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Consolidated Financial Results for the Six Months Ended May 31, 2026 <Under IFRS>

July 6, 2026

Company name: TOSEI CORPORATION Stock listing: TSE / SGX
 Securities code number: 8923 / S2D
 Representative: Seiichiro Yamaguchi, President and CEO URL: <https://www.toseicorp.co.jp/english/>
 Contact: Noboru Hirano, Director and CFO Phone: +81-3-5439-8807
 Scheduled date to file semi-annual securities report : July 10, 2026
 Scheduled date to commence dividend payments : —
 Preparation of supplementary materials for financial results: Yes
 Holding of financial results briefing : Yes (for institutional investors and analysts)

Note: All amounts are rounded down to the nearest million yen.

1. Consolidated Financial Results for the Six Months Ended May 31, 2026 (December 1, 2025 – May 31, 2026)

(1) Consolidated Operating Results (cumulative) (Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before tax		Profit for the period	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Six months ended May 31, 2026	85,956	30.1	21,214	20.5	20,140	19.9	13,809	12.9
Six months ended May 31, 2025	66,058	14.6	17,600	18.1	16,804	16.9	12,234	21.6

	Profit attributable to owners of the parent		Total comprehensive income for the period		Basic earnings per share	Diluted earnings per share
	(¥ million)	(%)	(¥ million)	(%)	(¥)	(¥)
Six months ended May 31, 2026	13,806	12.9	13,108	4.9	142.35	141.01
Six months ended May 31, 2025	12,226	21.6	12,492	23.8	126.12	126.10

Note: The Company conducted a 2-for-1 share split of ordinary shares effective December 1, 2025. The basic earnings per share and the diluted earnings per share have been calculated on the assumption that this share split had been implemented at the beginning of the previous fiscal year ended November 30, 2025.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
	(¥ million)	(¥ million)	(¥ million)	(%)
As of May 31, 2026	309,601	111,192	111,192	35.9
As of November 30, 2025	307,427	102,836	102,805	33.4

2. Dividends

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
Fiscal year ended November 30, 2025	—	0.00	—	100.00	100.00
Fiscal year ending November 30, 2026	—	0.00			
Fiscal year ending November 30, 2026 (Forecast)			—	55.00	55.00

Note: 1. Revision to the most recently released dividend forecasts: No

2. The Company conducted a 2-for-1 share split of ordinary shares effective December 1, 2025. For the fiscal year ended November 30, 2025, the actual dividend amount before the share split is stated. For the fiscal year ending November 30, 2026 (forecast), the figure after the share split is stated.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending November 30, 2026 (December 1, 2025 – November 30, 2026)

(Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Fiscal year ending November 30, 2026	122,986	29.9	24,611	10.2	22,000	6.6	15,157	2.7	156.31

Note: Revision to the most recently released earnings forecasts: No

* Notes

- (1) Significant changes in the scope of consolidation during the period: No

Newly added: —

Excluded: —

- (2) Changes in accounting policies and changes in accounting estimates

(a) Changes in accounting policies required by IFRS: No

(b) Changes in accounting policies due to other reasons: No

(c) Changes in accounting estimates: No

- (3) Number of issued shares (ordinary shares)

- (a) Number of issued shares at the end of the period (including treasury shares)

As of May 31, 2026	97,367,600 shares
As of November 30, 2025	97,367,600 shares

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

As of May 31, 2026	361,550 shares
As of November 30, 2025	398,000 shares

- (c) Average number of outstanding shares during the period (cumulative)

Six months ended May 31, 2026	96,985,221 shares
Six months ended May 31, 2025	96,942,402 shares

Note: The Company conducted a 2-for-1 share split of ordinary shares effective December 1, 2025. The number of issued shares (ordinary shares) has been calculated on the assumption that this share split had been implemented at the beginning of the previous fiscal year ended November 30, 2025.

- * Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

- * Proper use of earnings forecasts and other notes

The forward-looking statements, including outlook of future performance, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Actual performance and other results may differ substantially from these statements due to various factors. For the assumptions on which the earnings forecasts are based and cautions concerning the use thereof, please refer to “1. Overview of Operating Results, etc (3) Explanation of Consolidated Earnings Forecasts” on page 5 of the attached materials.

