Consolidated Financial Results
for the First Three Months of the Fiscal Year Ending March 31, 2026
[Japanese GAAP]

August 6, 2025

Name of Listed Company: Daiwa House Industry Co., Ltd.
Representative: Hirotsugu Otomo, President and COO
Code No.: 1925
URL: https://www.daiwahouse.com/English/
Listed Exchanges: Prime Market of the Tokyo Stock Exchange
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Scheduled date of commencement of dividend payment: —
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 Three Months Ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

(1) Consolidated Earnings Results

(% figures represent year-on-year change)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
Three months ended:	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	1,292,144	0.4	118,116	-3.1	111,939	-6.2	76,239	-16.6
June 30, 2024	1,287,182	6.0	121,847	30.9	119,365	31.4	91,393	52.3

Note: Comprehensive income: Three months ended June 30, 2025: 36,735 million yen (-68.9%)
Three months ended June 30, 2024: 118,101 million yen (60.0%)

	Basic net income per share	Diluted net income per share
Three months ended:	Yen	Yen
June 30, 2025	123.25	—
June 30, 2024	142.84	—

(2) Consolidated Financial Conditions

	Total assets	Net assets	Net assets ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	7,220,655	2,702,354	36.1
March 31, 2025	7,049,323	2,716,745	37.1

(Reference) Net assets ratio = (Net assets – Non-controlling interests)/Total assets×100
(Net assets – Non-controlling interests) is as follows. June 30, 2025: 2,606,144 million yen; March 31, 2025: 2,614,238 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, 2025	—	70.00	—	80.00	150.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (forecasts)		75.00	—	95.00	170.00

Note: Revised dividend forecast for the quarter under review: Yes
Regarding the revision of the dividend forecast, please refer to the announcement titled “Notice Concerning Revision (Increase) of Dividend Forecasts for the Fiscal Year Ending March 2026”, which was released on August 6, 2025.
Dividend forecasts for the fiscal year ending March 31, 2026: Ordinary dividend 160.00 yen; 70th anniversary commemorative dividend 10.00 yen

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2026 (From April 1, 2025 to March 31, 2026)

(% 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, 2026	5,600,000	3.0	470,000	-14.0	430,000	-16.7	273,000	-16.0	441.33

Notes: 1. Revised forecast for the quarter under review: None

2. In the above consolidated earnings forecasts, the results for the previous fiscal year, which serves as the basis for the percentage figures indicating the year-on-year changes, include the amortization of actuarial differences for retirement benefits, etc. arising in the previous fiscal year (decrease of 101,238 million yen in operating expenses). Excluding this impact, the year-on-year changes are respectively: operating income +5.6%, ordinary income +3.7%, and net income attributable to owners of the parent +6.7%. For details, please refer to the section of “1. Summary of Earnings Results, etc. (3) Consolidated Earnings Forecasts and Other Forward-Looking Statements” on page 6 of “the Attached Material.”

Notes:

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

(2) Application of Accounting Methods Unique to the Preparation of the Quarterly 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 June 30, 2025	659,478,962 shares	As of March 31, 2025	659,478,962 shares

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

As of June 30, 2025	40,895,710 shares	As of March 31, 2025	40,895,047 shares

3) Average number of shares during the period

Three months ended June 30, 2025	618,583,480 shares	Three months ended June 30, 2024	639,822,163 shares

*** Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None**

*** Remarks on appropriate use of forecasted results of operation and other special matters**

(Notes regarding earnings forecasts)

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 market prices.

For the suppositions that form the assumptions for earnings forecasts, please refer to the section of “1. Summary of Earnings Results, etc. (3) Consolidated Earnings Forecasts and Other Forward-Looking Statements” on page 6 of “the Attached Material.”

(Obtaining supplementary explanatory materials)

The Company plans to hold a briefing for institutional investors and securities analysts on August 6, 2025. Relevant financial statements to be handed out at the briefing will be posted on our official website at the same time.

Contents of the Attached Material

1. Summary of Earnings Results, etc.

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

During the first quarter of the fiscal year under review, the Japanese economy staged a moderate recovery but uncertainty stemming from global instability, rising resource prices and inflation persisted.

