Consolidated Financial Results
for the First Six Months of the Fiscal Year Ending March 31, 2027
[Japanese GAAP]

November 11, 2026

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Representative: Hirotsugu Otomo, President and COO
Code No.: 1925
URL: https://www.daiwahouse.com/English/
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Scheduled Date of Filing Securities Report: November 12, 2026
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Supplemental documents for the financial results provided: Yes
Results briefing for the period under review provided: Yes (for institutional investors and securities analysts)

(Amounts below one million yen are omitted)

1. Consolidated Results of Operation for the First Six Months Ended September 30, 2026 (From April 1, 2026 to September 30, 2026)

(1) Consolidated Earnings Results (Cumulative)

(% figures represent year-on-year change)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
Six months ended:	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	2,912,657	10.7	250,945	13.3	227,427	10.8	150,122	9.0
September 30, 2025	2,630,945	-0.8	221,399	-5.6	205,341	-7.1	137,718	-11.9

Note: Comprehensive income: Six months ended September 30, 2026: 187,788 million yen (109.2%)
Six months ended September 30, 2025: 89,769 million yen (-60.8%)

	Basic net income per share	Diluted net income per share
Six months ended:	Yen	Yen
September 30, 2026	121.18	—
September 30, 2025	111.31	—

Notes: The Company conducted a two-for-one stock split of its common stock, with September 30, 2026 set as the record date and October 1, 2026 as the effective date. Basic net income per share presented above is calculated assuming that the stock split had been conducted at the beginning of the previous consolidated fiscal year.

	Non-GAAP operating income		Non-GAAP ordinary income		Non-GAAP net income attributable to owners of the parent		Non-GAAP basic net income per share
Six months ended:	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
September 30, 2026	263,960	15.1	242,834	13.1	163,471	11.7	131.96
September 30, 2025	229,297	-5.6	214,743	-6.4	146,340	-10.8	118.28

Notes: Non-GAAP operating income and Non-GAAP ordinary income are profit indicators calculated by adjusting operating income and ordinary income for amortization of actuarial differences for retirement benefits, etc. and amortization of goodwill, intangible assets and other assets associated with acquisitions. Non-GAAP net income attributable to owners of the parent is a profit indicator calculated by adjusting net income attributable to owners of the parent for amortization of actuarial differences for retirement benefits, etc. and amortization of goodwill, intangible assets and other assets associated with acquisitions, and the related tax effects and amounts attributable to non-controlling interests. In addition, Non-GAAP basic net income per share presented above is calculated assuming that the stock split had been conducted at the beginning of the previous consolidated fiscal year.

(2) Consolidated Financial Conditions

	Total assets	Net assets	Net assets ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	9,090,293	3,080,745	32.8
March 31, 2026	8,412,419	3,022,275	34.4

(Reference) Net assets ratio = (Net assets – Non-controlling interests) / Total assets×100
(Net assets – Non-controlling interests) were as follow. September 30, 2026: 2,984,874 million yen; March 31, 2026: 2,896,744 million yen

2. Dividends

	Dividend per share				
	End of 1st quarter (June 30)	End of 2nd quarter (Sept. 30)	End of 3rd quarter (Dec. 31)	Fiscal year-end (Mar. 31)	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	75.00	—	100.00	175.00
Fiscal year ending March 31, 2027	—	86.00			
Fiscal year ending March 31, 2027 (forecasts)			—	47.00	—

Notes: 1. Revisions to the latest dividend forecasts announced: Yes
2. Dividend for the fiscal year ended March 31, 2026: Ordinary dividend 165.00 yen; 70th anniversary commemorative dividend 10.00 yen (Pre-stock split basis)
3. The Company conducted a two-for-one stock split of its common stock, with September 30, 2026 as the record date and October 1, 2026 as the effective date. The fiscal year-end dividend per share for the fiscal year ending March 31, 2027 (forecasts) shown above has been calculated on a post-stock split basis. The annual dividend per share for the fiscal year ending March 31, 2027 (forecasts) is not presented, as the interim dividend and the fiscal year-end dividend cannot be simply aggregated due to the implementation of the stock split. If the stock split were not taken into account, the fiscal year-end dividend per share for the fiscal year ending March 31, 2027 (forecasts) would be 94.00 yen, and the annual dividend per share would be 180.00 yen.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2027 (From April 1, 2026 to March 31, 2027)

(% figures represent year-on-year change)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Basic net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	6,150,000	10.3	500,000	-18.7	438,000	-23.4	287,000	-18.1	231.65

	Non-GAAP operating income		Non-GAAP ordinary income		Non-GAAP net income attributable to owners of the parent		Non-GAAP basic net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	525,000	2.1	467,000	-1.9	311,000	7.4	251.02

Notes: 1. Revisions to the latest earnings forecasts announced: Yes
2. The Company conducted a two-for-one stock split of its common stock, with September 30, 2026 set as the record date and October 1, 2026 as the effective date. Basic net income per share in the consolidated earnings forecasts for the fiscal year ending March 31, 2027 has been calculated on a post-stock split basis. If the stock split were not taken into account, basic net income per share would be 463.30 yen, and Non-GAAP basic net income per share would be 502.05 yen.

