Translation

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Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under IFRS)

November 14, 2025

Company name: INFRONEER Holdings Inc.
Stock exchange listing: Tokyo
Stock code: 5076 URL https://www.infroneer.com/en/
Representative: Kazunari Kibe Representative Executive Officer and President
Inquiries: Kazutaka Deguchi General Manager of Financial Strategy TEL +81-3-6380-8253
Scheduled date to file semi-annual securities report: November 14, 2025
Scheduled date to commence dividend payments: December 11, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative) Percentages indicate year-on-year changes

	Net sales		Business profit		Operating profit		Profit before tax		Profit attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	424,506	11.5	24,357	66.3	23,695	65.2	34,999	171.3	24,558	203.0	35,459	–
Six months ended September 30, 2024	380,739	6.1	14,648	(38.6)	14,346	(39.7)	12,898	(47.0)	8,105	(50.4)	901	(97.2)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	93.39	81.90
Six months ended September 30, 2024	31.09	28.43

(Notes) 1. Business profit is a profit indicator that measures the performance of the Company's recurring businesses, calculated by deducting cost of sales and selling, general and administrative expenses from net sales, and adding share of profit (loss) of investments accounted for using equity method.
2. The dividends related to the Bond-Type Class Shares are deducted in the calculation of earnings per share.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of September 30, 2025	1,825,363	577,793	547,154	30.0
As of March 31, 2025	1,450,738	542,854	519,139	35.8

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	–	30.00	–	30.00	60.00
Fiscal year ending March 31, 2026	–	30.00			
Fiscal year ending March 31, 2026 (Forecast)			–	55.00	85.00

(Notes) 1. Revision to the forecast of dividends announced most recently: Yes
2. The abovementioned "Cash dividends" pertain to the dividends related to common shares. Please see "Cash dividends of Bond-Type Class Shares" below for information on the dividends related to the Bond-Type Class Shares.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

Percentages indicate year-on-year changes

	Net sales		Business profit		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,133,000	33.7	79,200	63.2	71,500	51.6	82,400	65.6	55,400	70.9	212.01

(Notes) 1. Revision to the forecast of consolidated financial results announced most recently: Yes

2. The dividends related to the Bond-Type Class Shares are deducted in the calculation of earnings per share.

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 22 companies (Sumitomo Mitsui Construction Co., Ltd. and 21 consolidated subsidiaries)

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

1) Changes in accounting policies required by IFRS: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	274,845,024 shares	As of March 31, 2025	274,845,024 shares

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

As of September 30, 2025	22,252,948 shares	As of March 31, 2025	26,358,376 shares

3) Average number of shares during the period

Six months ended September 30, 2025	249,041,256 shares	Six months ended September 30, 2024	246,770,915 shares

(Note) The Company's shares held by the Stock Benefit Trust are included in the number of treasury shares at the end of the period (2,643,188 shares as of September 30, 2025; 6,543,600 shares as of March 31, 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 special matters

・ The above forecasts are based on assumptions in light of information available as of the date of announcement of this material and factors of uncertainty that may possibly impact the future results of operation. These statements do not indicate that the Company pledges to realize these forecasts. Actual results may differ significantly from those presented herein as a result of numerous factors.

Cash dividends of Bond-Type Class Shares

The breakdown of dividends per share related to the Bond-Type Class Shares, which have different rights and relationships compared to common shares, is as follows.

Series 1 Bond-Type Class Shares

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	–	21.72	–	65.00	86.72
Fiscal year ending March 31, 2026	–	65.00			
Fiscal year ending March 31, 2026 (Forecast)			–	65.00	130.00

Policy on acquisition of Series 1 Bond-Type Class Shares

Based on the clause for acquisition by the Company (call option), the Company may acquire Series 1 Bond-Type Class Shares in exchange for cash after the elapse of five years from the issuance, etc. We will determine whether to acquire (call) the Bond-Type Class Shares in exchange for cash, taking into consideration our business strategy, financial condition, market conditions and other factors at the time.

We fully understand that, as is customary in the market for hybrid financing, many investors expect a call by the time the dividend rate is stepped up.

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1. Overview of Financial Results, etc.

(1) Overview of Operating Results for the Six Months Ended September 30, 2025

During the six months ended September 30, 2025, the Japanese economy has recovered moderately due in part to the improvements in the employment and income environment as well as the effect of various government policies. On the other hand, we still need to pay close attention to trade policies in the U.S. and other countries, as well as to the effects of rising commodity prices and fluctuations in the financial capital market, among others.