The number of new constructions starts in the domestic housing market from April 2025 to June 2025 decreased year on year for owner-occupied houses, rental housing and built-for-sale houses, resulting in a year-on-year decrease in the overall figure. In the general construction market, although the total floor area of new construction starts decreased in the categories of offices, stores and factories, the figure for warehouses recorded a year-on-year increase. The overall figure also increased year on year.

Amid this operating environment, the Group has set forth three management policies in the 7th Medium-Term Management Plan launched in fiscal year 2022: “Evolve revenue model,” “Optimize management efficiency,” and “Strengthen management base.” Under these policies, the Group has actively promoted various high-value-added initiatives and proposals aimed at realizing a sustainable growth model, including the expansion of its overseas and stock businesses, as well as enhancing customer experience through digital transformation (DX). Under the “Evolve revenue model” policy, the Group is working to expand its circular value chain—creating, fostering and revitalizing—from the perspective of communities and customers focusing on the keywords “Circularity and regeneration”.

As a result, the Daiwa House Group recorded consolidated net sales of 1,292,144 million yen (+0.4% year on year) for the first three months of the fiscal year ending March 2026. Operating income came to 118,116 million yen (-3.1% year on year), ordinary income came to 111,939 million yen (-6.2% year on year), while net income attributable to owners of the parent amounted to 76,239 million yen (-16.6% year on year).

Results by business segment are as follows.

Single-Family Houses Business

In the Single-Family Houses Business segment, we provided high-quality housing with excellent energy efficiency and resilience performance amid the diversification of housing styles. We stayed close to residents’ lives and their changing values to propose lifestyles that will enhance their lives.

In the domestic housing business, the Company promoted the new “Ready Made Housing.” concept for built-for-sale houses. Despite the soaring cost of labor, housing construction materials and other goods, the Company provides high-quality built-for-sale houses that aim to be worth more than their price, offering the same design excellence and quality as custom-built houses, a reassuring long-term home warranty, and after-sales support.

For custom-built houses, the Company promoted the “Smart Made Housing.” concept providing the benefits of both custom designs and standardized houses. As a pioneer in the housing industry, the Company advanced various initiatives, including the launch of xevo M3, the first of the Company’s lightweight steel framed three-storied single-family housing products to meet ZEH (Net Zero Energy House) requirements as standard.

Anticipating a society with a high demand for housing stock, the Company is focusing on the revitalization and regeneration of existing buildings. Especially in housing complexes developed by the Company, it works on the Livness Town Project, which aims to regenerate and redevelop communities by addressing social issues such as community revitalization and the problem of vacant houses.

Overseas, the Group has been expanding its operations in the eastern, southern and western regions of the United States, which it calls the smile zone. Three Group companies, Stanley Martin Holdings, CastleRock Communities and Trumark Companies play a key role in the east, south and west respectively. With persistently high housing loan interest rates and uncertainty over the economic outlook deterring first time buyers, these three companies actively sought to expand unit sales by taking advantage of incentive measures such as mortgage buydown and cut costs by shortening construction periods. As a result, in the eastern and western regions of the U.S., orders received in the period from January to March 2025 surpassed the plan.

As a result, net sales for this segment amounted to 235,574 million yen (+3.8% year on year), while operating income came to 7,162 million yen (-14.1% year on year).

Rental Housing Business

In the Rental Housing Business segment, we have been proposing and supporting rental housing management that maximizes the asset value for owners by providing sustainable value while considering tenants, the global environment and the community. In addition, the Company sought to popularize ZEH-M properties that reduce environmental impact and support the saving and generation of energy.

At Daiwa Living Co., Ltd., in addition to providing high-quality, comfortable rental housing “D-ROOM” which is chosen by a wide variety of tenants, it has also succeeded in creating competitive rooms for managed properties. As a result, the number of properties under management has increased and a high occupancy rate has been maintained.

Daiwa House Chintai Reform Co., Ltd. worked to strengthen relationships by conducting building inspections and diagnoses periodically at rental houses constructed by the Company, while also promoting warranty extension work and renovation proposals.

