Business Plan 2022 period is expected to exceed the plan, reflecting investments in construction machinery that contribute to productivity enhancement, safety, and quality; investments in competitive assets in Japan and overseas for the real estate development business, with asset scale taken into account; and M&A investments, including in GCON.

Investment plan for the Medium-Term Business Plan 2022 period:

	FY2022-FY2026 Investment Plan	FY2022-FY2025 Invested Amount	FY2026 Plan	FY2022-FY2026 Investment Outlook
Intangible asset investment for platform development				
Human resource-related investment	¥30.0 billion	¥25.9 billion	¥10.0 billion	¥35.9 billion
DX-related investment	¥90.0 billion	¥72.5 billion	¥25.0 billion	¥97.5 billion
Technology-related investment	¥100.0 billion	¥69.3 billion	¥25.0 billion	¥94.3 billion
Continuous tangible asset investment with a focus on strengthening the foundation of the construction business				
Construction machinery and business facilities	¥75.0 billion	¥75.2 billion	¥26.0 billion	¥101.2 billion
Growth investment toward expanding business portfolio				
Real estate development business	¥300.0 billion	¥290.6 billion	¥72.0 billion	¥362.6 billion
Green energy business	¥60.0 billion	¥34.6 billion	¥10.0 billion	¥44.6 billion
M&A, capital tie-ups, VC, etc. (including open innovation investment)	¥95.0 billion	¥88.6 billion	¥20.0 billion	¥108.6 billion
Total Investment Amount	¥750.0 billion	¥656.6 billion	¥188.0 billion	¥844.6 billion

Progress on investments under the Medium-Term Business Plan 2022

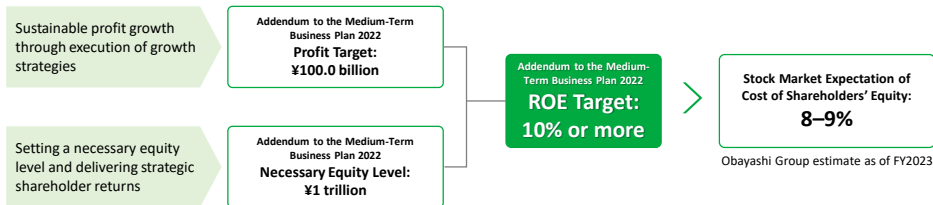
- Made growth investments totaling ¥656.6B over the past four years
- These investments represent approximately 87% of the five-year investment plan of ¥750.0B. Total investment during the Medium-Term Business Plan 2022 period is expected to reach ¥844.6B, exceeding the plan



Capital Policy

Setting a Necessary Equity Level and Controlling Equity

- Setting a Necessary Equity Level and Controlling Equity
 - Set the necessary equity level for each business, taking into account business scale changes, execution of investments, changes in the asset-liability balance of the construction business, revisions to payment terms, sales of cross-shareholdings, use of leverage in the real estate development business, and other factors through FY2026.
 - Finance through interest-bearing debt and nonrecourse loans to use leverage in improving capital efficiency.
 - Maintain bond capacity and credit rating in the North American construction business.
- Control equity through profit generation and strategic shareholder returns



Capital policy (announced on March 4, 2024)

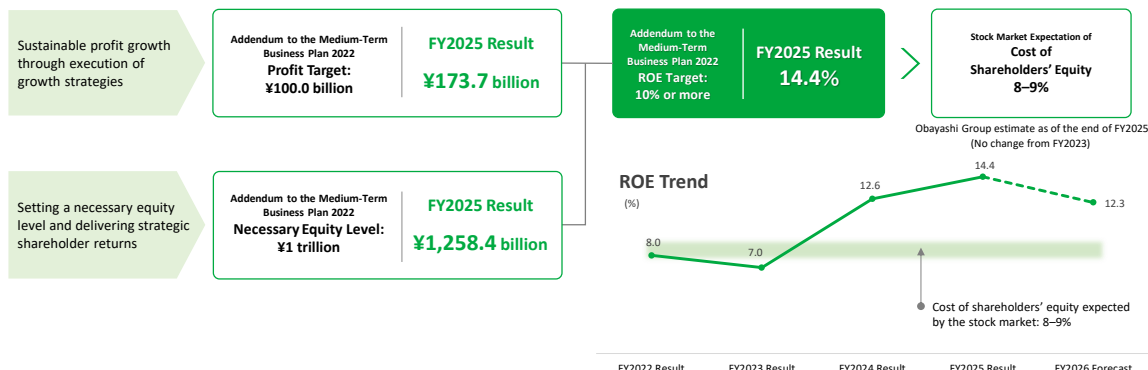
- Under the Medium-Term Business Plan 2022, we aim to achieve an ROE of 10% or more, which is above the cost of shareholders' equity expected by the stock market, by controlling equity through profit generation and strategic shareholder returns