In the construction industry, capital investment continued to pick up against the backdrop of solid corporate earnings and energy-saving measures, and public investment remained strong backed by the execution of related government budgets, such as the measures to address the aging of infrastructure and to advance national land resilience, despite housing construction showing some signs of weakness.

Under these circumstances, for the entire Group to achieve "a world where there's no limit to what can be asked from and what can be delivered by infrastructure services," the Company has continued to establish a business model to achieve sustained growth without being influenced by external factors. The Company will do this by striving to be an "integrated infrastructure service company" that manages the entire infrastructure lifecycle, including planning and proposal, construction, operation and maintenance, and reinvestment in businesses related to infrastructure. The Company will continue to create a virtuous cycle of growth by strengthening our construction business and expanding our de-construction business.

The Group implemented a tender offer for shares of Sumitomo Mitsui Construction Co., Ltd., making the company a consolidated subsidiary in September 2025. The Group and Sumitomo Mitsui Construction Co., Ltd., will work to expand the business domain and maximize the competitiveness with the aim of establishing the position as the "integrated infrastructure service company" by maximizing synergies for both company groups.

For the six months ended September 30, 2025, net sales increased by ¥43.7 billion (11.5%) year on year to ¥424.5 billion. Business profit* increased by ¥9.7 billion (66.3%) year on year to ¥24.3 billion, profit before tax increased by ¥22.1 billion (171.3%) year on year to ¥34.9 billion, and profit attributable to owners of parent increased by ¥16.4 billion (203.0%) year on year to ¥24.5 billion.

*Business profit is a profit indicator that measures the performance of the Company's recurring businesses, calculated by deducting cost of sales and selling, general and administrative expenses from net sales, and adding share of profit (loss) of investments accounted for using equity method.

Performance results by business segment are as follows.

During the six months ended September 30, 2025, the Group revised its business management classification to enhance group synergies. Accordingly, comparisons and analyses with the six months ended September 30, 2024 are based on the revised classification. For details, please refer to "2. Condensed Semi-Annual Consolidated Financial Statements and Primary Notes, (5) Notes to Condensed Semi-Annual Consolidated Financial Statements, (Notes on segment information)."

[Building Construction]

In the building construction business, net sales increased by ¥27.4 billion (17.6%) year on year to ¥183.9 billion and segment profit increased by ¥7.5 billion (1,571.1%) year on year to ¥8.0 billion.

[Civil Engineering]

In the civil engineering business, net sales increased by ¥11.9 billion (17.8%) year on year to ¥78.9 billion and segment profit increased by ¥1.3 billion (19.6%) year on year to ¥8.1 billion.

[Road Civil Engineering]

In the road civil engineering business, net sales increased by ¥2.2 billion (1.8%) year on year to ¥125.2 billion and segment profit increased by ¥0.4 billion (5.8%) year on year to ¥8.1 billion.

[Machinery]

In the machinery business, net sales decreased by ¥2.5 billion (12.5%) year on year to ¥17.4 billion and segment profit decreased by ¥0.2 billion (21.4%) year on year to ¥0.8 billion.

[Infrastructure Management]

In the infrastructure management business, net sales increased by ¥4.6 billion (35.9%) year on year to ¥17.7 billion and segment loss was ¥1.5 billion (a loss of ¥1.9 billion for the same period of the previous fiscal year).

[Others]

In the others business segment, net sales decreased by ¥0.0 billion (3.6%) year on year to ¥1.1 billion and segment profit increased by ¥0.0 billion (14.0%) year on year to ¥0.4 billion.

(2) Overview of Financial Position for the Six Months Ended September 30, 2025

(Assets, liabilities and equity)

As of September 30, 2025, assets were ¥1,825.3 billion, an increase of ¥374.6 billion (25.8%) from the end of the previous fiscal year, mainly due to the recognition of goodwill associated with the consolidation of Sumitomo Mitsui Construction Co., Ltd. as a subsidiary, as well as the receipt of cash and cash equivalents, contract assets, and other assets. Liabilities stood at ¥1,247.5 billion, an increase of ¥339.6 billion (37.4%) from the end of the previous fiscal year, mainly due to the assumption of various liabilities associated with the consolidation of Sumitomo Mitsui Construction Co., Ltd. as a subsidiary, as well as an increase in borrowings used to finance the acquisition of its shares. Equity amounted to ¥577.7 billion, an increase of ¥34.9 billion (6.4%) from the end of the previous fiscal year.