As part of its overseas operations in the U.S., where the Company is developing rental housing, the Company aims to achieve stable operation of its owned properties at an early stage, while closely monitoring interest rate trends and real estate market conditions. To enable prompt sales when the market recovers, the Company is focusing on improving occupancy rates and profitability.

As a result, net sales for this segment amounted to 349,266 million yen (+12.1% year on year), while operating income came to 38,076 million yen (+33.8% year on year).

Condominiums Business

In the Condominiums Business segment, we sought to provide basic housing performance essential for a long housing life, comfort, safety and a management structure, drawing on our know-how as a home builder to meet the diverse lifestyle needs of potential residents.

In April 2025, sales began for THE RESIDENCE Shin-Kamagaya TERMINAL FRONT (Chiba Prefecture), a mixed-use development located in front of Shin-Kamagaya Station, a central terminal station served by four railway lines. The property, which integrates residential units with commercial facilities, is the tallest condominium in Kamagaya City. Sales have been progressing smoothly, driven by strong recognition of the convenience of the surrounding area—including a full range of commercial, medical, public, and green facilities—as well as the spacious and functional layout of the 190 units. All units are south-facing with approximately 70 square meters being the typical size, providing both comfort and practicality.

MONDOMIO Sapporo Odori Minami-Nijo, the third building in Hokkaido in the “MONDOMIO” series of condominiums compatible with short-term rentals, is also selling well, reflecting appreciation of its central Sapporo location and the versatility of its units that meet the needs of various life styles and life stages.

Daiwa Lifenext Co., Ltd. continued to steadily increase the number of condominiums units under management, with more than 280,000 units managed on a standalone basis and more than 410,000 units managed on a consolidated basis. Additionally, the company opened GRAND HOSTEL LDK Tokyo Nishi-Kasai in May 2025. The hostel is designed with the concept of “a large house (LDK: Living, Dining, Kitchen) where travelers gather,” and is a complete renovation of a former sports club building. Offering dormitory rooms, hotel private rooms as well as common areas such as a beach lounge and share kitchen, the hostel meets the diverse needs of both domestic and foreign guests. Going forward, the company will continue working to further improve the level of services offered.

As a result, net sales for this segment amounted to 64,902 million yen (+5.1% year on year), while operating income came to 3,510 million yen (-56.3% year on year).

Commercial Facilities Business

In the Commercial Facilities Business segment, we offered various plans that meet the needs of tenant corporations, taking advantage of their business strategies and the characteristics of each region. In particular, we strengthened our efforts in the field of large-scale properties, and focused on built-for-sale business, in which we sell to investors properties for which we have acquired land, planned development, designed and constructed, and conducted leasing-out to tenants, as well as on the commercial facility brokerage and purchase and resale businesses.

Daiwa Lease Co., Ltd. reopened BiVi Nijo (Kyoto Prefecture) in June 2025, following renovation. In addition to its existing core functions—centered around movie theaters and including restaurants, retail stores and service facilities—the facility now also offers a tax-free store for inbound tourists. Furthermore, BiVi Nijo has been reborn as a creative and cultural hub for sharing and promoting Kyoto culture. This includes traditional industries such as Nishijin-ori, the intricate weaving technique used for kimonos, and bamboo crafts as well as Kyoto's unique food culture and lifestyle. As a result, BiVi Nijo has become a highly attractive facility that people will want to visit again and again.

In the urban hotels business, the occupancy rate of Daiwa Roynet Hotels, which is operated by Daiwa House Realty Mgt. Co., Ltd., remained strong due to demand from inbound tourists. The cumulative average occupancy rate for the first three months of the fiscal year ending March 2026 was 90.4%.

In the home center business, Royal Home Center Co., Ltd. reopened the Royal Pro Matsudo Minoridai (Chiba Prefecture) in May 2025, following renovation. As the company's first home center, targeting mainly electricians and plumbers and specializing in electrical and plumbing goods, it will achieve differentiation from other stores.

In the fitness club business, Sports Club NAS Co., Ltd. shows signs of improved performance, including securing contracts to operate school programs and other initiatives.

