

Financial Results for FY2025 Q3

February 6, 2026

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1. Summary

Financial Results for FY2025 Q3

- We recorded **the highest ever profit for each of the profit stages** despite a decrease in net sales.
- The progress rate against the full fiscal year forecast is steady at **74.9%**.
- The gross profit margin for Taisei Corporation remained at the Q2 level, reaching 21.9% for Civil Engineering and 10.9% for Building Construction.

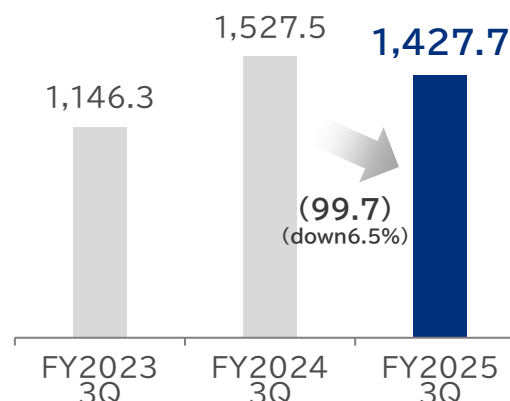
Reduction of Cross-Shareholdings

- While we sold cross-shareholdings worth **49.1 billion** yen between April and December 2025, they represent **32.8%** of consolidated net assets due to the effect of the rise in stock prices.

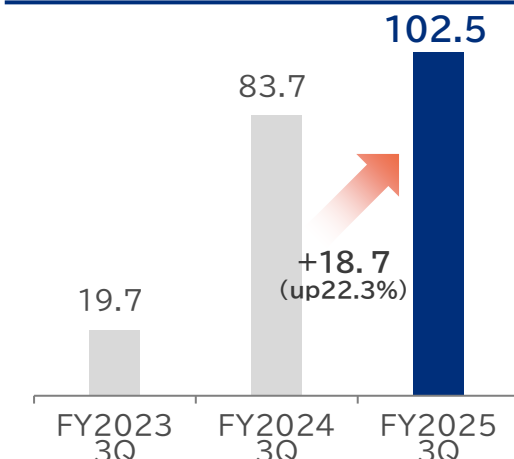
Influence of TOYO Construction

- **Toyo Construction Co., Ltd. have been consolidated since the beginning of Q3** and have only a limited impact on the results.
- The numbers of Toyo Construction Co., Ltd. are reflected respectively in the **Civil Engineering, Building Construction**, and Other segments.
- Goodwill will be amortized in equal amounts over seven years. The amortization amount in Q3 was **2.1 billion yen**.

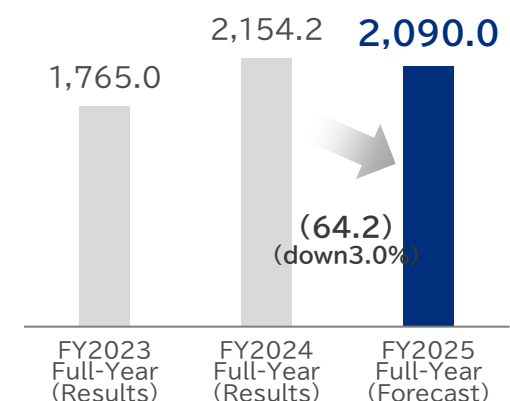
Consolidated Net Sales (Q3) (¥ billion)



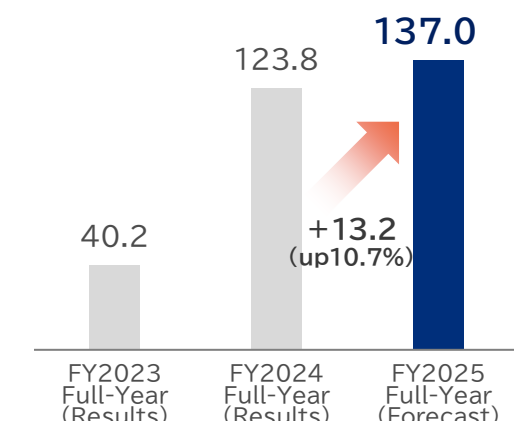
Consolidated Net Income (Q3) (¥ billion)



Consolidated Net Sales (Forecast) (¥ billion)



Consolidated Net Income (Forecast) (¥ billion)



Financial Results for FY2025 Q3

- 2. Key Financial Figures – Results and Forecasts
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2. Key Financial Figures – Results

- In Q3, we recorded the highest ever profit for each of the profit stages as higher gross profit in Civil Engineering and Building Construction more than offset factors that decrease profits, including a decrease in net sales in Domestic Building Construction, an increase in SG&A expenses, and deteriorations in non-operating income and loss and in extraordinary income and loss.

(¥ billion)	FY2024 3Q Results	FY2025 3Q Results	YoY Changes	3Q Progress (vs Full-Year Forecast)	FY2025 Full-Year Forecast
New Orders	1644.2	1,793.8	+149.6	81.9%	2,190.0
Net Sales	1527.5	1427.7	(99.7)	68.3%	2,090.0
Gross Profit	156.7 (10.3%)	217.9 (15.3%)	+61.1 (+5.0pt)	74.1%	294.0 (14.1%)
Operating Income	79.9 (5.2%)	122.3 (8.6%)	+42.3 (+3.4pt)	82.7%	148.0 (7.1%)
Interim Net Income Attributable to Owners of Parent	83.7 (6.1%)	102.5 (7.2%)	+18.7 (+1.7pt)	74.9%	137.0 (6.6%)
Interim Net Income per Share (¥)	457.17	615.38	158.21	74.5%	826.43
ROE	—	—	—	—	15.8%

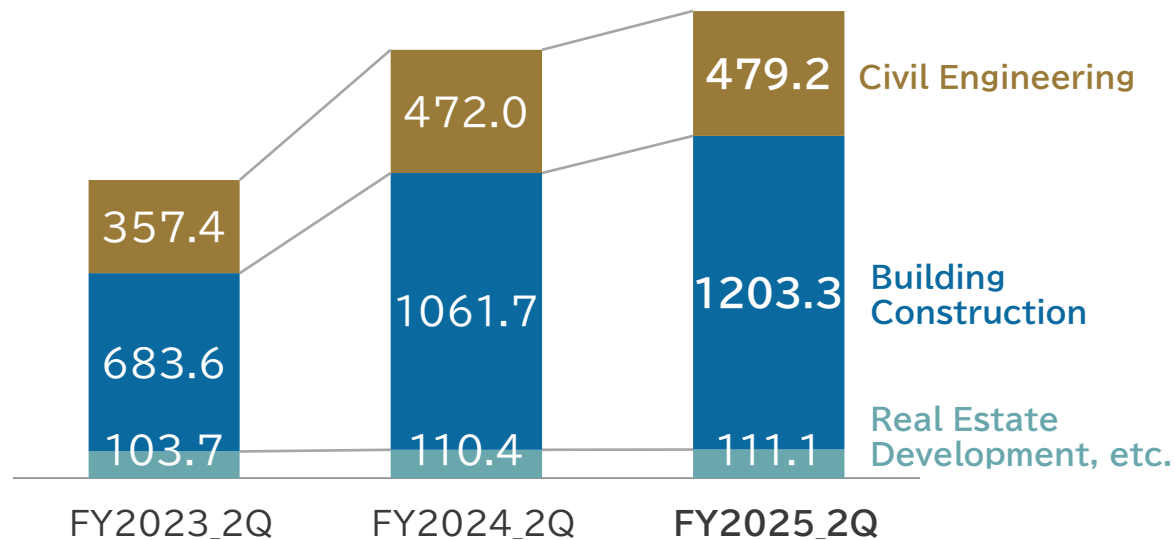
3-1. New Orders

New orders for Q3 increased by **9.1%** YoY due to orders received for large-scale projects in Domestic Building Construction of Taisei Corporation and the effect of Toyo Construction Co., Ltd. becoming a consolidated subsidiary.