As a result of the above, total equity attributable to owners of parent amounted to ¥547.1 billion, and the ratio of equity attributable to owners of parent to total assets decreased from 35.8% of the previous fiscal year to 30.0%.

(Cash flows)

Net cash provided by operating activities in the six months ended September 30, 2025 was ¥66.8 billion (¥40.2 billion provided in the same period of the previous fiscal year), mainly due to a decrease in trade and other receivables of ¥84.6 billion.

Net cash used in investing activities amounted to ¥32.2 billion (¥29.9 billion used in the same period of the previous fiscal year), primarily due to ¥20.5 billion of purchase of property, plant and equipment, and intangible assets.

Net cash provided in financing activities amounted to ¥22.9 billion (¥6.6 billion used in the same period of the previous fiscal year), mainly due to proceeds from short-term borrowings associated with the consolidation of Sumitomo Mitsui Construction Co., Ltd. as a subsidiary through a tender offer.

As a result of the above, the balance of cash and cash equivalents as of September 30, 2025 amounted to ¥176.9 billion, an increase of ¥57.4 billion from ¥119.5 billion at the end of the previous fiscal year.

(3) Consolidated Financial Results Forecast and Other Forward-Looking Information

Based on recent financial results and outlook for the remainder of the current fiscal year, we have revised our full-year financial results forecast announced on September 30, 2025. For further details, please refer to the Notice Regarding Revisions to Financial Results Forecast and Dividend Forecast announced today (November 14, 2025).

2. Condensed Semi-Annual Consolidated Financial Statements and Primary Notes

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

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	119,502	176,970
Trade and other receivables	150,755	198,858
Contract assets	230,141	381,874
Inventories	12,810	17,300
Other financial assets	5,622	8,716
Other current assets	32,338	75,009
Subtotal	551,170	858,729
Assets held for sale	49,689	14,536
Total current assets	600,859	873,265
Non-current assets		
Property, plant and equipment	222,507	262,775
Right-of-use assets	18,985	34,686
Goodwill	158,642	182,350
Intangible assets	234,338	232,637
Investment property	28,898	30,571
Investments accounted for using equity method	25,732	13,230
Other financial assets	134,375	168,281
Deferred tax assets	2,000	1,941
Other non-current assets	24,396	25,621
Total non-current assets	849,878	952,097
Total assets	1,450,738	1,825,363

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	272,222	327,534
Contract liabilities	49,113	105,377
Bonds and borrowings	60,179	158,441
Lease liabilities	8,982	16,191
Income taxes payable	16,598	9,514
Other financial liabilities	5,175	23,467
Provisions	3,846	11,094
Other current liabilities	28,518	42,304
Subtotal	444,637	693,926
Liabilities directly associated with assets held for sale	6,259	–
Total current liabilities	450,897	693,926
Non-current liabilities		
Bonds and borrowings	335,001	400,513
Lease liabilities	14,520	23,994
Other financial liabilities	1,799	1,836
Retirement benefit liability	15,044	30,968
Provisions	37,238	37,743
Deferred tax liabilities	53,019	57,761
Other non-current liabilities	360	824
Total non-current liabilities	456,986	553,643
Total liabilities	907,883	1,247,569
Equity		
Share capital	20,000	20,000
Capital surplus	214,289	211,292
Treasury shares	(27,043)	(21,888)
Retained earnings	278,544	297,919
Other components of equity	33,348	39,830
Total equity attributable to owners of parent	519,139	547,154
Non-controlling interests	23,715	30,638
Total equity	542,854	577,793
Total liabilities and equity	1,450,738	1,825,363

(2) Condensed Semi-Annual Consolidated Statement of Profit or Loss and Comprehensive Income