Notes:

(1) Significant Changes in the Scope of Consolidation during the Period under Review: None

(2) Application of Accounting Methods Unique to the Preparation of the Semi-Annual Consolidated Financial Statements: None

(3) Changes in Accounting Policies Applied, Changes in Accounting Estimates and Retrospective Restatement

1) Changes in accounting policies applied due to amendment of accounting standards: None
2) Changes in accounting policies due to reasons other than 1): None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(4) Number of Issued and Outstanding Shares (Common Stock)

1) Number of shares at the end of the period (including treasury stock)

As of September 30, 2026	1,319,660,172 shares	As of March 31, 2026	1,319,272,364 shares

2) Number of treasury stock at the end of the period

As of September 30, 2026	80,580,644 shares	As of March 31, 2026	80,578,174 shares

3) Average number of shares during the period

Six months ended September 30, 2026	1,238,803,538 shares	Six months ended September 30, 2025	1,237,256,198 shares

Notes: The Company conducted a two-for-one stock split of its common stock, with September 30, 2026 set as the record date and October 1, 2026 as the effective date. The number of issued shares (common stock) presented above is calculated assuming that the stock split had been conducted at the beginning of the previous consolidated fiscal year.

*** This semi-annual financial results report is not required to be audited by certified public accountants or audit corporations**

*** Remarks on appropriate use of consolidated earnings forecasts and other special matters**

(Notes regarding forward-looking statements)

Consolidated earnings forecasts are based on assumptions in light of the information available as of the date of announcement of this material and the factors of uncertainty that may possibly impact the future results of operation. These statements do not mean that the Company pledges to realize such statements. Actual results may differ significantly from those presented herein as a consequence of numerous factors such as the financial market, economic conditions, competitor situations and fluctuations in land prices.

For the suppositions that form the assumptions for earnings forecasts, please refer to the section of "1. Summary of Earnings Results, etc. (4) Consolidated Earnings Forecasts and Other Forward-Looking Statements" of "the Attached Material" on page 6.

(Obtaining supplementary explanatory materials)

The Company plans to hold a briefing for institutional investors and securities analysts on November 11, 2026. Financial results presentation materials to be distributed at the briefing will be posted on the Company's official website at the same time.

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1. Summary of Earnings Results, etc.

(1) Summary of Consolidated Earnings Results for the Period under Review

During the first six-month period under review, the global economy remained resilient overall; however, the outlook remained uncertain due to factors such as energy and material price trends affected by the situation in the Middle East. The Japanese economy maintained its moderate trend toward a recovery, supported by improved employment and income conditions as well as an increasing trend in capital investment. However, it remained necessary to monitor the impact of rising prices, increasing funding costs, fluctuations in foreign exchange rates and other factors.

The number of new housings starts in the domestic housing market from April 2026 to September 2026 increased year on year for owner-occupied houses, rental housing and built-for-sale houses, resulting in a year-on-year increase overall. In the general construction market, although the total floor area of new construction starts increased for offices, it decreased for stores, factories and warehouses resulting in a year-on-year decrease overall.

The Group has disclosed Non-GAAP operating income and Non-GAAP net income attributable to owners of the parent beginning with the current semi-annual consolidated accounting period as indicators that show the profitability of its businesses and the results of growth investments. For details of the Non-GAAP profit indicators, please refer to “(3) Objective Indicators for Assessing the Achievement of Management Targets.”

Amid this operating environment, the Daiwa House Group recorded consolidated net sales of 2,912,657 million yen (+10.7% year on year) for the first six months of the fiscal year ending March 31, 2027. Non-GAAP operating income came to 263,960 million yen (+15.1% year on year), while Non-GAAP net income attributable to owners of the parent amounted to 163,471 million yen (+11.7% year on year).

Results by business segment are as follows. Beginning with the current semi-annual consolidated accounting period, the Group has changed the method used to measure profit or loss of reportable segments. For details, please refer to “2. Consolidated Financial Statements and Main Notes, (4) Notes on Segment Information, etc.”

Single-Family Houses Business

Net sales in the Single-Family Houses Business amounted to 638,383 million yen (+18.0% year on year), and Non-GAAP operating income came to 30,789 million yen (+16.9% year on year).