Q3 Results

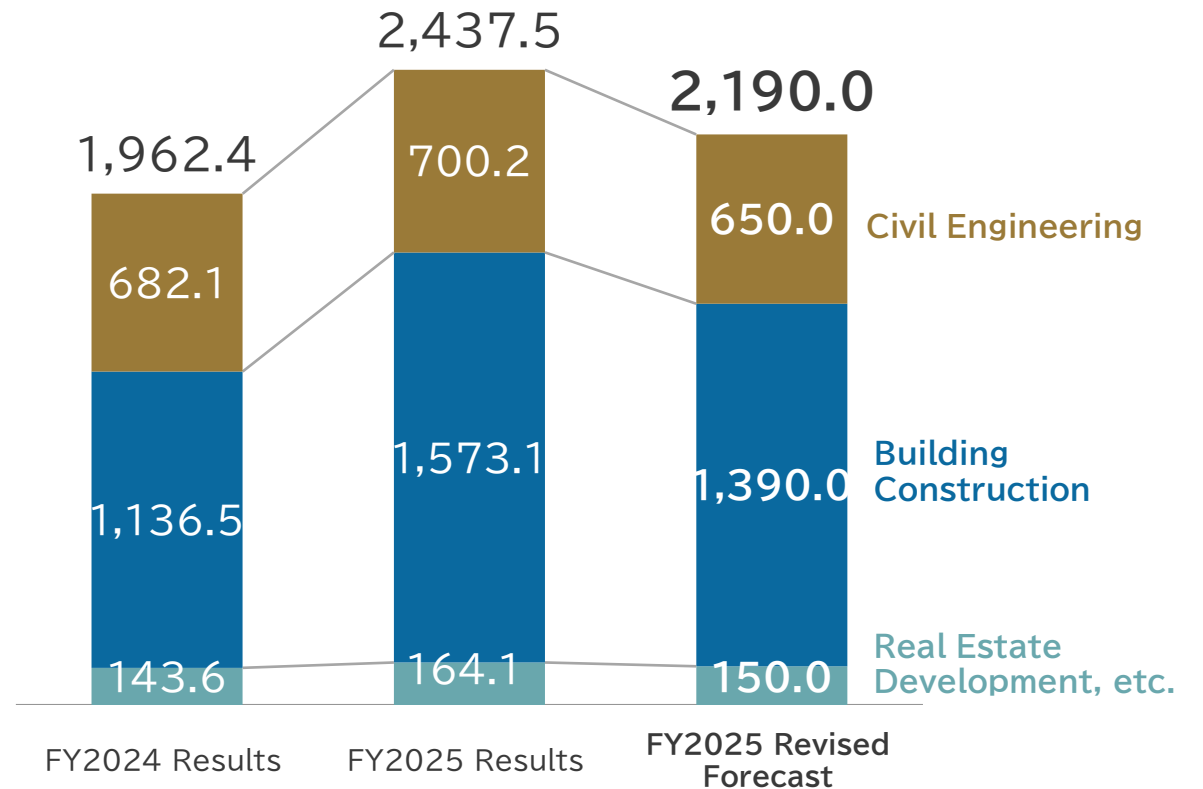
(¥ billion)

Progress rate
vs. full-year
forecast:
81.9%



Full-Year

(¥ billion)



(Reference) Major New Orders

Segment	Order Period	Type	Project Name	Facility Use	Client	Industry Classification
Civil Engineering	3Q	[Public]	Shakujii-river upstream underground regulating reservoir works	Erosion control & Flood control	Tokyo Metropolitan Government	Prefectures
	1Q	[Public]	Kabutoyama Water Treatment Plant Upgrade Project, Construction of New Water Treatment Plant	Water supply and sewerage	Himeji City	Cities, wards, towns, and villages
	3Q	[Private]	Construction work of JR Horie shield tunnel and others of Naniwasuji Line	Railroad	Kansai Rapid Railway Co.,Ltd.	Transport
	1Q	[Private]	Foundation Works for the Electric Arc Furnace (EAF) Electrical Room, etc., Construction Package No.2 of EAF	Land development (Foundation work of the factory)	JFE Steel Corporation	Iron and steel
	3Q	[Public]	Construction work for the Hamasaka Daiichi Tunnel and Hamasaka Daini Tunnel (tentative names) on the Route 178 Hamasaka Road (Phase 2)	Road	Hyogo Prefecture	Prefectures
Building Construction	1Q	[Private]	Shinagawa Station West Exit Area, District A New Construction Plan (tentative name)	office	Keikyu Corporation	Transportation
	2Q	[Private]	New building construction work for Odori-nishi 4 South District, Category 1 Urban Redevelopment Project	Shop	Odori-nishi 4 South District Urban Redevelopment Association	Service
	3Q	[Private]	Construction work of New Research Building B of the Development Plan of the North-Side of Minami-watarida Northern District	Educational, Research and Cultural Facilities	Hulic Co., Ltd.	Real estate
	3Q	[Private]	Construction work of New Building 1 and others for the Project to Advance Seismic Strengthening of Building 1 of Tokai University Isehara Campus	Medcal	Tokai University	Service
	2Q	[Private]	New building construction work for Shirokane 1-chome West Central District, Category 1 Urban Redevelopment Project	Housing	Shirokane 1-chome West Area Central District Urban Redevelopment Association	Service

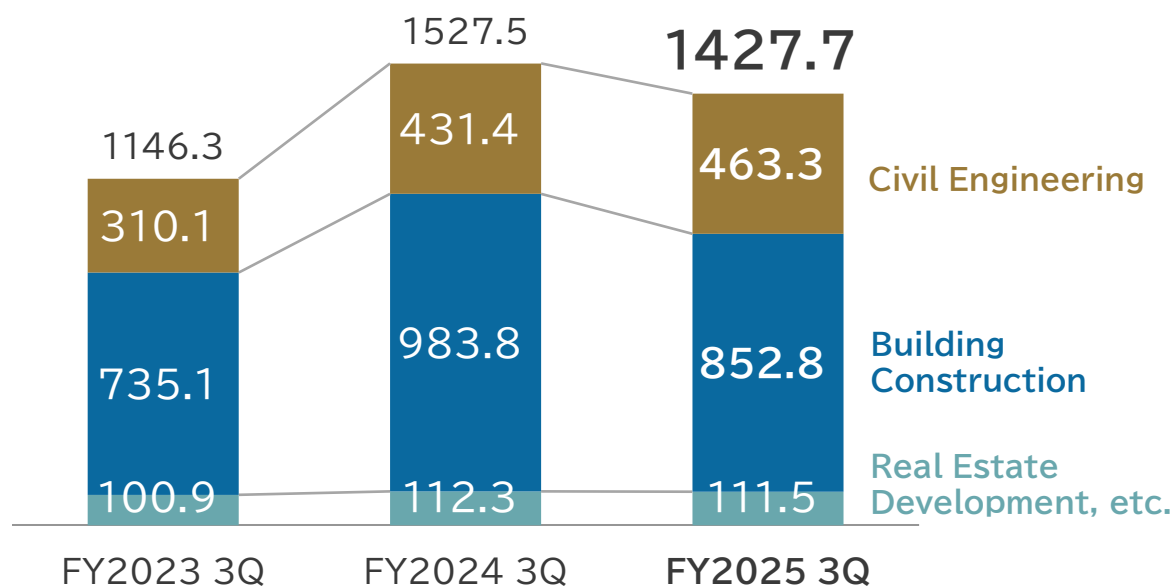
3-2. Net Sales

Net sales for Q3 **decreased by 6.5%** due to the lower contributions to sales from the progress of projects since projects in Domestic Building Construction of Taisei Corporation, which are mainly large-scale projects in the Tokyo metropolitan area, are in the early construction phases.