Overseas, TRADE and Village Center, two commercial facilities currently in operation in California, both have continued to operate with high occupancy. Meanwhile, steady progress was made on the construction of EVEN Hotel and Staybridge Suites Orlando Universal Boulevard, a hotel development project in Orlando, Florida, which is scheduled to open in the fall of 2026.

However, due to a decline in property sales from development projects and others, net sales for this segment amounted to 289,195 million yen (-9.5% year on year), while operating income came to 35,483 million yen (-18.5% year on year).

Logistics, Business & Corporate Facilities Business

In the Logistics, Business & Corporate Facilities Business segment, we worked to enhance the Group's business scope by constructing a variety of facilities to suit the differing business needs of our corporate customers, and by providing total support services that enable customers to utilize their assets most effectively.

Regarding logistics facilities, construction of DPL Hiroshima Fukuyama Kita and DPL Osaka Nanko II commenced between April 2025 and June 2025. Meanwhile, construction was completed on DPL Komaki (Aichi Prefecture), a large-scale property that is rare for its inland location in the Chukyo area, and DPL Iwate Kanegasaki II, which is already fully occupied.

In the medical, nursing care and R&D facilities business, construction began in May 2025 on a large nursing care facility in Fukuoka Prefecture, which will be operated by a private-sector nursing care provider. Also in May 2025, construction began on a large R&D facility for a chemicals and materials manufacturer in Aichi Prefecture.

In the Livness business, between April 2025 and June 2025, the Company acquired BIZ Livness Hashimotodai, a manufacturing plant located in Kanagawa Prefecture, and BIZ Livness Hamamatsu Kitajima, a refrigerated warehouse located in Shizuoka Prefecture. The Company plans to renovate them and sell them around the fall next year.

Daiwa House Property Management Co., Ltd., a company that manages and operates logistics facilities developed mainly by the Company, concluded new property management (PM) agreements for D Project Livness Hiroshima Konan and DPL Iwate Kanegasaki II in the three-month period from April 2025, increasing the number of facilities managed by the company and the area under management as of the end of June 2025 to 259 buildings and approximately 10.72 million square meters.

In the IT business of the Daiwa LogiTech Group, which is engaged in the logistics services business, orders were firm as client companies continued to increase investment to promote DX. The company has continued focusing on logistics automation and labor-saving projects, to help it gain more new customers.

Daiwa Logistics Co., Ltd., which is responsible for the logistics business, opened Sapporo Logistics Center in April 2025 and Kagoshima Logistics Center in June 2025 as part of its efforts to strengthen logistics infrastructure. The company has been actively expanding its 3PL business (*), with a focus on logistics center operations as a core business area.

Overseas, steady progress was made on the construction of Blue Ridge Commerce Center, a multi-tenant logistics center and the Company's first logistics center development project in the U.S., aiming for completion in the fall of 2025.

Meanwhile, in Malaysia, steady progress was also made on the construction of DPL Malaysia III, a multi-tenant logistics facility and one of the largest logistics center development projects undertaken by the Company overseas in terms of total floor area. Going forward, the Company will continue accelerating the development of logistics centers in the U.S., ASEAN and other countries.

As a result, net sales for this segment amounted to 344,964 million yen (-3.6% year on year), while operating income came to 47,948 million yen (+1.5% year on year).

*Stands for "Third-party logistics." An outsourcing service that proposes logistics reforms to cargo owners and undertakes a fully integrated flow of physical distribution of cargoes from the cargo owners.

Environment and Energy Business

In the Environment and Energy Business, amid the current acceleration of transition toward decarbonization and the growing demand for renewable energy, the Group promoted three businesses, the EPC business (design and construction of power plants for renewable energy), the PPS business (electric power retail business) and the IPP business (electric power generation business).

In the EPC business, the Group is working to expand two PPA-related businesses, off-site PPA (Power Purchase Agreement) with the goal of supplying renewable energy to a purchaser far from a solar power generation facility and on-site PPA with the goal of supplying renewable energy directly from a solar power generation facility installed on a roof or in an adjacent area. Demand for renewable energy is increasing steadily. The Company will leverage the land development knowhow it has built up since its foundation to secure sites for solar power generation facilities in suitable locations and will collaborate with major energy companies to develop users, and will continue focusing efforts on the EPC business as a mainstay business.