Capital Policy (FY2025 Review and Analysis of Current Situation)

- Profit attributable to owners of parent for FY2025 was ¥173.7B, exceeding the performance indicator target, due to progress with the sale of cross-shareholdings as well as improved profits in the domestic construction business.
- Purchase of treasury shares on a total scale of ¥100.0B scheduled by the end of FY2026: ¥30.0B purchased by the end of June 2025, ¥40.0B by the end of December 2025, and the remaining ¥30.0B scheduled to be purchased during FY2026.
- As a result, ROE for FY2025 was 14.4%, and a positive equity spread* is expected to be maintained.

*Equity spread = ROE – Cost of shareholders' equity



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Review of FY2025 and analysis of current situation in terms of capital policy

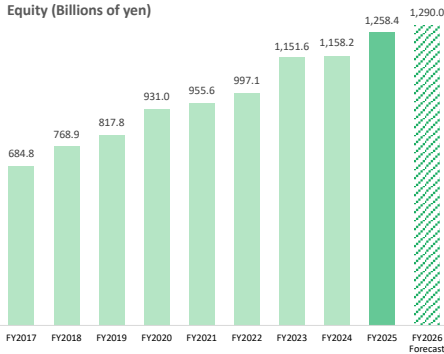
- Achieved the performance indicator target for profit attributable to owners of parent
- Achieved ROE of 14.4%, exceeding the performance indicator target, and a positive equity spread by maintaining the necessary equity level through ordinary dividends at a dividend on equity ratio (DOE) of around 5% and the purchase of treasury shares as part of strategic shareholder returns
- We aim to further enhance corporate value by achieving sustained profit growth through the steady execution of growth strategies



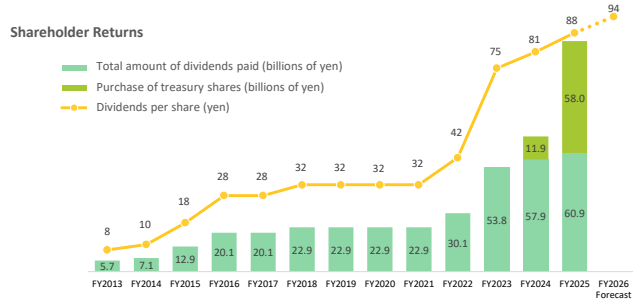
Trends in Equity and Shareholder Returns

Delivered on our capital policy of the Medium-Term Business Plan 2022 based on equity enhanced during the period of the Medium-Term Business Plan 2017. Stably paying dividends for over 10 years without reduction—maintaining long-term, stable dividends is our top priority.

Equity (Billions of yen)



Shareholder Returns



DOE (%)	1.4	1.6	2.5	3.6	3.1	3.2	2.9	2.6	2.4	3.1	5.0	5.0	5.1	5.0
(Reference) Dividend Payout Ratio (%)	26.6	25.0	20.4	21.3	21.7	20.3	20.3	23.2	58.7	38.8	71.6	39.9	35.3	41.2
(Reference) Total Payout Ratio (%)	-	-	-	-	-	-	-	-	-	-	-	48.1	68.5	-

*DOE for FY2013-2021 is for reference only.

Medium-Term Business Plan 2017

Medium-Term Business Plan 2022

Medium-Term Business Plan 2017

Medium-Term Business Plan 2022

*FY2024 results reflect the retrospective application of the change in the foreign currency translation method.