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1. Overview of Operating Results, etc

(1) Overview of Consolidated Operating Results

1) Recognition, analysis and contents for discussion of business environment and business performance

During the six months ended May 31, 2026, the Japanese economy continued on its path of gradual recovery thanks to improvements in the employment and income environment, as well as the effects of various government policies. Meanwhile, in terms of the outlook for the future, it remains necessary to monitor geopolitical risks such as the situation in the Middle East, the effects of fluctuations in the financial and capital markets, and other factors.

In the real estate industry where Tosei Group operates, domestic real estate investments for the three months from January to March 2026 reached ¥2,075.2 billion (down 1% year on year), surpassing the ¥2,000 billion mark in the first quarter for the second consecutive year. Although Tokyo ranked third in the world for real estate investments by city (ranked second for the full year of 2025), the investment market remained active, as evidenced by multiple large-scale transactions against a backdrop of robust investment demand by investors both in Japan and overseas. While interest rates are expected to rise in 2026, investment demand will continue to be strong, as medium- to long-term expectations for rent growth are projected to exceed the increase in interest rates. Thus, domestic real estate investments in 2026 are expected to surpass the previous year and reach the mid-¥6 trillion range (according to a survey by a private research institute). While trading transactions remained brisk in the domestic real estate investment market, in the stock market, a growing sense of caution prevailed regarding the future of the real estate investment market, instigated by the rise in long-term interest rates and the increasingly uncertain situation in the Middle East. Accordingly, even as the Nikkei Stock Average hit a record high driven by gains in specific stocks and sectors, the real estate sector's stock index fell sharply.

In the Tokyo metropolitan area condominium market, the number of newly built units for sale in the four months from January to April 2026 was 4,978 units (down 2.8% year on year). The average price per unit, while falling below ¥100 million for the first time in three months, remained in the upper range at ¥87.36 million (up 24.8% year on year), as of April 2026. In the Tokyo metropolitan area pre-owned condominium market, the number of units contracted in the four months from January to April 2026 was 16,488 units (up 0.9% year on year). There was a flurry of activity in the sale of recently constructed, high-end properties, particularly in the six wards of central Tokyo, and the average contract price per unit in the Tokyo metropolitan area was ¥72.25 million (up 30.5% year on year) as of April. Meanwhile, in Tokyo's 23 wards, prices seem to have plateaued in certain areas as the percentage of units being discounted has been rising due to high prices. In addition, in the Tokyo metropolitan area build-for-sale detached house market, housing starts for the four months from January to April 2026 were 17,661 units (up 3.5% year on year) (according to a survey by a private research institute).

The average costs per tsubo in terms of construction costs for the four months from January to April 2026 were ¥1,552 thousand per tsubo (1 tsubo = 3.30 square meters) (an increase of 16.0% year on year) for steel reinforced concrete structures and ¥776 thousand per tsubo (an increase of 3.2% year on year) for wooden structures. Factors such as rising crude oil prices driven by the weak yen and escalating tensions in the Middle East are further pushing up manufacturing and logistics costs. Steel prices, which had been flat last year, have begun to rise, and construction costs overall remain high. Furthermore, with the escalating situation in the Middle East, the prices of certain naphtha products are skyrocketing, and the future impact will need to be monitored (according to a survey by the Ministry of Land, Infrastructure, Transport and Tourism).

In the office leasing market of Tokyo's five business wards, as of April 2026, the average vacancy rate was 2.2% (a decrease of 1.5 percentage points year on year) and the average asking rent also remained firm at ¥22,454 per tsubo (an increase of 8.2% year on year), as robust demand for office space continued due to expansion and relocations of offices resulting from improvements in the office environment. In 2026, a decline in the supply of new offices is anticipated, and together with the high rate of tenants unofficially filling up the properties scheduled for completion, the vacancy rate is expected to remain at a low level, while rent is expected to continue its ascent for the time being (according to a survey by a private research institute).