Condensed Semi-Annual Consolidated Statement of Profit or Loss

Six months ended September 30

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	380,739	424,506
Cost of sales	(333,769)	(364,815)
Gross profit	46,970	59,691
Selling, general and administrative expenses	(32,711)	(35,349)
Share of loss of investments accounted for using equity method	389	14
Business profit	14,648	24,357
Other income	881	374
Other expenses	(1,184)	(1,036)
Operating profit	14,346	23,695
Finance income	1,290	14,329
Finance costs	(2,738)	(3,025)
Profit before tax	12,898	34,999
Income tax expense	(4,802)	(10,358)
Profit	8,096	24,640
Profit attributable to		
Owners of parent	8,105	24,558
Non-controlling interests	(9)	82
Profit	8,096	24,640
Earnings per share		
Basic earnings per share (Yen)	31.09	93.39
Diluted earnings per share (Yen)	28.43	81.90

Condensed Semi-Annual Consolidated Statement of Comprehensive Income

Six months ended September 30

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	8,096	24,640
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(322)	(694)
Financial assets measured at fair value through other comprehensive income	(7,016)	10,424
Share of other comprehensive income of investments accounted for using equity method	1	(25)
Total of items that will not be reclassified to profit or loss	(7,337)	9,703
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	20	10
Cash flow hedges	101	1,237
Share of other comprehensive income of investments accounted for using equity method	20	(133)
Total of items that may be reclassified to profit or loss	142	1,114
Total other comprehensive income	(7,195)	10,818
Comprehensive income	901	35,459
Comprehensive income attributable to		
Owners of parent	794	34,809
Non-controlling interests	106	650
Comprehensive income	901	35,459

(3) Condensed Semi-Annual Consolidated Statement of Changes in Equity
Six Months ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Share capital	Capital surplus	Treasury shares	Retained earnings	Remeasurements of defined benefit plans	Financial assets measured at fair value through other comprehensive income
Balance at April 1, 2024	20,000	111,467	(28,626)	255,671	-	38,365
Profit	-	-	-	8,105	-	-
Other comprehensive income	-	-	-	-	(320)	(7,031)
Comprehensive income	-	-	-	8,105	(320)	(7,031)
Issuance of new shares	48,750	48,133	-	-	-	-
Capital reduction	(48,750)	48,750	-	-	-	-
Issuance of convertible bonds	-	2,553	-	-	-	-
Purchase of treasury shares	-	-	(0)	-	-	-
Disposal of treasury shares	-	200	937	-	-	-
Dividends	-	-	-	(8,921)	-	-
Share-based payment transactions	-	1,547	-	-	-	-
Change in scope of consolidation	-	-	-	-	-	-
Changes in ownership interest in subsidiaries	-	46	-	0	-	-
Change in treasury shares arising from change in equity in entities accounted for using equity method	-	-	(0)	-	-	-
Transfer to retained earnings	-	-	-	(264)	320	(56)
Total transactions with owners	-	101,230	937	(9,185)	320	(56)
Balance at September 30, 2024	20,000	212,698	(27,689)	254,591	-	31,277

	Equity attributable to owners of parent					
	Other components of equity					
	Exchange differences on translation of foreign operations	Cash flow hedges	Total	Total	Non-controlling interests	Total equity
Balance at April 1, 2024	137	2,908	41,411	399,923	19,249	419,173
Profit	-	-	-	8,105	(9)	8,096
Other comprehensive income	(51)	91	(7,311)	(7,311)	115	(7,195)
Comprehensive income	(51)	91	(7,311)	794	106	901
Issuance of new shares	-	-	-	96,883	-	96,883
Capital reduction	-	-	-	-	-	-
Issuance of convertible bonds	-	-	-	2,553	-	2,553
Purchase of treasury shares	-	-	-	(0)	-	(0)
Disposal of treasury shares	-	-	-	1,137	-	1,137
Dividends	-	-	-	(8,921)	(321)	(9,242)
Share-based payment transactions	-	-	-	1,547	-	1,547
Change in scope of consolidation	-	-	-	-	17	17
Changes in ownership interest in subsidiaries	-	-	-	46	1,461	1,507
Change in treasury shares arising from change in equity in entities accounted for using equity method	-	-	-	(0)	-	(0)
Transfer to retained earnings	-	-	264	-	-	-
Total transactions with owners	-	-	264	93,246	1,157	94,404
Balance at September 30, 2024	86	3,000	34,364	493,965	20,513	514,478