In the PPS business, profit held steady due to the stabilization of spot prices in the electricity wholesale market, alongside initiatives such as introduction of power procurement adjustment costs (fuel cost adjustments set independently).While maintaining existing customers, we aim to increase contracts, primarily with business partners. Given the difficulty in predicting trends in the business environment in the electric power industry, we will also work to stabilize the PPS business while taking measures to address the risks of the business.

In the IPP business, the Company engages in the operation of wind power generation and hydroelectric power generation, as well as solar power generation, which is its main business, at 723 locations nationwide, with total generation capacity of 917 MW.

In overseas operations, the Company established a joint venture with WHA Corporation PCL, a developer of logistics facilities and plants in Thailand, and began full-scale deployment of its first overseas PPA model self-consumption solar power generation equipment (on-site PPA). Leveraging the know-how and relationships cultivated through its existing businesses, the Company aims to achieve more widespread use of renewable energy.

As a result, net sales for this segment amounted to 27,968 million yen (+2.2% year on year), while operating income came to 4,377 million yen (+22.2% year on year)

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

Total assets as of the end of the consolidated three-month reporting period amounted to 7,220,655 million yen, an increase of 171,331 million yen compared with 7,049,323 million yen in total assets at the end of the previous consolidated fiscal year. This was mainly due to an increase in inventory assets accompanying 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 three-month reporting period amounted to 4,518,300 million yen, an increase of 185,722 million yen compared with 4,332,577 million yen in total liabilities at the end of the previous consolidated fiscal year. The principal reason for this was although unpaid corporate taxes decreased due to tax payments, the Company raised funds through the issuance of commercial paper and bank borrowings for the acquisition of real estate for sale, real estate for investment, and other purposes.

Total net assets as of the end of the consolidated three-month reporting period amounted to 2,702,354 million yen, a decrease of 14,391 million yen compared with 2,716,745 million yen at the end of the previous consolidated fiscal year. The main factors behind this were the payment of 49,486 million yen in dividends to shareholders for the previous consolidated fiscal year and a decrease in the foreign currency translation adjustment account, despite the posting of 76,239 million yen in net income attributable to owners of the parent. At the end of the term under review, these results were 2,613,892 million yen in interest-bearing liabilities excluding lease obligations among others, and a debt-equity ratio of 1.00 times. After taking the hybrid financing into account, the debt-equity ratio came to 0.91 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) Consolidated Earnings Forecasts and Other Forward-Looking Statements

Regarding consolidated business performance forecasts for the term ending March 31, 2026, there is no change to the consolidated earnings forecast announced on May 13, 2025. As for dividends for the fiscal year ending March 31, 2026, the Company has revised its forecast upward, as stated in the “Notice Concerning Revision (Increase) of Dividend Forecasts for the Fiscal Year Ending March 2026”, which was released on August 6, 2025 and plans to pay an annual dividend of 170.00 yen per share (Ordinary dividend 160.00 yen; 70th anniversary commemorative dividend 10.00 yen).

(Reference) Comparison with Previous Fiscal Year Results Excluding the Amortization of Actuarial Differences for Retirement Benefits, etc. (% figures represent year-on-year change)

	Net sales		**Operating income**		**Ordinary income**		**Net income attributable to owners of the parent**	
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026 (forecasts)	5,600,000	3.0	470,000	5.6	430,000	3.7	273,000	6.7
March 31, 2025	5,434,819	4.5	445,041	13.0	414,747	8.8	255,823	-4.0