In the Tokyo metropolitan area condominium leasing market, demand for rental property continued to increase as the prices of newly built and pre-owned condominiums rose, and the average asking rent of apartments as of April 2026 was ¥13,695 per tsubo (an increase of 11.0% year on year). Furthermore, the average occupancy rate of apartments held by J-REIT in the Tokyo area remains high at 97.3% (an increase of 0.3 percentage points year on year), as of February 28, 2026 (according to a survey by a private

research institute).

In the Tokyo metropolitan area's logistics facility leasing market, backed by stagnant new supply and solid new demand, and as vacancies in existing properties filled up, the vacancy rate as of April 2026 improved to 7.7% (a decrease of 1.9 percentage points year on year). The asking rent declined to ¥4,400 per tsubo (a decrease of 5.8% year on year), as a result of the ongoing downward pressure on rent, despite improvements in the supply-demand balance. While properties in certain areas are experiencing prolonged vacancy periods, the vacancy rate for the market as a whole is expected to continue improving (according to a survey by a private research institute).

In the real estate fund market, J-REIT assets under management as of April 30, 2026 totaled ¥24.4 trillion (an increase of ¥0.7 trillion year on year), and assets under management in private placement funds totaled ¥47.1 trillion as of December 31, 2025 (an increase of 6.3 trillion year on year). As a result, the real estate securitization market scale grew to ¥71.5 trillion (according to a survey by a private research institute).

In the Tokyo business hotel market, the average room occupancy rate for the three months from January to March 2026 was 80.0% (a decrease of 0.6 percentage points year on year), and the total number of hotel guests in Tokyo encompassing all types of accommodation amounted to 22.84 million (a decrease of 10.4% year on year). During this period, the number of inbound visitors, despite the effects of the Chinese government's request to its nationals to refrain from visiting Japan, slightly exceeded the levels of the previous year, and inbound demand continued to be strong. As for the future, flight cancellations resulting from the deteriorating situation in the Middle East are expected to impact inbound demand. Therefore, it remains necessary to monitor these developments for the time being (according to a survey by the Japan Tourism Agency).

Amid this operating environment, in the Revitalization Business and the Development Business, the Group continued to make steady progress in property sales, while proceeding to acquire income-generating properties and lands for development as future sources of income. Furthermore, in the Hotel Business, the Group endeavored to capture inbound demand from around the world, while in the Fund and Consulting Business, it strove to increase its balance of assets under management, and as a result, AUM amounted to ¥2,735.5 billion.

As a result, consolidated revenue for the six months ended May 31, 2026 totaled ¥85,956 million (up 30.1% year on year), operating profit was ¥21,214 million (up 20.5%), profit before tax was ¥20,140 million (up 19.9%), and profit attributable to owners of the parent was ¥13,806 million (up 12.9%).

Performance by business segment is shown below.

Revitalization Business

During the six months ended May 31, 2026, the segment sold 38 properties it had renovated and 82 pre-owned condominium units, including Uniden Hatchobori BL (Chuo-ku, Tokyo), HOTEL&SEMINAR Makuhari (Narashino-shi, Chiba), T's garden Fuchu (Fuchu-shi, Tokyo).

During the six months ended May 31, 2026, it also acquired a total of 20 income-generating office buildings, rental apartments, eight land lots and 132 pre-owned condominium units.

As a result, revenue in this segment was ¥56,250 million (up 93.2% year on year) and the segment profit was ¥11,858 million (up 113.8%).

Development Business

During the six months ended May 31, 2026, for whole buildings, the segment sold 10 properties including T's BRIGHTIA Kichijoji II (Musashino-shi, Tokyo), T's BRIGHTIA Jiyugaoka II (Meguro-ku, Tokyo) which is a commercial facility, THE PALMS Kinshicho (Sumida-ku, Tokyo) which is rental apartment, T's Cuore Ukima-Funado II (Kita-ku, Tokyo) which is rental wooden apartment and sold 32 detached houses at such property as THE Palms Court Seta (Setagaya-ku, Tokyo).

During the six months ended May 31, 2026, it also acquired one land lot for rental apartment project, 14 land lots for rental wooden apartment project and land lots for nine detached houses.