Six Months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Share capital	Capital surplus	Treasury shares	Retained earnings	Remeasurements of defined benefit plans	Financial assets measured at fair value through other comprehensive income
Balance at April 1, 2025	20,000	214,289	(27,043)	278,544	-	28,070
Profit	-	-	-	24,558	-	-
Other comprehensive income	-	-	-	-	(686)	10,372
Comprehensive income	-	-	-	24,558	(686)	10,372
Issuance of new shares	-	-	-	-	-	-
Capital reduction	-	-	-	-	-	-
Issuance of convertible bonds	-	-	-	-	-	-
Purchase of treasury shares	-	-	(27)	-	-	-
Disposal of treasury shares	-	210	5,182	-	-	-
Dividends	-	-	-	(8,950)	-	-
Share-based payment transactions	-	(3,199)	-	-	-	-
Change in scope of consolidation	-	-	-	-	-	-
Changes in ownership interest in subsidiaries	-	(7)	-	-	-	-
Change in treasury shares arising from change in equity in entities accounted for using equity method	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	3,768	686	(4,455)
Total transactions with owners	-	(2,997)	5,154	(5,182)	686	(4,455)
Balance at September 30, 2025	20,000	211,292	(21,888)	297,919	-	33,987

	Equity attributable to owners of parent					
	Other components of equity					
	Exchange differences on translation of foreign operations	Cash flow hedges	Total	Total	Non-controlling interests	Total equity
Balance at April 1, 2025	42	5,235	33,348	519,139	23,715	542,854
Profit	-	-	-	24,558	82	24,640
Other comprehensive income	(70)	635	10,250	10,250	567	10,818
Comprehensive income	(70)	635	10,250	34,809	650	35,459
Issuance of new shares	-	-	-	-	-	-
Capital reduction	-	-	-	-	-	-
Issuance of convertible bonds	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	(27)	-	(27)
Disposal of treasury shares	-	-	-	5,392	-	5,392
Dividends	-	-	-	(8,950)	(404)	(9,355)
Share-based payment transactions	-	-	-	(3,199)	-	(3,199)
Change in scope of consolidation	-	-	-	-	6,687	6,687
Changes in ownership interest in subsidiaries	-	-	-	(7)	(9)	(17)
Change in treasury shares arising from change in equity in entities accounted for using equity method	-	-	-	-	-	-
Transfer to retained earnings	-	-	(3,768)	-	-	-
Total transactions with owners	-	-	(3,768)	(6,793)	6,272	(520)
Balance at September 30, 2025	(27)	5,871	39,830	547,154	30,638	577,793

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

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before tax	12,898	34,999
Depreciation and amortization	17,063	18,885
Impairment losses	1	0
Finance income and finance costs	1,098	(11,121)
Share of loss (profit) of investments accounted for using equity method	(389)	(14)
Loss (gain) on sale of property, plant and equipment	(362)	(52)
Decrease (increase) in inventories	(1,592)	(1,409)
Decrease (increase) in trade and other receivables	58,053	84,615
Decrease (increase) in contract assets	7,224	(19,550)
Increase (decrease) in trade and other payables	(36,315)	(27,885)
Increase (decrease) in contract liabilities	(356)	7,829
Increase (decrease) in retirement benefit liability	(39)	(92)
Increase (decrease) in provisions	(185)	(975)
Other	(6,802)	(3,508)
Subtotal	50,296	81,719
Dividends received	2,677	2,143
Interest received	92	1,071
Interest paid	(2,483)	(2,857)
Income taxes paid	(10,375)	(15,258)
Net cash provided by (used in) operating activities	40,207	66,818
Cash flows from investing activities		
Purchase of property, plant and equipment, and intangible assets	(24,024)	(20,581)
Proceeds from sale of property, plant and equipment, and intangible assets	734	78
Purchase of investment property	(1,225)	(109)
Purchase of rights to operate public facilities	(2,152)	(2,193)
Payments for replacement investment to operate public facilities	(1,219)	(40)
Purchase of investments accounted for using equity method	(1,644)	(2,477)
Purchase of other financial assets	(159)	(77)
Proceeds from sale of other financial assets	28	9,849
Payments for acquisition of subsidiaries	-	(16,434)
Other	(317)	(228)
Net cash provided by (used in) investing activities	(29,980)	(32,213)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(220,117)	(64,270)
Proceeds from short-term borrowings	-	76,849
Proceeds from long-term borrowings	33,945	39,653
Repayments of long-term borrowings	(8,337)	(6,241)
Proceeds from non-recourse borrowings	2,700	2,759
Decrease in non-recourse payable	(396)	(998)
Proceeds from issuance of bonds	47,776	-
Redemption of bonds	(5,000)	(10,000)
Proceeds from issuance of convertible bond-type bonds with subscription rights to shares	59,834	-
Proceeds from issuance of shares	96,611	-
Capital contribution from non-controlling interests	-	16
Repayments of lease liabilities	(4,412)	(5,487)
Purchase of treasury shares	(0)	(0)
Dividends paid	(8,921)	(8,950)
Dividends paid to non-controlling interests	(321)	(404)
Other	(33)	33
Net cash provided by (used in) financing activities	(6,672)	22,958
Effect of exchange rate changes on cash and cash equivalents	55	(95)
Net increase (decrease) in cash and cash equivalents	3,609	57,467
Cash and cash equivalents at beginning of period	113,421	119,502
Cash and cash equivalents at end of period	117,030	176,970