In Japan, the Company focused on expanding sales of “Smart Made Housing.,” which combines the advantages of both custom designs and standardized houses, and “Ready Made Housing.,” built-for-sale houses that offer the quality of custom-built houses. The Company implemented various demand-capturing campaigns to improve communication with customers. Sales of products in the high price range continued to be strong, mainly in urban areas. In addition, the renovation and acquisition-and-sale businesses of the Livness business also contributed to performance.

In the United States, sales incentives have remained high amid an upward trend in mortgage rates, putting downward pressure on profit margins. At the same time, orders received and houses delivered from January to June 2026 increased year on year by 21% and 28% respectively, driven by an increase in sales communities and strengthened sales initiatives. In May 2026, the Company acquired all shares in United Homes Group, Inc., an operator of a single-family housing business in the states of South Carolina, North Carolina and Georgia, through Stanley Martin Homes, LLC. United Homes Group, Inc. has become a wholly owned subsidiary of the Group.

Rental Housing Business

Net sales in Rental Housing Business amounted to 735,917 million yen (+4.7% year on year), and Non-GAAP operating income came to 79,101 million yen (+4.3% year on year).

In this business, the Company provides proposals and support for rental housing management to help property owners build assets. For "MOKURIE," wooden apartment complexes launched in May 2026, two buildings were completed by the end of September. The Company will continue to work to facilitate the creation of new lifestyles by providing valuable housing.

Daiwa Living Co., Ltd., under the "D-ROOM" rental housing brand, strengthened efforts to secure management contracts for ZEH-M properties (Net Zero Energy House Mansion) and enhance property value through renovations. These initiatives contributed to an increase in managed units while maintaining a high occupancy rate. It also works to address social issues through regional revitalization activities, including an agreement with Nara City, and strives to provide housing that continues to be chosen even amid population decline.

Daiwa House Chintai Reform Co., Ltd., worked to enhance asset value and address challenges faced by rental housing owners through its renovation, new construction of wooden apartment complex and real estate businesses.

Overseas, in the U.S., the Group works to improve the occupancy rates and profitability of its properties while closely monitoring supply and demand trends and transaction conditions in the U.S. rental housing market. The Group also promotes the development of rental housing in major U.S. cities in collaboration with Alliance Residential Company*.

* Alliance Residential Company is a collective name for ARC Venture LLC and other companies.

Condominiums Business

Net sales in Condominiums Business amounted to 140,161 million yen (+4.4% year on year), and Non-GAAP operating income came to 14,309 million yen (+75.2% year on year).

In this business, the Company engages in the sale of new condominiums, mainly in the Tokyo Metropolitan area and regional hub cities. In July 2026, the Company started selling "Mondomio Fukuoka Hakata Higashihie Station." It is the first Mondomio-branded property in Fukuoka Prefecture. The Mondomio condominium brand meets a wide variety of needs, including primary residences, second homes and rental use. Sales were generally strong.

Daiwa Lifenext Co., Ltd. worked to develop the next-generation building management model using building equipment and cleaning robots at "Yodoyabashi Gate Tower," (Osaka) with the aim of improving management quality and operational efficiency. In addition, it prepared to open "L-Place Sakaisuji-Hommachi," (Osaka), its 77th corporate rental dormitory, while strengthening its business foundation in real estate management and operations. The business remained steady.

Commercial Facilities Business

Net sales in Commercial Facilities Business amounted to 669,950 million yen (+5.2% year on year), and Non-GAAP operating income came to 82,146 million yen (-5.9% year on year).

In this business, the Company proposes various plans tailored to the business strategies of tenant companies and area characteristics. The Company is strengthening its efforts on large-scale properties and expanding its built-for-sale, which handles the entire process from development and leasing to design and

construction, as well as its acquisition-and-sale business. In August 2026, the “D-Scape Kanda” urban commercial building (Tokyo)* was completed.

Overseas, in Orlando, Florida, the dual-brand hotel comprising “EVEN Hotel Orlando Universal Blvd by IHG” and “Staybridge Suites Orlando Universal Blvd by IHG,” the Company’s first hotel development project in the U.S., held its grand opening in September 2026.

Daiwa Lease Co., Ltd. opened the “Hitachiota City Public-Private Partnership Complex” (Ibaraki Prefecture) in June 2026. Developed through a public-private partnership, the facility includes a bookstore, a cafe and other amenities that were highly requested by residents. It also has a study space and a lawn area, helping to promote community interaction and create a vibrant atmosphere in the area.

In the urban hotels business operated by Daiwa House Realty Mgt. Co., Ltd., “Daiwa Roynet Hotel Matsue Ekimae” opened in August 2026, bringing the total number of hotels in Japan to 77, with 16,352 rooms as of the end of September. As a result of implementing a sales strategy focused on room rates, ADR (Average Daily Rate) and RevPAR (Revenue per Available Room) increased year on year.