As a result, revenue in this segment was ¥12,532 million (down 38.2% year on year) and the segment profit was ¥3,284 million (down 44.1%).

Rental Business

During the six months ended May 31, 2026, the Company focused on leasing out its rental properties.

As of May 31, 2026, the number of rental properties decreased by five from 127 at the end of the previous fiscal year to 132, as the segment acquired 19 properties, and began offering for rental of 13 properties, sold 34 properties, and terminated the leasing of three properties.

As a result, revenue in this segment was ¥4,831 million (up 12.9% year on year) and the segment profit was ¥2,868 million (up 24.5%).

Fund and Consulting Business

While ¥153,749 million was subtracted due mainly to property dispositions by funds, ¥226,535 million added due to new asset management contracts, from the balance of assets under management (Note) ¥2,662,737 million for the end of the previous fiscal year. The balance of assets under management as of May 31, 2026, was ¥2,735,523 million.

As a result, revenue in this segment was ¥4,748 million (down 5.7% year on year) and the segment profit was ¥3,165 million (down 10.6%).

Note: The balance of assets under management includes the balance of assets that were subject to consulting contracts, etc.

Property Management Business

During the six months ended May 31, 2026, the segment made efforts to win new contracts and maintain existing contracts. Consequently, the total number of properties under management was 987 as of May 31, 2026, an increase of 13 from May 31, 2025, with the total comprising 572 office buildings, hotels, logistic facilities and other such properties, and 415 condominiums and apartments.

As a result, revenue in this segment was ¥3,680 million (down 0.1% year on year) and segment profit was ¥560 million (down 14.3%).

Hotel Business

During the six months ended May 31, 2026, amid the continuing robust inbound demand and strong domestic demand, we worked to improve the guest room occupancy rates and guest room rates at all 10 of our properties, including TOSEI Hotel COCONE Kamata (Ota-ku, Tokyo), which opened in December 2025, and TOSEI Hotel COCONE Chiba Chuo (Chiba-shi, Chiba), which opened in February 2026.

As a result, revenue in this segment was ¥3,913 million (up 6.5% year on year) and segment profit was ¥1,381 million (down 9.2% year on year).

2) Analysis and contents for discussion of Operating Results

In the domestic real estate investment market, which is the Group's mainstay market, active investment activity by both domestic and overseas investors continued. Despite the impact of the Bank of Japan raising policy interest rates, medium- to long-term expectations for rent growth exceeding the increase in interest rates fueled robust investor confidence, boosted by the tight rental demand in the office market due to limited new supply, the passing on of rising costs to rents, and other factors.

Amid this operating environment, for the six months ended May 31, 2026, the Group's financial results made extremely good progress with consolidated revenue of ¥85.9 billion (up 30.1% year on year), consolidated operating profit of ¥21.2 billion (up 20.5% year on year), and consolidated profit before tax of ¥20.1 billion (up 19.9% year on year), achieving 69.9% of the full-year forecast based on consolidated revenue and 91.5% based on consolidated profit before tax.

Sales of office buildings and rental apartments, in particular, drove performance in the Company's mainstay business, the Revitalization Business, which achieved 95.7% of the full-year forecast for this segment based on consolidated operating profit.

In addition, four businesses, namely the Rental Business, the Fund and Consulting Business, the Property Management Business, and the Hotel Business, which are considered to be the Company's stable sources of income, have all achieved in excess of 50% of the full-year forecast based on consolidated operating profit, and are progressing steadily. Among these four stable businesses, the particularly high-performing Fund and Consulting Business, despite a greater than expected decrease in assets under management against the backdrop of a booming real estate investment market, acquired more new projects that compensated for the decrease and also earned fees such as acquisition fees and disposition fees, incidental to these transactions. Assets under management (AUM) increased by ¥72.7 billion from the end of the previous fiscal year to a total of ¥ 2.73 trillion. In the Hotel Business, despite the request by the Chinese authorities on its citizens to refrain from traveling to Japan, thanks to our efforts to capture

inbound demand from countries other than China, such as South Korea, the U.S., and Europe, GOP was up 3.9% year on year.