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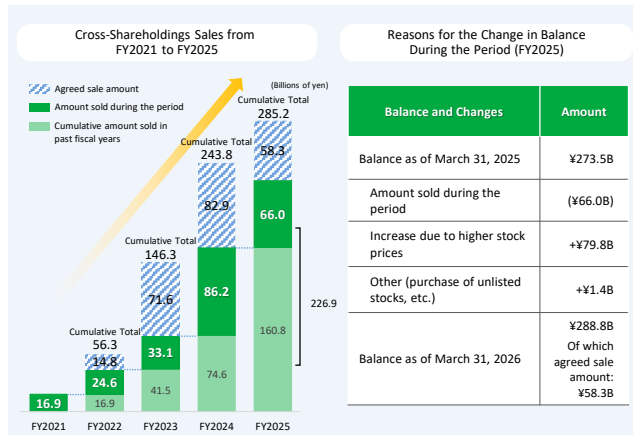
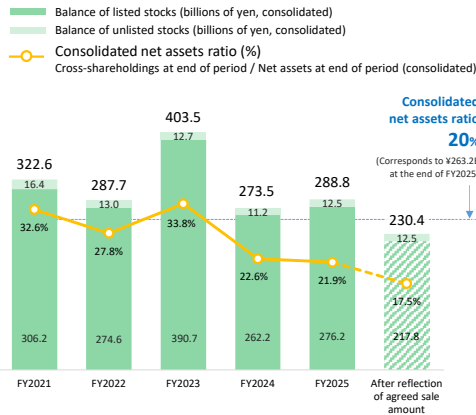
Trends in equity and shareholder returns

- Paying ordinary dividends based on the dividend on equity ratio (DOE), in line with our policy to maintain stable dividend payments over the long term, through equity enhanced during the period of the Medium-Term Business Plan 2017
- Dividends per share based on a DOE of 5%:
FY2025: ¥88
FY2026: ¥94 (scheduled)



Reduction of Cross-Shareholdings

- The balance of cross-shareholdings as of the end of March 2026 was ¥288.8B, up ¥15.2B YoY, due to a significant rise in their stock prices, despite steady progress with their sale.
- Cross-shareholdings: Reduced to 21.9% of consolidated net assets (17.5% after reflection of agreed sale amount). Continue reductions to ensure achievement of the target of 20% or less by the end of March 2027.



Reduction of cross-shareholdings

- The balance of cross-shareholdings increased from the end of FY2024 due to a significant rise in their stock prices, despite steady progress with their sale
- Continue reductions to ensure achievement of the target of 20% or less of consolidated net assets

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Other Topics



Participation in Toll Road Concession Business in Jakarta, Indonesia

We will acquire shares of PT JTD JAYA PRATAMA, which is engaged in the toll road concession business in central Jakarta. Through participation in this business, we aim to help address a social issue by leveraging our core technologies, while enhancing our profitability and further expanding our business portfolio.

JTD JAYA PRATAMA JAKARTA TOLLROAD COMPANY



(Jakarta toll road operated by JTDJP under a concession business)

- PT JTD JAYA PRATAMA (“JTDJP”) holds the concession rights for an approximately 31 km toll road crossing central Jakarta, the capital of Indonesia, where chronic traffic congestion is a major issue, with total project cost of approximately JPY 213.0 billion.
- We will acquire shares of JTDJP through PT Obayashi Concession Indonesia (“OCI”), a local subsidiary that will be jointly established with PT. JAYA OBAYASHI.
- JTDJP’s ultimate parent company, PT Pembangunan Jaya, was established under the leadership of the Jakarta provincial government and has maintained a relationship with us for over 50 years as a shareholder of PT. JAYA OBAYASHI.
- By sharing our expertise, cultivated through our construction business in Japan and overseas, we expect to support the further growth of JTDJP’s concession business.
- In line with the fundamental strategy of our Medium-Term Business Plan 2022, “Expand Business Portfolio for Sustainable Growth,” we will advance PPP, concession, and other initiatives where our core technologies can be leveraged to address social issues.

Overview of PT JTD JAYA PRATAMA

Location	Special Capital Region of Jakarta, Indonesia
Business Description	Toll road concession business in Jakarta
Capital	IDR 5.12 trillion (approx. JPY 47.6 billion) ^{*1} (as of December 31, 2025)
Establishment	March 2015
Major Shareholders and Ownership Ratio	<ul style="list-style-type: none"> ● PT Jakarta Tollroad Development: 99.9% (as of December 31, 2025) ● OCI to acquire newly issued shares: <ul style="list-style-type: none"> 1st: September 14, 2026 (scheduled)^{*2} / OCI stake: 12.5% 2nd: December 2027 (scheduled)^{*3} / OCI stake: 48.8%
Date of Share Transfer Agreement	August 25, 2026

Overview of PT Obayashi Concession Indonesia

Location	Special Capital Region of Jakarta, Indonesia
Business Description	Investment in concession business in Indonesia
Capital	IDR 5.2 trillion (approx. JPY 48.2 billion) ^{*1} (scheduled) *Initial capital planned at IDR 770.0 billion (approx. JPY 7.2 billion) ^{*1} *Remaining capital to be increased by December 2027 (scheduled) ^{*2}
Establishment	July 31, 2026 (scheduled)
Major Shareholders and Ownership Ratio	Obayashi Corporation: 99.999% PT. JAYA OBAYASHI: 0.001% OCI qualifies as a specified subsidiary as its capital exceeds 10% of Obayashi Corporation’s capital.