Q3 Results

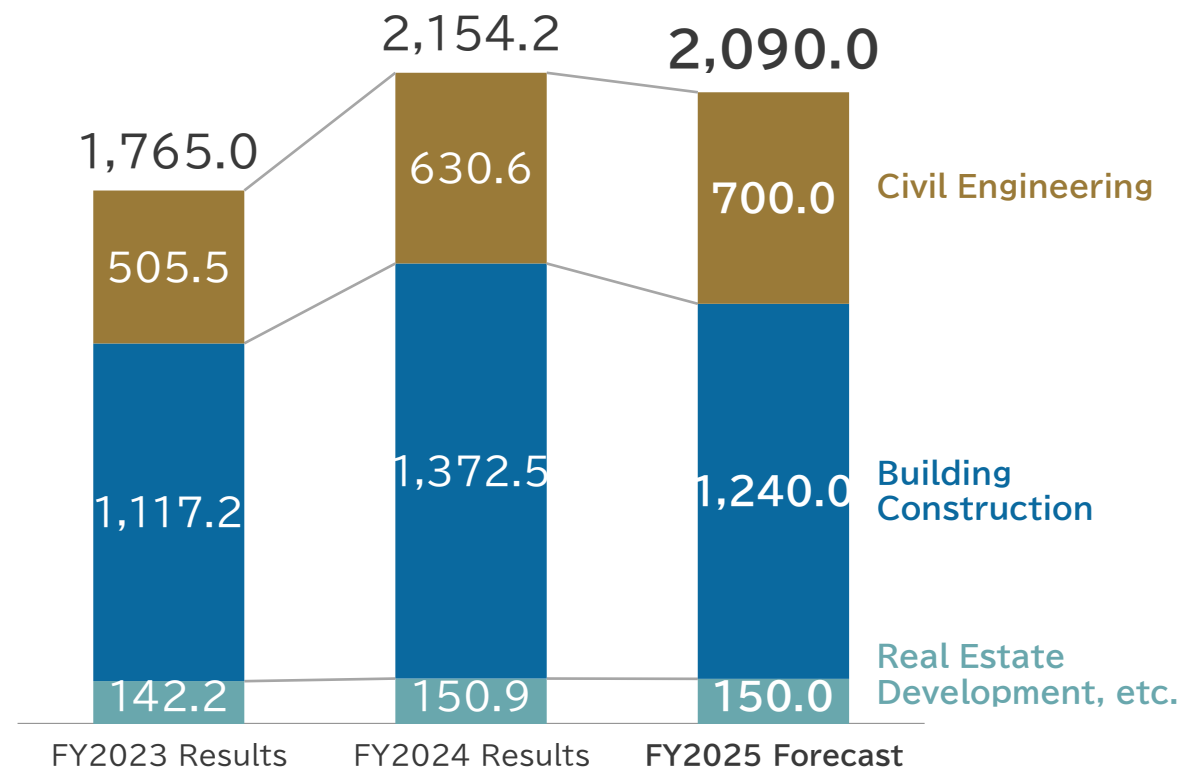
(¥ billion)

Progress rate
vs. full-year
forecast:
68.3%



Full-Year

(¥ billion)



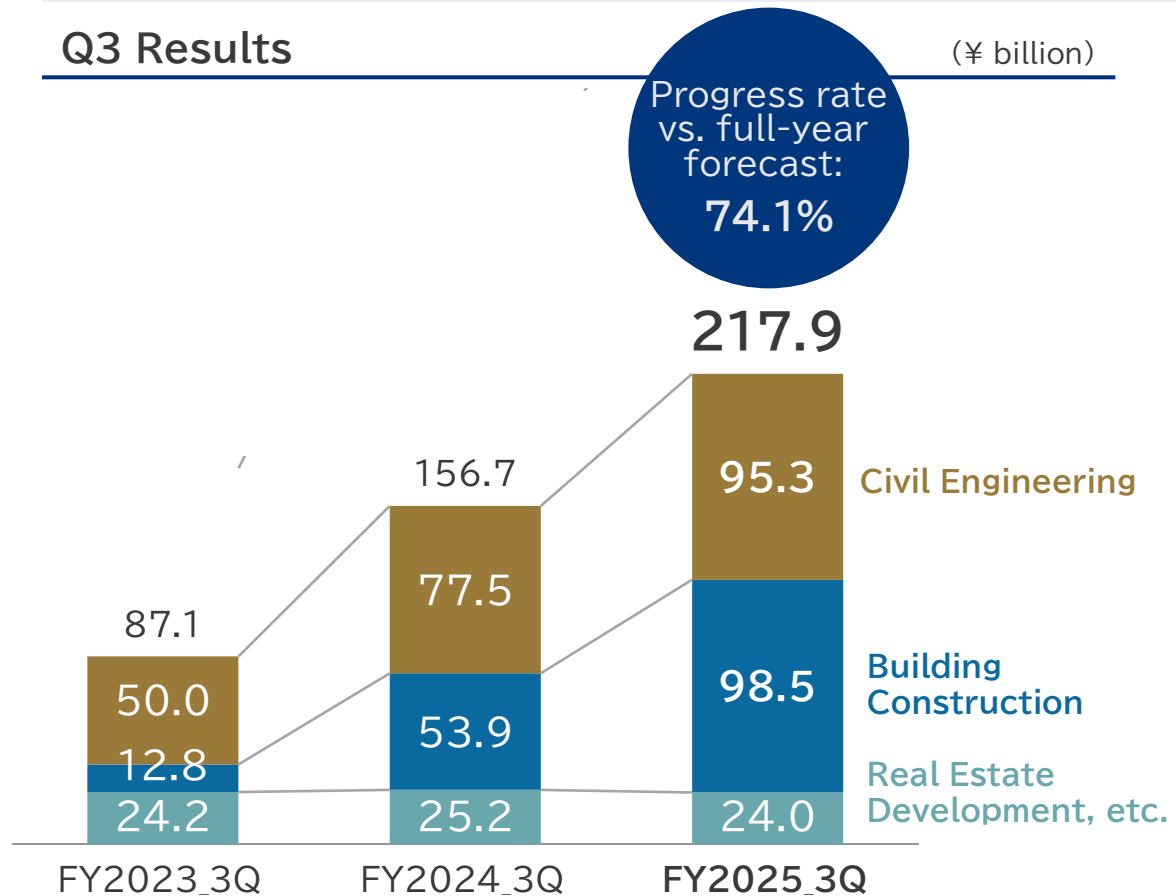
3-3. Gross Profit

Gross profit for Q3 increased by **39.0%** YoY due to the acquisition of additional works and further cost reductions in Civil Engineering and Building Construction, as well as an improvement in profitability upon receiving new orders in Building Construction, which improved the profit ratio.