Meanwhile, the impact of the escalating tensions in the Middle East on the Company's business, and by extension, on the real estate industry as a whole, cannot be ignored. The rising prices of construction materials resulting from the rise in manufacturing costs, as well as the delays in the delivery of materials and facilities due to the disruption of the supply chain, could have a particularly adverse effect on the Company's Development Business. While we have determined that, for the time being, the impact of the revised prices of materials and delivery schedule adjustments on the Group's business performance is limited, we will continue to closely monitor changes in the situation and the resulting market trends.

The Company will continue to strive to achieve the targets for the final year of the current medium-term management plan, centered on portfolio management that balances its sales business and stable business, while responding flexibly to various issues stemming from geopolitical risks and fluctuations in the financial and capital markets.

(2) Overview of Consolidated Financial Positions

1) Analysis of Financial Positions

As of May 31, 2026, total assets were ¥309,601 million, an increase of ¥2,174 million compared with November 30, 2025, while total liabilities were ¥198,409 million, a decrease of ¥6,182 million.

Increase in total assets were due to an increase in cash and cash equivalents and trade and other receivables despite a decrease in Inventories. Decrease in total liabilities were due to a decrease in trade and other payables and interest-bearing liabilities.

Total equity increased by ¥8,356 million to ¥111,192 million, mainly due to an increase in retained earnings, payment of cash dividends.

2) Analysis of Cash Flows

Cash and cash equivalents (hereinafter “cash”) as of May 31, 2026 totaled ¥48,072 million, up ¥8,468 million compared with November 30, 2025.

The cash flows for the six months ended May 31, 2026 and factors contributing to those amounts are as follows:

Cash Flows from Operating Activities

Net cash provided by operating activities totaled ¥25,419 million (up 92.2% year on year). This is mainly due to profit before tax of ¥20,140 million, a decrease in inventories of ¥10,568 million, and income taxes paid of ¥3,550 million.

Cash Flows from Investing Activities

Net cash used in investing activities totaled ¥4,363 million (up 289.6% year on year). This is mainly due to payments of loans receivable of ¥6,227 million and collection of loans receivable of ¥3,704 million etc.

Cash Flows from Financing Activities

Net cash used by financing activities totaled ¥12,594 million (up 102.5% year on year). This is mainly due to proceeds from non-current borrowings of ¥45,095 million, repayments of non-current borrowings of ¥49,157 million, and cash dividends paid of ¥4,846 million.

(3) Explanation of Consolidated Earnings Forecasts

The business results during the six months ended May 31, 2026 basically remained stable as planned and there is no change on the full-year consolidated earnings forecasts, announced on January 14, 2026.

The forward-looking statements contained in these materials, including forecasts of the future performance, are based on the information available to the Company as of the date of announcement and on certain assumptions deemed to be reasonable by the Company. Actual performance and other results may differ from these forecasts due to various factors.

2. Matters Related to Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

No item to report.

(2) Changes in Accounting Policies and Changes in Accounting Estimates

No item to report.

3. Condensed Semi-annual Consolidated Financial Statements and notes

(1) Condensed Semi-annual Consolidated Statement of Financial Position

(¥ thousand)

	As of November 30, 2025	As of May 31, 2026
Assets		
Current assets		
Cash and cash equivalents	39,604,289	48,072,529
Trade and other receivables	10,198,324	13,924,521
Inventories	170,357,783	159,971,313
Other current assets	91,459	1,030,697
Total current assets	220,251,856	222,999,061
Non-current assets		
Property, plant and equipment	32,961,224	32,542,238
Investment properties	38,509,920	38,356,182
Goodwill	1,401,740	1,401,740
Intangible assets	89,953	84,600
Trade and other receivables	1,914,916	2,135,071
Other financial assets	11,141,295	10,819,850
Deferred tax assets	1,095,042	1,201,207
Other non-current assets	61,523	61,523
Total non-current assets	87,175,618	86,602,415
Total assets	307,427,474	309,601,476
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	9,863,882	7,622,249
Interest-bearing liabilities	27,625,866	20,717,697
Current income tax liabilities	3,606,113	6,404,874
Provisions	1,788,240	1,016,956
Total current liabilities	42,884,102	35,761,778
Non-current liabilities		
Trade and other payables	5,494,144	5,730,943
Interest-bearing liabilities	155,014,462	155,818,603
Retirement benefits obligations	808,683	852,048
Provisions	86,783	87,205
Deferred tax liabilities	303,103	158,505
Total non-current liabilities	161,707,178	162,647,306
Total Liabilities	204,591,281	198,409,084
Equity		
Share capital	6,624,890	6,624,890
Capital reserves	7,453,348	7,562,178
Retained earnings	87,876,336	96,827,435
Treasury shares	(217,705)	(197,803)
Other components of equity	1,068,237	375,690
Total equity attributable to owners of parent	102,805,108	111,192,391
Non-controlling interests	31,085	—
Total equity	102,836,193	111,192,391
Total liabilities and equity	307,427,474	309,601,476