* Name of a high value-added urban commercial facility with a distinctive exterior that connects with the surrounding community and encourages people to explore and spend time in the area.

Logistics, Business & Corporate Facilities Business

Net sales in Logistics, Business & Corporate Facilities Business amounted to 697,002 million yen (+17.8% year on year), and Non-GAAP operating income came to 88,874 million yen (+39.9% year on year).

In this business, the Company provides comprehensive support for facility development tailored to the diverse needs of corporate customers and the effective use of real estate, while working to expand its business.

In logistics facility development, construction commenced on two properties: “DPL Ibaraki II” (Osaka) and “DPL Sapporo Minami V”. In addition, “DPL Osaka Nanko I,” a facility entirely dedicated to refrigerated and frozen storage, was completed, while sales of operating properties also progressed.

In the office and factory-related business, the Company worked to develop production facilities across a wide range of manufacturing fields, including the semiconductor industry, while orders for large-scale projects remained steady.

In the Livness Business, the Company sold “BIZ Livness Inage,” “BIZ Livness Inzai” (Chiba Prefecture) and “BIZ Livness Ibaraki Shimotsuma.” The Company also acquired “BIZ Livness Utsunomiya-shi Tonyamachi.”

In the data center business, construction commenced on the fifth of 14 planned buildings at “DPDC Inzai Park” (Chiba Prefecture).

Fujita Corporation received orders for large-scale offices, accommodation facilities and other projects, and construction orders remained steady.

At Semlinks Co., Ltd.*, power transmission line construction for electric power companies and data center-related construction in Japan and overseas contributed to steady levels of both orders received and the construction order backlog.

Daiwa House Property Management Co., Ltd. signed new property management agreements for three

buildings: “DPL Osaka Nanko I” and “D Project Kawaguchi Ryoke B,” (Saitama Prefecture) which are both logistics facilities, and the “DP-Lab Kobe” (Hyogo Prefecture) research facility. As a result, the number of managed buildings reached 273, with a total managed floor area of approximately 11.49 million square meters as of September 30, 2026.

In the logistics services business, orders in the IT business remained firm at the Daiwa Logitech Group. It also worked on projects to reduce labor and automate logistics operations to acquire new customers.

Overseas, preparatory work for three buildings was started in “Blue Ridge Commerce Center Phase II,” the second logistics facility development project in the U.S. In addition, three of the five buildings in the first project, “Blue Ridge Commerce Center Phase I,” were sold, contributing to the monetization of the project.

* The company changed its name from Sumitomo Densetsu Co., Ltd. effective October 1, 2026.

Environment and Energy Business

Net sales in Environment and Energy Business amounted to 77,186 million yen (+18.4% year on year), and Non-GAAP operating income came to 8,840 million yen (+12.3% year on year)

In this business, the Group operates three businesses: the EPC business, IPP business and PPS business.

In the EPC and IPP businesses, the Group contributed to the wider adoption of renewable energy through the expansion of off-site PPAs (Power Purchase Agreements).

In the PPS business, the Group endeavored to maintain relationships with existing customers and worked to expand contracted capacity. Although wholesale electricity market prices rose due to higher fuel prices and other factors, the Group maintained stable operations and secured earnings by procuring most of its power supply through bilateral contracts.

As a new initiative, the Company entered the battery storage business, and its first grid-scale battery storage facility at its Kyushu Plant commenced operations in September 2026.

Overseas, the Company focused on exploring new on-site PPA project opportunities through its joint venture with WHA Corporation in Thailand.

(2) Summary of Financial Conditions for the Period under Review

Total assets as of the end of the consolidated six-month reporting period amounted to 9,090,293 million yen, an increase of 677,873 million yen compared with 8,412,419 million yen in total assets at the end of the previous consolidated fiscal year. This was mainly due to an increase in inventories resulting from the acquisition of real estate for sale in Single-Family Houses Business and Commercial Facilities Business.

Total liabilities as of the end of the consolidated six-month reporting period amounted to 6,009,548 million yen, an increase of 619,403 million yen compared with 5,390,144 million yen in total liabilities at the end of the previous consolidated fiscal year. The principal reason for this was that the Company raised funds through bank borrowings and the issuance of commercial paper for the acquisition of real estate for sale, investment real estate, and other purposes.

Total net assets as of the end of the consolidated six-month reporting period amounted to 3,080,745 million yen, an increase of 58,469 million yen compared with 3,022,275 million yen at the end of the previous consolidated fiscal year. The main factor behind this was the posting of 150,122 million yen in net income attributable to owners of the parent, despite the payment of 61,934 million yen in dividends to shareholders for the previous consolidated fiscal year and a decrease in non-controlling interests. At the end of the period under review, these results were 3,717,743 million yen in interest-bearing liabilities excluding lease obligations among others, and a debt-equity ratio of 1.25 times. After taking the hybrid financing into

account, the debt-equity ratio came to 1.16 times*.