Q3 Results

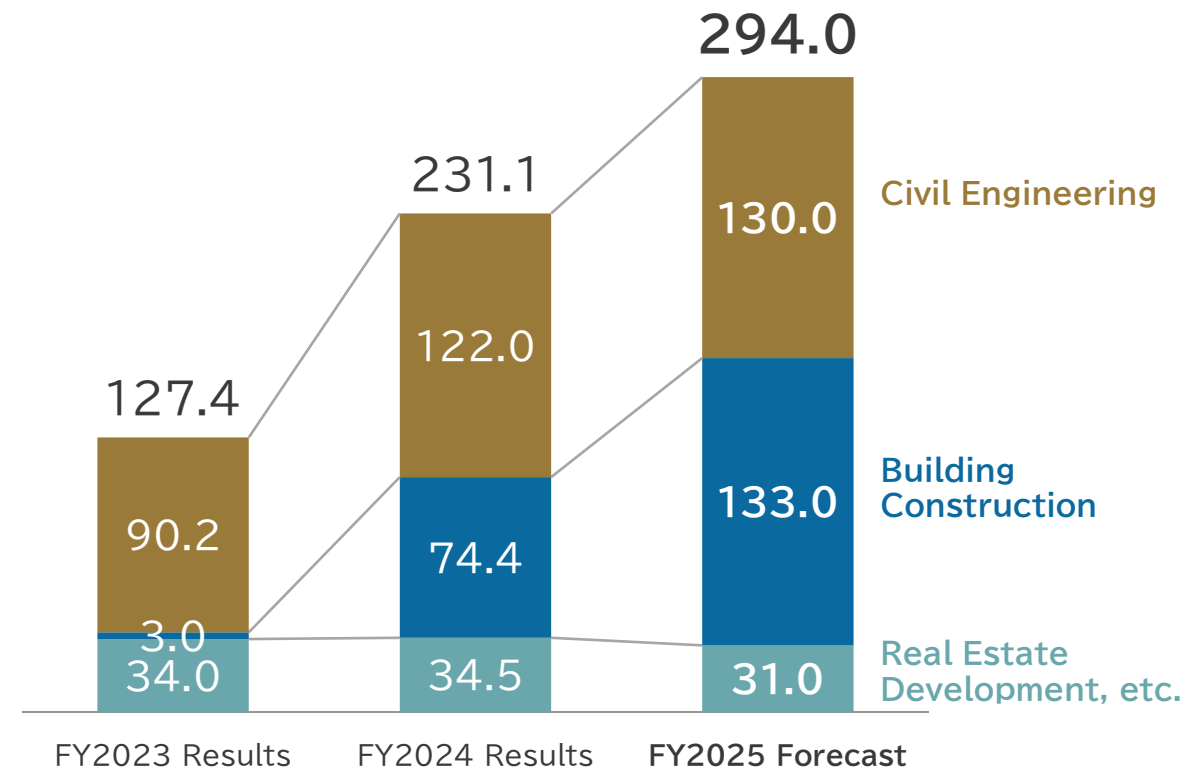
(¥ billion)

Progress rate
vs. full-year
forecast:
74.1%



Full-Year

(¥ billion)

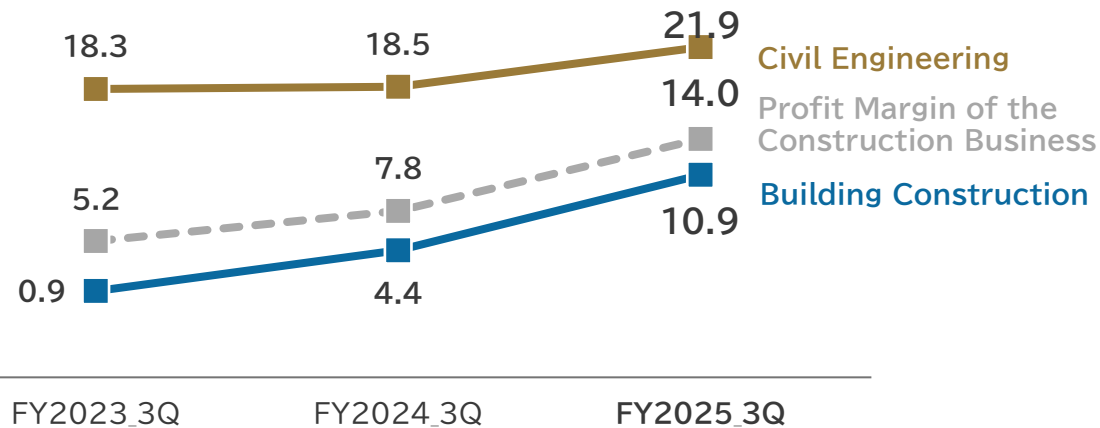


3-4. Non-Consolidated Profit Ratio on Construction Business

Profit Ratio for Q2 improved to **21.9%** (+3.4pts YoY) for civil engineering and **10.9%** (+6.5pts YoY) for building construction.

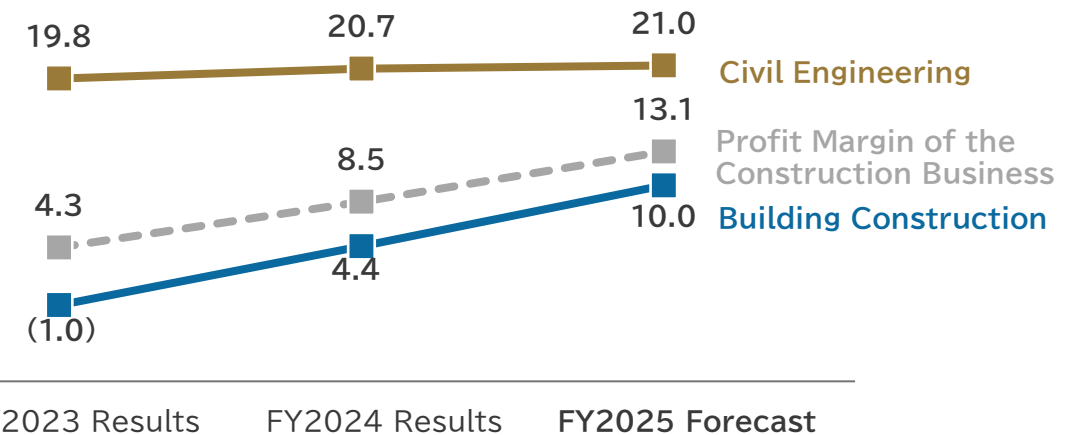
Q3 Results

(%)



Full-Year

(%)



Breakdown of Changes in Provision for Loss on Construction Contracts (¥ billion)

	As of Mar. 2025	Changes(Apr.to Dec.2025)			As of Dec. 2025
			Provision	Reversal	
Civil Engineering	9.9	(0.2)	1.1	(1.3)	9.7
Building Construction	92.4	(19.2)	2.8	(22.0)	73.2
Total	102.3	(19.4)	3.9	(23.3)	82.9