(2) Condensed Semi-annual Consolidated Statement of Comprehensive Income

(¥ thousand)

	Six months ended May 31, 2025	Six months ended May 31, 2026
Revenue	66,058,790	85,956,997
Cost of revenue	40,088,110	55,374,604
Gross profit	25,970,680	30,582,392
Selling, general and administrative expenses	8,406,001	9,443,272
Other income	103,675	96,016
Other expenses	68,037	20,515
Operating profit	17,600,316	21,214,621
Finance income	327,742	373,266
Finance costs	1,123,671	1,447,386
Profit before tax	16,804,387	20,140,501
Income tax expense	4,569,468	6,331,479
Profit for the period	12,234,919	13,809,021
Other comprehensive income		
Other comprehensive income items that will not be reclassified to profit or loss		
Net change in financial assets measured at fair values through other comprehensive income	248,891	(725,369)
Remeasurements of defined benefit pension plans	—	(7,840)
Total of other comprehensive income items that will not be reclassified to profit or loss	248,891	(733,209)
Other comprehensive income items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(1,065)	7,211
Net change in fair values of cash flow hedges	9,800	25,609
Total of other comprehensive income items that may be reclassified to profit or loss	8,734	32,821
Other comprehensive income for the period, net of tax	257,626	(700,387)
Total comprehensive income for the period	12,492,546	13,108,634
Profit attributable to:		
Owners of parent	12,226,532	13,806,031
Non-controlling interests	8,387	2,990
Profit for the period	12,234,919	13,809,021
Total comprehensive income attributable to:		
Owners of parent	12,484,158	13,105,644
Non-controlling interests	8,387	2,990
Total comprehensive income for the period	12,492,546	13,108,634
Earnings per share attributable to owners of the parent		
Basic earnings per share (¥)	126.12	142.35
Diluted earnings per share (¥)	126.10	141.01

(3) Condensed Semi-annual Consolidated Statement of Changes in Equity

Six months ended May 31, 2025 (December 1, 2024 – May 31, 2025)

(¥ thousand)

	Share capital	Capital reserves	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at December 1, 2024	6,624,890	7,288,479	76,914,414	(243,716)	(83,780)	90,500,287	366,448	90,866,736
Profit for the period			12,226,532			12,226,532	8,387	12,234,919
Other comprehensive income					257,626	257,626		257,626
Total comprehensive income for the period	—	—	12,226,532	—	257,626	12,484,158	8,387	12,492,546
Amount of transactions with owners								
Disposal of treasury shares		(26,011)		26,011		—		—
Dividends of surplus			(3,828,419)			(3,828,419)		(3,828,419)
Dividends to non-controlling interests						—	(8,396)	(8,396)
Change from newly consolidated subsidiary						—	(79,205)	(79,205)
Share-based payment transactions		100,468				100,468		100,468
Balance at May 31, 2025	6,624,890	7,362,936	85,312,527	(217,705)	173,846	99,256,495	287,233	99,543,729

Six months ended May 31, 2026 (December 1, 2025 – May 31, 2026)

(¥ thousand)