*The debt-equity ratio is calculated considering the publicly offered hybrid bonds (subordinated bonds) and hybrid loans (subordinated loans) totaling 250 billion yen with a 50% equity credit in terms of rating.

(3) Objective Indicators for Assessing the Achievement of Management Targets

The Group has disclosed Non-GAAP operating income* and Non-GAAP net income attributable to owners of the parent* beginning with the current semi-annual consolidated accounting period as key performance indicators for management purposes that clearly demonstrate the profitability of its businesses and the results of growth investments.

As its management policy, the Group has set a target of Non-GAAP ROE of 10% or higher and will work to improve capital profitability. As its shareholder return policy, the Group has adopted a progressive dividend policy and set a dividend payout ratio of 35% or higher based on Non-GAAP annual net income attributable to owners of the parent, aiming to sustainably enhance corporate value and increase shareholder returns.

*Non-GAAP operating income is a profit indicator calculated by adjusting operating income for amortization of actuarial differences for retirement benefits, etc. and amortization of goodwill, intangible assets and other assets associated with acquisitions. Non-GAAP net income attributable to owners of the parent is a profit indicator calculated by adjusting net income attributable to owners of the parent for amortization of actuarial differences for retirement benefits, etc., amortization of goodwill, intangible assets and other assets associated with acquisitions, and the related tax effects and the portion attributable to non-controlling interests.

(4) Consolidated Earnings Forecasts and Other Forward-Looking Statements

Based on the results for the second quarter, the Company has revised consolidated business forecasts for the fiscal year ending March 31, 2027. For details, please refer to “Notice Concerning Revisions of Earnings Forecasts and Dividend Forecasts for the Fiscal Year Ending March 31, 2027” announced on November 11, 2026.

2. Consolidated Financial Statements and Main Notes
(1) Consolidated Balance Sheets

(Millions of yen)

		As of March 31, 2026		As of September 30, 2026
Assets				
Current assets				
Cash and bank deposits		434,371		583,618
Trade notes and accounts receivable		552,672		595,378
Mortgage notes receivable held for sale		39,743		46,431
Securities maturing within one year		195		187
Costs on construction contracts in progress		74,010		88,439
Real estate for sale	*1	2,303,351	*1	2,613,174
Real estate for sale in process	*1	760,317	*1	892,588
Undeveloped land for sale		710		56
Merchandise and finished goods		22,342		22,899
Work in process		9,313		11,755
Raw materials and supplies		9,596		9,510
Other current assets		499,260		509,681
Allowance for doubtful accounts		(3,188)		(3,320)
Total current assets		4,702,696		5,370,400
Non-current assets				
Property, plant and equipment				
Buildings and structures		1,671,419		1,712,696
Accumulated depreciation		(660,178)		(677,287)
Buildings and structures, net	*1	1,011,241	*1	1,035,409
Land	*1	933,879	*1	909,223
Other tangible assets		659,613		666,025
Accumulated depreciation		(261,663)		(272,438)
Other, net	*1	397,950	*1	393,587
Total property, plant and equipment		2,343,071		2,338,220
Intangible assets				
Goodwill		159,917		179,307
Other intangible assets	*1	222,849	*1	214,518
Total intangible assets		382,767		393,825
Investments and other assets				
Investment securities		303,797		303,737
Assets for employees' retirement benefits		237,745		234,369
Lease deposits		257,030		261,973
Other assets		188,189		191,098
Allowance for doubtful accounts		(2,878)		(3,331)
Total investments and other assets		983,884		987,846
Total non-current assets		3,709,723		3,719,892
Total assets		8,412,419		9,090,293

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Trade notes and accounts payable	395,523	372,590
Short-term loans from banks	757,904	1,134,642
Current portion of bonds	65,000	51,000
Current portion of long-term loans from banks	154,993	208,867
Commercial papers	179,000	255,000
Income taxes payable	93,233	73,378
Advances received	140,055	145,408
Advances received on construction projects in progress	243,683	381,965
Accrued bonuses	98,340	66,317
Provision for warranties for completed construction	13,543	13,333
Provision for loss on construction contracts	25,037	26,055
Asset retirement obligations	5,620	4,591
Other current liabilities	490,197	398,253
Total current liabilities	2,662,133	3,131,403
Non-current liabilities		
Bonds	714,000	643,000
Long-term loans from banks	1,205,808	1,425,233
Lease deposits received	315,410	316,690
Liabilities for employees' retirement benefits	97,857	98,053
Asset retirement obligations	65,929	68,542
Other non-current liabilities	329,003	326,625
Total non-current liabilities	2,728,010	2,878,144
Total liabilities	5,390,144	6,009,548
Net assets		
Shareholders' equity		
Common stock	162,602	163,043
Capital surplus	293,897	260,158
Retained earnings	2,387,104	2,475,482
Treasury stock	(185,546)	(185,551)
Total shareholders' equity	2,658,058	2,713,133
Accumulated other comprehensive income		
Unrealized gain (loss) on securities	64,810	63,454
Deferred gain (loss) on hedging instruments	(794)	1,413
Land revaluation reserve	11,520	11,329
Foreign currency translation adjustments	163,148	195,544
Total accumulated other comprehensive income	238,685	271,741
Non-controlling interests	125,531	95,870
Total net assets	3,022,275	3,080,745
Total liabilities and net assets	8,412,419	9,090,293