(Toll gate on the toll road operated by JTDJP)

^{*1} Converted at the rate of JPY 0.0093 per IDR 1 as of April 30, 2026
^{*2} Subject to approval by the Indonesian authorities
^{*3} Subject to completion of land acquisition by the Indonesian government

Participation in toll road concession business in Jakarta, Indonesia

- We will acquire shares of PT JTD JAYA PRATAMA (“JTDJP”), which is engaged in the toll road concession business in Jakarta, Indonesia
- JTDJP holds the concession rights for an approximately 31 km toll road crossing central Jakarta, the capital of Indonesia, where chronic traffic congestion is a major issue, with total project cost of approximately JPY 213.0B
- In line with the fundamental strategy of our Medium-Term Business Plan 2022, “Expand Business Portfolio for Sustainable Growth,” we will aim to enhance our profitability and further expand our business portfolio



Business Process Transformation for Advanced AI Utilization

By redefining business operations and decision-making approaches and transforming them into data-driven processes that are designed to leverage AI and digital technologies, we aim to improve productivity and maximize organizational knowledge, thereby strengthening our business foundation.

Background

- To translate the rapid advancement of digital technologies, including generative AI, into enhanced corporate value, it is necessary to review our business processes and decision-making approaches.
- As labor constraints deepen and the workforce structure changes, it will be difficult to maintain productivity and quality over the medium to long term through conventional business operations that depend on individual employees.

Challenges

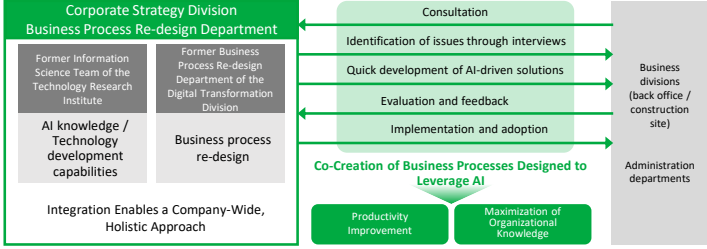
- Knowledge and decision-making criteria cultivated at construction sites and in each department are valuable assets, yet much of this knowledge remains as tacit knowledge within individuals and departments, making it difficult to utilize them Company-wide or apply data in more advanced ways.
- While AI is being used in individual operations, Company-wide perspectives and shared foundations remain insufficient, limiting its impact on productivity improvement and the maximization of knowledge across the organization.

Objectives

- Develop a Company-wide operational foundation that extends beyond individual operations.
- Establish a system that supports human decision-making and enables operations to be performed at a consistent level of quality, regardless of who is in charge.

Measures

The Business Process Re-design Department, established under the Corporate Strategy Division, will advance the Company-wide review and re-design of business processes and data to leverage AI, through co-creation with each business division as well as the administration departments of the Head Office, main offices, and branches.



*BPR: Business Process Re-design

Business process transformation for advanced AI utilization

- To translate the rapid advancement of digital technologies, including generative AI, into enhanced corporate value, it is necessary to review our business processes and decision-making approaches
- While AI is being used in individual operations, it has yet to lead to productivity improvement or the maximization of knowledge across the organization as a whole
- The Business Process Re-design Department, established under the Corporate Strategy Division, will advance the Company-wide review and re-design of business processes and data to leverage AI
- By developing a Company-wide operational foundation and establishing a system that supports human decision-making and enables operations to be performed at a consistent level of quality regardless of who is in charge, we will drive the sustainable growth of the Obayashi Group

MAKE BEYOND

TRANSCENDING THE ART AND SCIENCE OF MAKING OF THINGS

We make things.

And in the process, we go beyond.

Our experience and technology empower us to break new ground, to do what has never been done.

With the Power of Vision we see beyond tomorrow.

Through the Power of Creation we transform ideas into tangible innovations.

But it is the Power of People that makes everything possible.

Our shared history and collective expertise constitute our strengths, allowing us to go beyond construction and into new realms, for this is where our future lies.

As the world becomes more unpredictable and complex, our unique approach to making things defines a new horizon, and we lay a foundation that will enrich lives and ensure sustainability.

This is our mission, our truth.

Now, we take the next step, and go beyond making, to the next Obayashi.