Factors Affecting Changes in Gross Profit (YoY) (¥ billion)

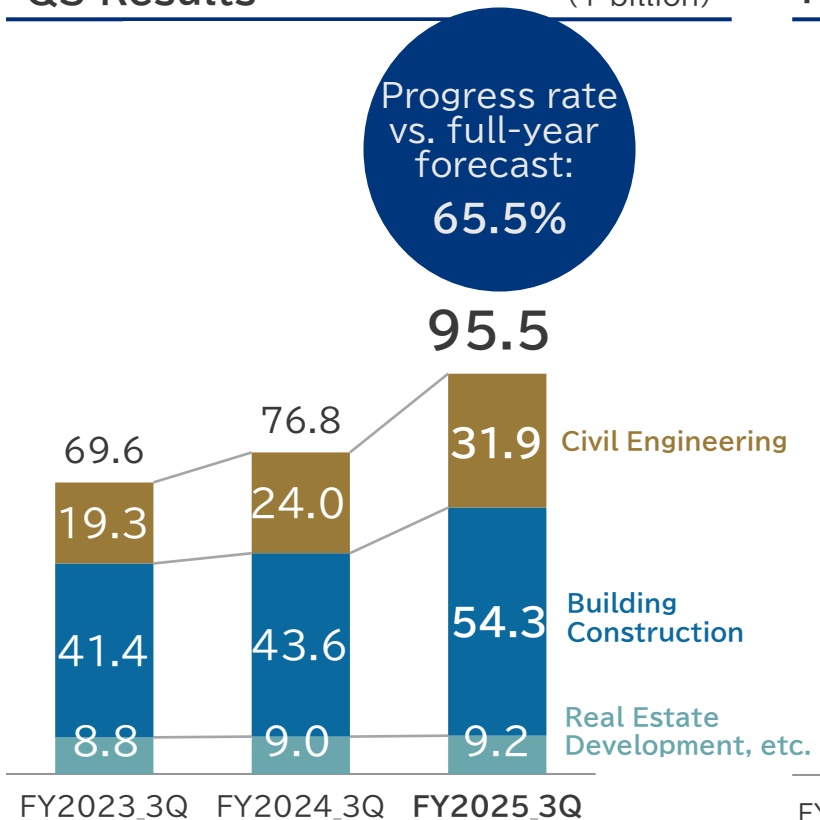
	Gross Profit Q1-Q3	YoY Changes	Factors	
			Changes of Net Sales	Changes of Profit Ratio
Civil Engineering	60.4	10.4	1.1	9.3
Building Construction	75.9	38.2	(2.7)	40.9
Total	136.4	48.7	(1.6)	50.3

3-5. Selling, General and Administrative (SG&A) Expenses

SG&A expenses for Q3 increased by **24.4%** YoY due to an increase in investments in human capital made by Taisei Corporation and the effect of making Toyo Construction Co., Ltd. a consolidated subsidiary.

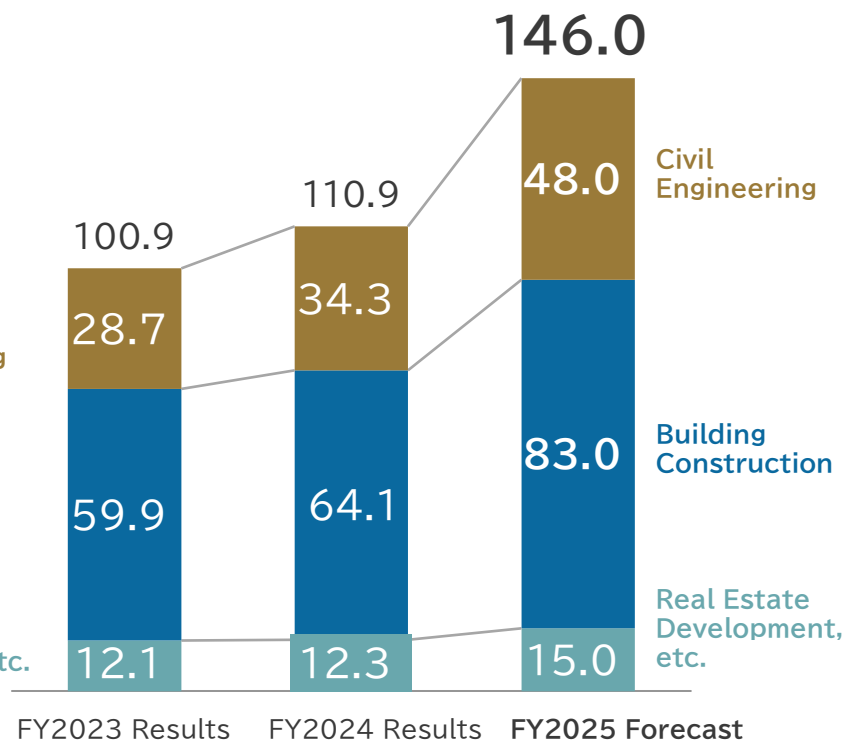
Q3 Results

(¥ billion)

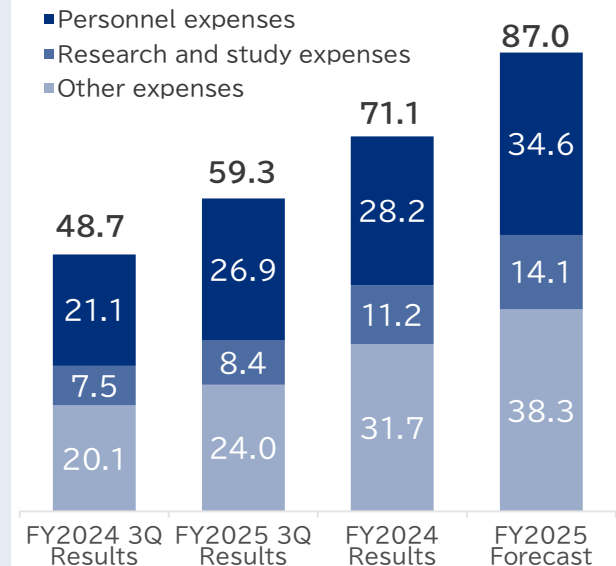


Full-Year

(¥ billion)



Breakdown of SG&A Expenses (Non-Consolidated)