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

(Consolidated Statements of Income)

(Millions of yen)

	Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)	Six months ended September 30, 2026 (From April 1, 2026 to September 30, 2026)
Net sales	2,630,945	2,912,657
Cost of sales	2,091,608	2,310,577
Gross profit	539,336	602,080
Selling, general and administrative expenses	317,936	351,134
Operating income	221,399	250,945
Non-operating income		
Interest income	2,332	2,632
Dividend income	2,512	3,392
Gain on valuation of derivatives	―	21
Miscellaneous income	6,482	9,487
Total non-operating income	11,326	15,533
Non-operating expenses		
Interest expenses	20,633	28,204
Share of loss of entities accounted for using equity method	516	2,172
Miscellaneous expenses	6,235	8,674
Total non-operating expenses	27,385	39,051
Ordinary income	205,341	227,427
Extraordinary income		
Gain on sales of non-current assets	170	298
Gain on sales of investments in securities	1,327	4,356
Gain on sales of shares of subsidiaries and affiliates	1,382	615
Total extraordinary income	2,881	5,270
Extraordinary losses		
Loss on sales of non-current assets	198	571
Loss on disposal of non-current assets	419	817
Impairment loss	10	1,220
Loss on sales of investment securities	1	1
Loss on revaluation of investment securities	―	29
Loss on sales of shares of subsidiaries and affiliates	53	―
Loss on disaster	―	780
Total extraordinary losses	683	3,420
Profit before income taxes	207,539	229,277
Current	62,042	72,104
Deferred	6,925	4,665
Total income taxes	68,967	76,769
Profit	138,571	152,507
Profit attributable to non-controlling interests	853	2,385
Profit attributable to owners of the parent	137,718	150,122

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)	Six months ended September 30, 2026 (From April 1, 2026 to September 30, 2026)
Profit	138,571	152,507
Other comprehensive income		
Unrealized gain (loss) on securities	9,973	(1,244)
Deferred gain (loss) on hedging instruments	(3,399)	2,207
Foreign currency translation adjustments	(55,875)	35,538
Share of other comprehensive income (loss) of affiliates accounted for by the equity method	498	(1,220)
Total other comprehensive income	(48,802)	35,280
Comprehensive income	89,769	187,788
Total comprehensive income attributable to:		
Owners of the parent	95,272	183,368
Non-controlling interests	(5,503)	4,419

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)	Six months ended September 30, 2026 (From April 1, 2026 to September 30, 2026)
Cash flows from operating activities:		
Profit before income taxes	207,539	229,277
Depreciation	68,210	74,609
Net increase (decrease) in assets and liabilities for employees' retirement benefits	1,537	3,845
Interest and dividend income	(4,844)	(6,025)
Interest expenses	20,633	28,204
Equity in losses (earnings) of affiliates	516	2,172
Net loss (gain) on sales and disposal of property, plant and equipment	447	1,090
Impairment loss	10	1,220
Loss (gain) on revaluation of investment securities	―	29
Decrease (increase) in trade receivables	(25,163)	(42,501)
Decrease (increase) in inventories	(219,200)	(265,074)
Increase (decrease) in advances received	2,788	4,671
Increase (decrease) in advances received on construction projects in progress	16,252	138,216
Increase (decrease) in trade payables	(29,473)	(29,245)
Other	(6,352)	(95,550)
Subtotal	32,899	44,940
Interest and dividends received	5,882	7,328
Interest paid	(19,341)	(27,663)
Income taxes paid	(98,623)	(93,900)
Net cash provided by (used in) operating activities	(79,183)	(69,294)
Cash flows from investing activities:		
Purchase of property, plant and equipment and intangible assets	(226,901)	(186,320)
Proceeds from sales of property, plant and equipment	380	1,195
Purchase of investment securities	(19,321)	(12,625)
Proceeds from sales and redemption of investment securities	2,586	15,057
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(3,158)	(44,514)
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	(100)	―
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	267	1,673
Payments for acquisition of businesses	(55)	(11,927)
Proceeds from collection of leasehold and guarantee deposits	11,746	11,259
Payments of leasehold and guarantee deposits	(13,324)	(15,497)
Other	(1,577)	(4,410)
Net cash provided by (used in) investing activities	(249,459)	(246,109)

	Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)	Six months ended September 30, 2026 (From April 1, 2026 to September 30, 2026)
Cash flows from financing activities:		
Net increase (decrease) in short-term loans from banks	229,751	370,751
Net increase (decrease) in commercial papers	160,000	76,000
Proceeds from long-term loans from banks	241,034	428,659
Repayments of long-term loans from banks	(190,559)	(177,204)
Proceeds from issuance of bonds	35,000	―
Redemption of bonds	(55,000)	(85,000)
Repayments of finance lease obligations	(6,034)	(8,416)
Proceeds from share issuance to non-controlling shareholders	3,543	4,210
Purchase of treasury stock	(7)	(6)
Proceeds from disposal of treasury stock	―	0
Dividends paid	(49,486)	(61,934)
Purchase of investments in subsidiaries that do not result in change in scope of consolidation	(12,839)	(81,590)
Other	(7,750)	(7,423)
Net cash provided by (used in) financing activities	347,651	458,045
Effect of exchange rate changes on cash and cash equivalents	(2,778)	3,914
Net increase (decrease) in cash and cash equivalents	16,230	146,555
Cash and cash equivalents at the beginning of the fiscal year	326,954	424,588
Cash and cash equivalents at the end of the period	343,185	571,144

(4) Notes

Notes on Premise of Going Concern

No items to report.

Notes on Significant Changes in the Amount of Shareholders' Equity

No items to report.

Notes on Semi-Annual Consolidated Balance Sheet

*1 Change of the Holding Purpose of Real estate for Sale, etc. and Non-current Assets

Due to the change in the holding purpose, investment real estate recorded under "Buildings and structures," "Land" and other items in non-current assets was reclassified to "Real estate for sale" and other items in current assets. The amounts are as follows:

(Millions of yen)

	Previous fiscal year (As of March 31, 2026)	Reporting interim accounting period (As of September 30, 2026)
	93,697	104,930

Notes on Segment Information, etc.

Segment Information

I Six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)

1. Sales and Segment Profit or Loss by Reportable Business Segment

(Millions of yen)

	Reportable Business Segments						
	Single-Family Houses	Rental Housing	Condominiums	Commercial Facilities	Logistics, Business & Corporate Facilities	Environment and Energy	Total
Sales							
(1) Sales to customers	537,310	701,789	129,780	633,913	571,132	43,397	2,617,324
(2) Inter-segment sales or transfers	3,895	1,407	4,420	3,188	20,732	21,802	55,447
Total	541,206	703,196	134,200	637,101	591,865	65,200	2,672,771
Segment profit	26,342	75,835	8,165	87,259	63,505	7,868	268,977

Segment profit	26,342	75,835	8,165	87,259	63,505	7,868	268,977
Amortization of actuarial differences for retirement benefits, etc.	—	—	—	—	—	—	—
Amortization of goodwill, intangible assets and other assets associated with acquisitions	(2,893)	(797)	(585)	(2,258)	(1,712)	—	(8,247)
Operating income	23,448	75,038	7,580	85,000	61,793	7,868	260,730

	Other Businesses (Note: 1)	Subtotal	Adjustment (Note: 2)	Amounts on the Semi-Annual Consolidated Statement of Income (Note: 3)
Sales				
(1) Sales to customers	13,620	2,630,945	—	2,630,945
(2) Inter-segment sales or transfers	13,741	69,188	(69,188)	—
Total	27,361	2,700,133	(69,188)	2,630,945
Segment profit	3,040	272,018	(42,721)	229,297

Segment profit	3,040	272,018	(42,721)	229,297
Amortization of actuarial differences for retirement benefits, etc.	—	—	—	—
Amortization of goodwill, intangible assets and other assets associated with acquisitions	—	(8,247)	349	(7,897)
Operating income	3,040	263,771	(42,371)	221,399

Notes:
1. Other Businesses include financial business and others.
2. -42,721 million yen in adjustment to segment profit includes -1,126 million yen in inter-segment elimination, and -41,594 million yen in corporate expenses not allocated to each business segment. Corporate expenses mainly consist of general and administrative expenses and experiment and research expenses not attributable to reportable business segments.
3. Segment profit is presented as Non-GAAP operating income, calculated by adding amortization of actuarial differences for retirement benefits, etc. and amortization of goodwill, intangible assets and other assets associated with acquisitions to operating income in the Semi-Annual Consolidated Statement of Income.