	Share capital	Capital reserves	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at December 1, 2025	6,624,890	7,453,348	87,876,336	(217,705)	1,068,237	102,805,108	31,085	102,836,193
Profit for the period			13,806,031			13,806,031	2,990	13,809,021
Other comprehensive income					(700,387)	(700,387)		(700,387)
Total comprehensive income for the period	—	—	13,806,031	—	(700,387)	13,105,644	2,990	13,108,634
Amount of transactions with owners								
Disposal of treasury shares		(19,901)		19,901		—		—
Dividends of surplus			(4,848,480)			(4,848,480)		(4,848,480)
Dividends to non-controlling interests						—	(2,985)	(2,985)
Changes in ownership interest in subsidiaries			1,387			1,387	(31,089)	(29,702)
Transfer from other components of equity to retained earnings			(7,840)		7,840	—		—
Share-based payment transactions		128,731				128,731		128,731
Balance at May 31, 2026	6,624,890	7,562,178	96,827,435	(197,803)	375,690	111,192,391	—	111,192,391

(4) Condensed Semi-annual Consolidated Statement of Cash Flows

(¥ thousand)

	Six months ended May 31, 2025	Six months ended May 31, 2026
Cash flows from operating activities		
Profit before tax	16,804,387	20,140,501
Depreciation expense	808,828	697,652
Increase (decrease) in provisions and retirement benefits obligations	(681,511)	(769,812)
Interest and dividend income	(327,742)	(373,266)
Interest expenses	1,123,671	1,447,386
Decrease (increase) in trade and other receivables	(401,837)	(787,680)
Decrease (increase) in inventories	639,396	10,568,702
Increase (decrease) in trade and other payables	(1,778,358)	(2,444,690)
Other, net	112,592	95,886
Subtotal	16,299,427	28,574,678
Interest and dividend income received	324,666	365,754
Income taxes paid	(3,640,937)	(3,550,155)
Income taxes refund	239,098	29,109
Net cash from (used in) operating activities	13,222,255	25,419,387
Cash flows from investing activities		
Payments into time deposits	(3,000)	(1,000,000)
Proceeds from time deposits	—	49,470
Purchase of property, plant and equipment	(39,247)	(161,038)
Purchase of investment properties	(60,744)	(19,014)
Purchase of intangible assets	(13,367)	(13,154)
Payments of loans receivable	(4,659,000)	(6,227,000)
Collection of loans receivable	3,606,221	3,704,125
Purchase of other financial assets	(55,772)	(1,115,321)
Collection of other financial assets	95,824	415,015
Payments for sale of subsidiaries	(8,224)	—
Other, net	17,205	3,445
Net cash from (used in) investing activities	(1,120,105)	(4,363,472)
Cash flows from financing activities		
Net increase (decrease) in current borrowings	(2,854,328)	(1,661,115)
Proceeds from non-current borrowings	32,872,969	45,095,201
Repayments of non-current borrowings	(30,979,141)	(49,157,500)
Redemption of bonds	(5,678)	(243,474)
Repayments of lease obligations	(201,079)	(137,139)
Repayments to non-controlling shareholders	(79,205)	(29,702)
Cash dividends paid	(3,826,345)	(4,846,222)
Dividends paid to non-controlling interests	(8,396)	(2,985)
Proceeds from disposal of treasury shares	57,329	59,559
Interest expenses paid	(1,195,325)	(1,671,527)
Net cash from (used in) financing activities	(6,219,202)	(12,594,905)
Net increase (decrease) in cash and cash equivalents	5,882,947	8,461,008
Cash and cash equivalents at beginning of period	34,874,164	39,604,289
Effect of exchange rate change on cash and cash equivalents	(923)	7,231
Cash and cash equivalents at end of period	40,756,188	48,072,529

(5) Notes on Going Concern Assumption

No item to report.

(6) Notes on Condensed Semi-annual Consolidated Financial Statements

1. Segment Information

The Group's reportable segments are components of the Group about which separate financial information is available that the Board of Directors regularly conducts deliberations to determine the allocation of management resources and to assess the performance.