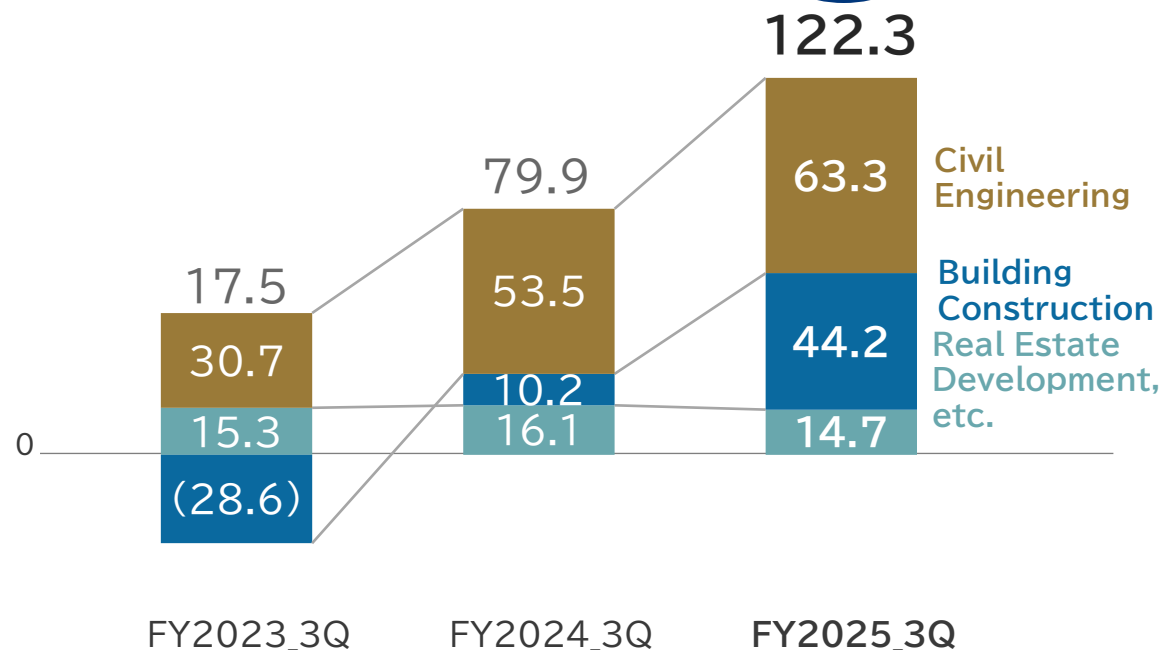
3-6. Operating Income

Operating income for Q3 increased by **53.0%** YoY due to a higher gross profit that more than offset the increase in SG&A expenses.

Q3 Results

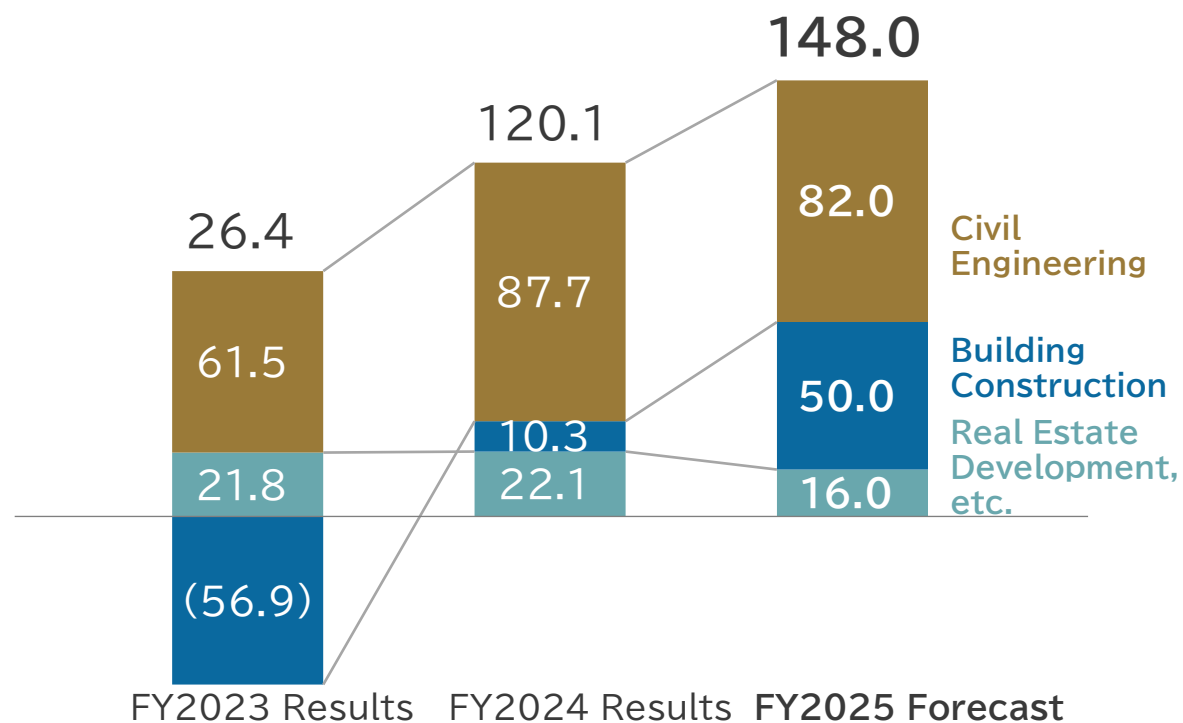
(¥ billion)

Progress rate
vs. full-year
forecast:
82.7%



Full-Year

(¥ billion)