II Six months ended September 30, 2026 (From April 1, 2026 to September 30, 2026)

1. Sales and Segment Profit or Loss by Reportable Business Segment

(Millions of yen)

	Reportable Business Segments						
	Single-Family Houses	Rental Housing	Condominiums	Commercial Facilities	Logistics, Business & Corporate Facilities	Environment and Energy	Total
Sales							
(1) Sales to customers	633,312	735,295	136,125	664,566	676,827	53,100	2,899,227
(2) Inter-segment sales or transfers	5,071	622	4,035	5,383	20,175	24,085	59,374
Total	638,383	735,917	140,161	669,950	697,002	77,186	2,958,601
Segment profit	30,789	79,101	14,309	82,146	88,874	8,840	304,063

Segment profit	30,789	79,101	14,309	82,146	88,874	8,840	304,063
Amortization of actuarial differences for retirement benefits, etc.	—	—	—	—	—	—	—
Amortization of goodwill, intangible assets and other assets associated with acquisitions	(2,881)	(859)	(585)	(314)	(8,689)	—	(13,329)
Operating income	27,908	78,242	13,724	81,831	80,185	8,840	290,733

	Other Businesses (Note: 1)	Subtotal	Adjustment (Note: 2)	Amounts on the Semi-Annual Consolidated Statement of Income (Note: 3)
Sales				
(1) Sales to customers	13,430	2,912,657	—	2,912,657
(2) Inter-segment sales or transfers	15,412	74,787	(74,787)	—
Total	28,843	2,987,445	(74,787)	2,912,657
Segment profit	2,070	306,134	(42,173)	263,960

Segment profit	2,070	306,134	(42,173)	263,960
Amortization of actuarial differences for retirement benefits, etc.	—	—	—	—
Amortization of goodwill, intangible assets and other assets associated with acquisitions	—	(13,329)	314	(13,015)
Operating income	2,070	292,804	(41,859)	250,945

Notes:
1. Other Businesses include financial business and others.
2. -42,173 million yen in adjustment to segment profit includes -1,146 million yen in inter-segment elimination, and -41,026 million yen in corporate expenses not allocated to each business segment. Corporate expenses mainly consist of general and administrative expenses and experiment and research expenses not attributable to reportable business segments.
3. Segment profit is presented as Non-GAAP operating income, calculated by adding amortization of actuarial differences for retirement benefits, etc. and amortization of goodwill, intangible assets and other assets associated with acquisitions to operating income in the Semi-Annual Consolidated Statement of Income.

2. Changes in Business Segment Classification Method

Change in the Method of Measuring Profit or Loss of Reportable Segments

Previously, segment profit was presented as operating income or loss. Beginning with the current semi-annual consolidated accounting period, the Group changed its key performance indicator for management purposes to Non-GAAP operating income, an indicator of business profitability and the results of growth investments. Accordingly, segment profit is presented as Non-GAAP operating income, calculated by adding amortization of actuarial differences for retirement benefits, etc. and amortization of goodwill, intangible assets and other assets associated with acquisitions to operating income.

Segment information for the previous semi-annual consolidated accounting period is also presented using Non-GAAP operating income as segment profit.

Significant Subsequent Events

Stock Split

The Company conducted a stock split effective October 1, 2026, pursuant to a resolution of its Board of Directors at a meeting held on May 13, 2026.

1. Purpose of the Stock Split
The purpose of the stock split is to reduce the investment amount per trading unit of the Company's shares, thereby enhancing the liquidity of the Company's shares and expanding its investor base.

2. Overview of the Stock Split

(1) Method of the stock split
With a record date of September 30, 2026, the Company conducted a two-for-one stock split, whereby each share of the Company's common stock owned by shareholders listed or recorded in the final register of shareholders as of that date was split into two shares.

(2) Number of shares to be increased by the stock split

Total number of issued shares prior to the stock split	659,830,086
Number of shares to be increased by the stock split	659,830,086
Total number of issued shares after the stock split	1,319,660,172
Total number of authorized shares after the stock split	1,900,000,000 (Unchanged)

* The Company issued 193,904 new shares on August 25, 2026 as subsequent delivery-type restricted stock compensation and performance-linked restricted stock compensation, pursuant to a resolution of the Board of Directors at a meeting held on July 9, 2026.

(3) Schedule for the stock split

Public notice of record date	September 11, 2026 (Friday)
Record date	September 30, 2026 (Wednesday)
Effective date	October 1, 2026 (Thursday)

(4) Impact on per share information
For the impact on per-share information, please refer to "Basic net income per share" and "Diluted net income per share" in the summary information.

Disclaimer:
This English translation has been prepared for general reference purposes only. The Company shall not be responsible for any consequence resulting from the use of the English translation in place of the original Japanese text. In any legal matter, readers should refer to and rely upon the original Japanese text released on November 11, 2026.