The Group draws up comprehensive strategies for each of the following six business segments and conducts business activities accordingly; "Revitalization Business", "Development Business", "Rental Business", "Fund and Consulting Business", "Property Management Business" and "Hotel Business". In the Revitalization Business, the Group acquires the properties whose asset values have declined, renovates, and resells them. In the Development Business, the Group sells condominium units and detached houses to individual customers as well as rental apartments and office buildings to investors. In the Rental Business, the Group rents office buildings and apartments. The Fund and Consulting Business mainly provides asset management services for the properties placed in real estate funds. The Property Management Business provides comprehensive property management services. The Hotel Business provides mainly hotel operating services.

The Group's revenue and profit/loss by reportable segment are as follows:

Six months ended May 31, 2025

(December 1, 2024 – May 31, 2025)

(¥ thousand)								
	Reportable Segments						Adjustment	Total
	Revitalization Business	Development Business	Rental Business	Fund and Consulting Business	Property Management Business	Hotel Business		
Revenue								
Revenue to external customers	29,113,681	20,275,668	4,280,462	5,033,702	3,682,202	3,673,073	—	66,058,790
Intersegment revenue	—	—	55,252	24,140	822,496	21,910	(923,799)	—
Total	29,113,681	20,275,668	4,335,714	5,057,842	4,504,698	3,694,983	(923,799)	66,058,790
Segment profit	5,545,885	5,874,309	2,303,326	3,541,107	654,297	1,521,468	(1,840,078)	17,600,316
Finance income/costs, net								(795,929)
Profit before tax								16,804,387

Six months ended May 31, 2026

(December 1, 2025 – May 31, 2026)

(¥ thousand)								
	Reportable Segments						Adjustment	Total
	Revitalization Business	Development Business	Rental Business	Fund and Consulting Business	Property Management Business	Hotel Business		
Revenue								
Revenue to external customers	56,250,489	12,532,058	4,831,946	4,748,858	3,680,060	3,913,584	—	85,956,997
Intersegment revenue	—	—	60,817	112,856	829,390	20,591	(1,023,657)	—
Total	56,250,489	12,532,058	4,892,764	4,861,715	4,509,451	3,934,175	(1,023,657)	85,956,997
Segment profit	11,858,608	3,284,570	2,868,316	3,165,650	560,762	1,381,504	(1,904,790)	21,214,621
Finance income/costs, net								(1,074,119)
Profit before tax								20,140,501

2. Dividends

Dividends paid in the six months ended May 31, 2025 and May 31, 2026 are as follows:

Six months ended May 31, 2025				
Resolution	Dividends per share (¥)	Total dividends (¥ thousand)	Record date	Effective date
Ordinary General Meeting of Shareholders held on February 26, 2025	79	3,828,419	November 30, 2024	February 27, 2025

Six months ended May 31, 2026				
Resolution	Dividends per share (¥)	Total dividends (¥ thousand)	Record date	Effective date
Ordinary General Meeting of Shareholders held on February 26, 2026	100	4,848,480	November 30, 2025	February 27, 2026

3. Earnings per Share

	Six months ended May 31, 2025	Six months ended May 31, 2026
Profit attributable to owners of parent (¥ thousand)	12,226,532	13,806,031
Net income used to figure diluted net income per share (¥ thousand)	12,226,532	13,806,031
Weighted average number of outstanding ordinary shares (shares)	96,942,402	96,985,221
The number of increased ordinary shares used to figure diluted earnings per share (shares)		
Subscription rights to shares relating to stock options (shares)	—	902,078
Common stock relating to PSU (shares)	18,148	18,580
Common stock relating to RSU (shares)	412	331
The weighted-average number of ordinary shares used to figure diluted earnings per share (shares)	96,960,962	97,906,210
Basic earnings per share (¥)	126.12	142.35
Diluted net income per share (¥)	126.10	141.01

Note: 1. Basic earnings per share is calculated by dividing profit attributable to owners of the parent, by the weighted average number of outstanding ordinary shares during the reporting period.

2. The Company conducted a 2-for-1 share split of ordinary shares effective December 1, 2025. The basic earnings per share and the diluted earnings per share have been calculated on the assumption that this share split had been implemented at the beginning of the previous fiscal year ended November 30, 2025.

(7) Notes on Significant Subsequent Events

No item to report.