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

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and bank deposits	333,198	397,785
Trade notes and accounts receivable	474,790	499,284
Mortgage notes receivable held for sale	54,429	29,356
Securities maturing within one year	402	-
Costs on construction contracts in progress	54,916	60,099
Real estate for sale	*1 1,906,871	*1 1,910,844
Real estate for sale in process	*1 563,275	*1 639,715
Undeveloped land for sale	1,119	2,382
Merchandise and finished goods	20,569	21,599
Work in process	13,972	12,868
Raw materials and supplies	10,913	10,926
Other current assets	451,386	427,907
Allowance for doubtful accounts	(3,380)	(3,430)
Total current assets	3,882,464	4,009,339
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,513,094	1,539,650
Accumulated depreciation	(613,770)	(627,323)
Buildings and structures, net	*1 899,323	*1 912,326
Land	*1 858,719	*1 882,058
Other tangible assets	619,331	638,229
Accumulated depreciation	(236,021)	(238,915)
Other, net	*1 383,309	*1 399,313
Total property, plant and equipment	2,141,352	2,193,699
Intangible assets		
Goodwill	94,656	90,207
Other intangible assets	*1 110,419	*1 107,724
Total intangible assets	205,076	197,931
Investments and other assets		
Investment securities	220,868	238,195
Assets for employees’ retirement benefits	127,449	128,133
Lease deposits	253,595	253,685
Other assets	220,201	201,512
Allowance for doubtful accounts	(1,684)	(1,842)
Total investments and other assets	820,430	819,684
Total non-current assets	3,166,858	3,211,315
Total assets	7,049,323	7,220,655

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Trade notes and accounts payable	353,710	303,705
Short-term loans from banks	170,293	342,828
Current portion of bonds	75,000	65,000
Current portion of long-term loans from banks	285,287	253,954
Commercial papers	-	142,000
Income taxes payable	99,097	25,351
Advances received	128,665	129,351
Advances received on construction projects in progress	195,231	201,418
Accrued bonuses	69,176	33,961
Provision for warranties for completed construction	8,811	8,017
Provision for loss on construction contracts	18,914	17,134
Asset retirement obligations	4,953	5,219
Other current liabilities	424,693	435,874
Total current liabilities	1,833,834	1,963,817
Non-current liabilities		
Bonds	744,000	754,000
Long-term loans from banks	1,034,496	1,056,109
Lease deposits received	301,383	311,050
Liabilities for employees’ retirement benefits	98,504	98,684
Asset retirement obligations	63,488	63,879
Other non-current liabilities	256,869	270,760
Total non-current liabilities	2,498,743	2,554,483
Total liabilities	4,332,577	4,518,300
Net assets		
Shareholders’ equity		
Common stock	162,216	162,216
Capital surplus	299,395	299,339
Retained earnings	2,132,816	2,159,569
Treasury stock	(188,335)	(188,338)
Total shareholders’ equity	2,406,094	2,432,786
Accumulated other comprehensive income		
Unrealized gain (loss) on securities	45,848	48,655
Deferred gain (loss) on hedging instruments	2,315	1,246
Land revaluation reserve	10,799	10,799
Foreign currency translation adjustments	149,181	112,655
Total accumulated other comprehensive income	208,144	173,358
Non-controlling interests	102,507	96,209
Total net assets	2,716,745	2,702,354
Total liabilities and net assets	7,049,323	7,220,655

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

(Consolidated Statements of Income)

(Millions of yen)

	Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)	Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)
Net sales	1,287,182	1,292,144
Cost of sales	1,021,853	1,018,031
Gross profit	265,329	274,112
Total selling, general and administrative expenses	143,482	155,996
Operating income	121,847	118,116
Non-operating income		
Interest income	1,659	1,873
Dividend income	2,144	2,174
Equity in earnings of affiliates	797	218
Gain on valuation of derivatives	3,061	-
Miscellaneous income	3,776	3,311
Total non-operating income	11,438	7,578
Non-operating expenses		
Interest expenses	10,107	9,991
Miscellaneous expenses	3,811	3,764
Total non-operating expenses	13,919	13,755
Ordinary income	119,365	111,939
Extraordinary income		
Gain on sales of non-current assets	23	77
Gain on sales of investments securities	10,830	967
Gain on sales of shares of subsidiaries and affiliates	-	139
Total extraordinary income	10,854	1,184
Extraordinary losses		
Loss on sales of non-current assets	2	78
Loss on disposal of non-current assets	211	251
Impairment loss	229	-
Loss on sales of investment securities	0	0
Loss on revaluation of investment securities	1	-
Loss on sales of shares of subsidiaries and affiliates	-	53
Total extraordinary losses	445	383
Profit before income taxes	129,775	112,740
Current	23,159	18,764
Deferred	15,135	17,855
Total income taxes	38,295	36,620
Profit	91,480	76,120
Profit (loss) attributable to non-controlling interests	86	(118)
Profit attributable to owners of the parent	91,393	76,239