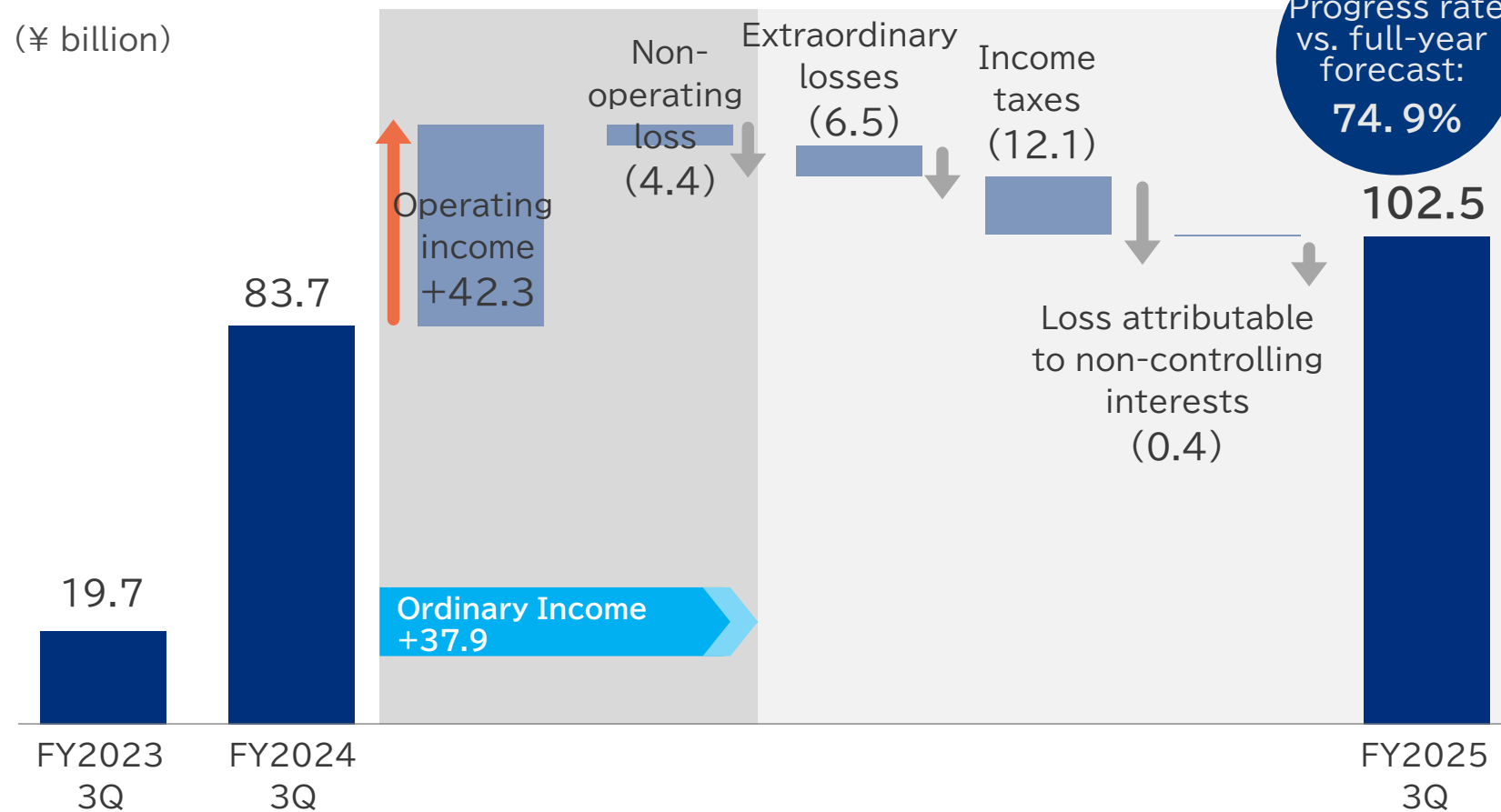


3-7. Quarterly Net Income Attributable to Owners of Parent (Q3)

Net income attributable to owners of the parent for Q3 increased by **22.4%** YoY due to an increase in ordinary income.

- Improved profitability in non-consolidated civil engineering and building construction significantly contributed to higher operating income.

(¥ billion)



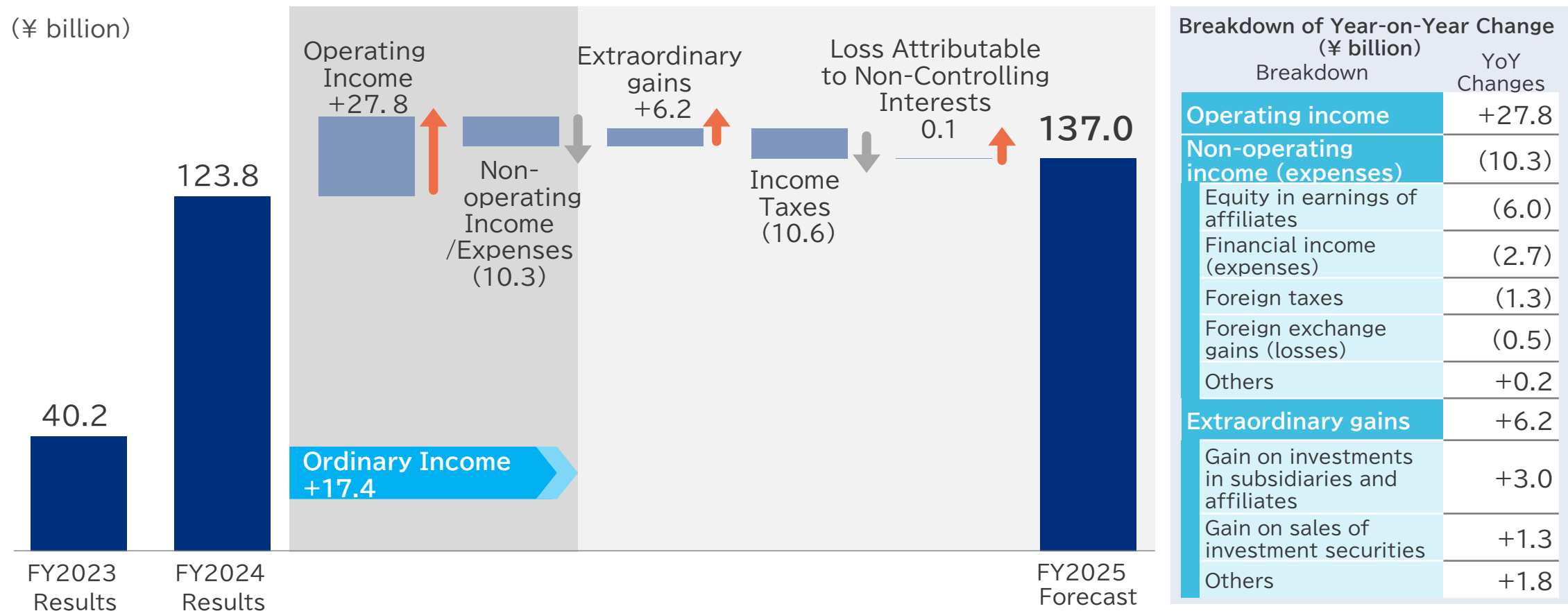
Breakdown of Year-on-Year Change
(¥ billion)

Item	YoY Changes
Operating income	+42.3
Non-operating income (expenses)	(4.4)
Equity in earnings of affiliates	(3.8)
Financial income (expenses)	(1.0)
Foreign exchange gains (losses)	+0.5
Others	(0.1)
Extraordinary gains (losses)	(6.5)
Loss on sales of investment securities	(2.5)
Impairment losses on fixed assets	(3.3)
Others	(0.7)

3-8. (Reference) Net Income Attributable to Owners of Parent (Full-Year Forecast)

- Operating income is expected to increase by 27.8 billion yen YoY mainly due to an improvement in the profit ratio in Domestic Building Construction of Taisei Corporation. Net income is expected to increase by 13.2 billion yen.
- With respect to extraordinary income and loss, gains on sales of investment securities are expected to increase by 1.3 billion yen as a result of the progress in the reduction of cross-shareholdings.
- The effect of the consolidation of Toyo Construction Co., Ltd. has been reflected in the full fiscal year forecast.

(¥ billion)



4. Group Companies' Results (Consolidated vs. Non-Consolidated)

Breakdown of Subsidiary Results by Segment

(¥ billion)

	Orders Received				Net Sales				Gross Profit			
	3Q Results	YoY Changes	Progress Rate vs Full-Year Forecast	Full-Year Forecast	3Q Results	YoY Changes	Progress Rate vs Full-Year Forecast	Full-Year Forecast	3Q Results	YoY Changes	Progress Rate vs Full-Year Forecast	Full-Year Forecast
Taisei Corporation	1,345.2	114.2	88.5%	1,520.0	998.3	(154.8)	69.8%	1,430.0	147.9	50.8	75.5%	196.0
Civil Engineering Subsidiaries	207.0	26.3	69.0%	300.0	186.8	25.6	62.3%	300.0	34.8	7.2	75.7%	46.0
Building Construction Subsidiaries	154.0	10.3	61.6%	250.0	154.6	29.2	64.4%	240.0	22.6	6.3	68.5%	33.0
Real Estate Development and Other Subsidiaries	87.5	(1.2)	72.9%	120.0	87.9	0.1	73.3%	120.0	12.5	(3.2)	65.8%	19.0
Total (Group)	1,793.8	149.6	81.9%	2,190.0	1,427.7	(99.7)	68.3%	2,090.0	217.9	61.1	74.1%	294.0

*The effect of Toyo Construction Co., Ltd. becoming a consolidated subsidiary

New Orders:¥44.1bn Net Sales:¥53.7bn Gross Profit:¥6.5bn [including Civil Engineering, Building Construction and Others] SG&A expenses: Amortization amount of goodwill: ¥2.1bn

The outstanding amount of goodwill of Toyo Construction Co., Ltd.: ¥5.88bn at end of Q3; ¥8.85bn at the end of fiscal year 2025 (expected to increase due to the acquisition of fractional shares), the period of amortization is 7 years (equal amortization)

Major Consolidated Subsidiaries

Civil Engineering

- Taisei Rotec Corporation
- SEIWA RENEWAL WORKS CO., LTD.
- PS Construction Co., Ltd.
- TOYO CONSTRUCTION CO., LTD.

Building Construction

- TAISEI U-LEC CO., LTD.
- TAISEI SETSUBI CO., LTD.
- TAISEI HOUSING CORPORATION
- SATOHIDE CORPORATION
- PS Construction Co., Ltd.
- TOYO CONSTRUCTION CO., LTD.

Real Estate Development and Other

- Taisei-Yuraku Real Estate Co., Ltd.
- Taisei USA LLC

5. Balance Sheet

Interest-bearing debt increased by 292.3 billion yen from the end of the previous fiscal year, resulting in a net debt of 607.8 billion yen. Equity capital decreased by 3.9 billion yen mainly due to the acquisition of treasury shares, and the equity ratio was 33.0%.

Balance Sheet (BS)

Cash and deposits	Interest-bearing debt
300.7	315.5
Cross-shareholdings	Other liabilities
265.0	1,212.6
Other assets	Non-controlling interests
1,863.1	34.5
	Equity
	866.2
	(of which, retained earnings)
	649.2

Total assets 2,428.8
As of end of Mar. 2025

Cash and deposits	Interest-bearing debt
264.4	607.8
Cross-Shareholdings	Other liabilities
295.8	1,102.6
Other assets	Non-controlling interests
2,052.5	40.0
	Equity
	862.3
	(of which, retained earnings)
	558.1

Total assets 2,612.7
As of end of Dec. 2025

Cross-Shareholdings

| Reduction of Cross-Shareholdings

Reduction of Cross-Shareholdings

- Target for reduction: We aim to reduce the amounts of cross-shareholdings to those equivalent to **to less than 20%** of our consolidated net assets **by the end of FY2026**.

Current situation
(as of Q3 FY2025)

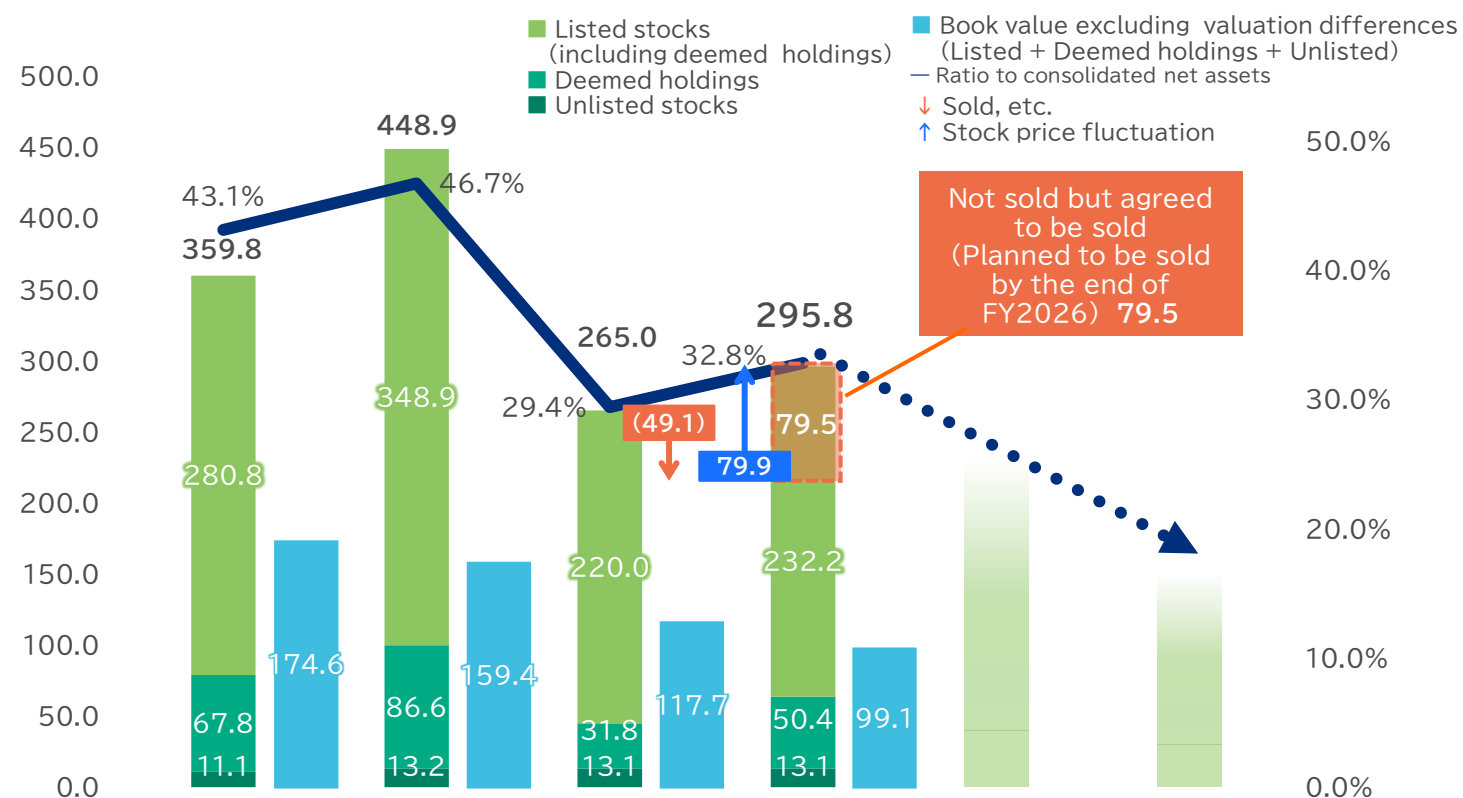
Balance of cross-shareholdings
: **¥295.8 billion**
Ratio to consolidated net assets
: **32.8%**



Future Policy

Implement an additional sale, etc. in order to steadily achieve the reduction target

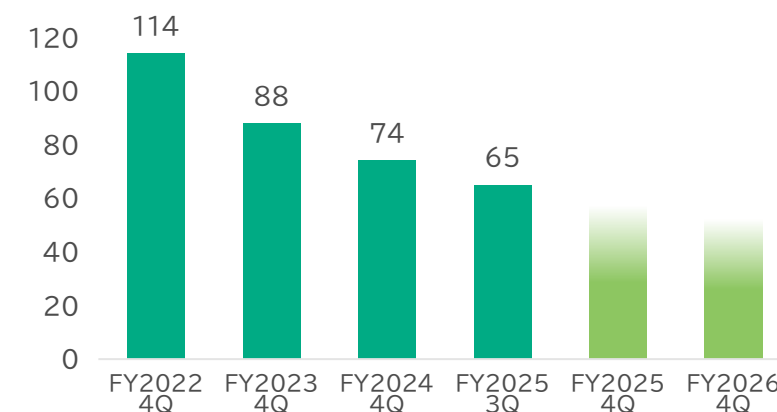
Changes in holding amount and ratio to consolidated net assets



Balance breakdown as of Q3 FY2025

Listed stocks	232.2	(¥ billion)
Deemed holdings of shares	50.4	
Unlisted stocks	13.1	
Total	295.8	

Number of issues Listed + Deemed holdings



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