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)	Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)
Profit	91,480	76,120
Other comprehensive income		
Unrealized gain (loss) on securities	(6,111)	2,807
Deferred gain (loss) on hedging instruments	(179)	(1,068)
Land revaluation reserve	0	-
Foreign currency translation adjustments	32,975	(41,035)
Share of other comprehensive income (loss) of affiliates accounted for by the equity method	(63)	(87)
Total other comprehensive income	26,621	(39,384)
Comprehensive income	118,101	36,735
Total comprehensive income attributable to:		
Owners of the parent	114,244	41,452
Non-controlling interests	3,857	(4,717)

(3) Notes

Notes on Quarterly 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, real estate for investment recorded under “Buildings and structures” and “Land” of Non-current assets were reclassified to “Real estate for sale” and others of Current assets. The amounts are as follows:

(Millions of yen)

	Previous fiscal year (As of March 31, 2025)	Reporting fiscal year (As of June 30, 2025)
	89,818	17,675

Notes on Segment Information, etc.

Segment Information

I Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)

1. Sales and Operating Income 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	224,768	311,033	59,539	318,354	349,812	17,316	1,280,825
(2) Inter-segment sales or transfers	2,232	498	2,186	1,373	7,859	10,058	24,208
Total	227,001	311,531	61,725	319,727	357,672	27,375	1,305,034
Operating income	8,340	28,459	8,029	43,545	47,225	3,582	139,183

	Other Businesses (Note: 1)	Subtotal	Adjustment (Note: 2)	Amounts on the Quarterly Consolidated Statement of Income (Note: 3)
Sales (1) Sales to customers	6,357	1,287,182	—	1,287,182
(2) Inter-segment sales or transfers	6,479	30,687	(30,687)	—
Total	12,836	1,317,870	(30,687)	1,287,182
Operating income	1,135	140,318	(18,471)	121,847

Notes:
1. Other Businesses include financial business and others.
2. -18,471 million yen in adjustments to operating income by business segment includes -183 million yen in elimination within business segments, 216 million yen in amortization of goodwill and others, and -18,505 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. Operating income by business segment is adjusted to correspond to operating income in the Quarterly Consolidated Statement of Income.

II Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

1. Sales and Operating Income 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	233,532	348,652	62,654	287,548	334,639	17,887	1,284,914
(2) Inter-segment sales or transfers	2,042	613	2,247	1,646	10,324	10,081	26,956
Total	235,574	349,266	64,902	289,195	344,964	27,968	1,311,871
Operating income	7,162	38,076	3,510	35,483	47,948	4,377	136,558

	Other Businesses (Note: 1)	Subtotal	Adjustment (Note: 2)	Amounts on the Quarterly Consolidated Statement of Income (Note: 3)
Sales				
(1) Sales to customers	7,229	1,292,144	—	1,292,144
(2) Inter-segment sales or transfers	6,911	33,867	(33,867)	—
Total	14,141	1,326,012	(33,867)	1,292,144
Operating income	1,630	138,188	(20,072)	118,116

Notes:
1. Other Businesses include financial business and others.
2. -20,072 million yen in adjustments to operating income by business segment includes -76 million yen in elimination within business segments, 174 million yen in amortization of goodwill and others, and -20,171 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. Operating income by business segment is adjusted to correspond to operating income in the Quarterly Consolidated Statement of Income.

Notes on Significant Changes in the Amount of Shareholders' Equity

No items to report.

Notes on Premise of Going Concern

No items to report.

Notes on Statement of Cash Flows

No Quarterly Consolidated Statements of Cash Flows have been prepared for the reporting first quarter. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the first quarter of the consolidated fiscal year are as follows:

(Millions of yen)

	Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)	Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)
Depreciation	30,707	33,718
Amortization of goodwill	2,861	3,910