(5) Notes to Condensed Semi-Annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes on segment information)

(1) Overview of reportable segments

The Group's business segments are components of the Group for which separate financial information is available and which are subject to periodic review by the Board of Directors to determine the allocation of management resources and evaluate their performance.

The Group consists of business and service segments based on consolidated subsidiaries, etc., and has five reportable segments: Building Construction, Civil Engineering, Road Civil Engineering, Machinery, and Infrastructure Management. There are no aggregated operating segments in determining the reportable segments.

With the aim of enhancing group synergies, the Group has revised its business management classifications. Of the subsidiaries previously classified under the Others segment, Japan Management, FBS Co., Ltd., and others have been transferred to Building Construction; Fujimi Koken Co., Ltd. and others to Civil Engineering; and Morioka Fire Department PFI Service Co., Ltd. and others to Infrastructure Management. In line with this change in segments, the segment information for the six months ended September 30, 2024 has been restated to reflect the new reportable segments.

Sumitomo Mitsui Construction and its 21 consolidated subsidiaries that we acquired during the six months ended September 30, 2025 will be classified under Building Construction, Civil Engineering, Road Civil Engineering, and Others.

An overview of each reportable segment is as follows.

Reportable segment	Business lines
Building construction	Construction work and related businesses primarily for multi-dwelling complexes, factories and logistics centers
Civil engineering	Construction work and related businesses primarily for bridges and tunnels
Road civil engineering	Construction work including pavement, manufacture and sale of asphalt mixture, and related businesses
Machinery	Sale and rental of construction machinery and related businesses
Infrastructure management	Renewable energy business, which includes business investment in the development, operation and maintenance, and sale of solar and wind power generation business, etc.; concession business, which involves the acquisition of operating rights for public infrastructure, etc., and construction, operation and maintenance of such infrastructure; and related businesses

(2) Information about reportable segments

Segment profit (business profit) represents net sales less cost of sales and selling, general and administrative expenses, plus share of profit (loss) of investments accounted for using equity method.

Inter-segment sales and transactions are based on market prices.

Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024) (Millions of yen)

(Millions of yen)

	Reportable Segment						Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated statement of profit or loss
	Building Construction	Civil Engineering	Road Civil Engineering	Machinery	Infrastructure Management	Total				
Net sales										
Net sales to outside customers	156,418	67,049	123,003	19,956	13,076	379,504	1,235	380,739	–	380,739
Inter-segment net sales	934	1,137	2,315	1,569	–	5,956	468	6,425	(6,425)	–
Total	157,352	68,187	125,318	21,525	13,076	385,460	1,704	387,165	(6,425)	380,739
Segment profit (loss) [Business profit]	480	6,848	7,741	1,127	(1,930)	14,267	390	14,658	(9)	14,648
Other income	–	–	–	–	–	–	–	–	–	881
Other expenses	–	–	–	–	–	–	–	–	–	(1,184)
Operating profit	–	–	–	–	–	–	–	–	–	14,346
Finance income	–	–	–	–	–	–	–	–	–	1,290
Finance costs	–	–	–	–	–	–	–	–	–	(2,738)
Profit before tax	–	–	–	–	–	–	–	–	–	12,898

(Notes) 1. "Others" is the segment which is not included in reportable segments, namely businesses operated by some subsidiaries.

2. The difference between the total amount of segment profit and the amount recorded in the condensed quarterly consolidated statement of profit or loss is due to the elimination of inter-segment transactions.

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

(Millions of yen)

	Reportable segment						Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated statement of profit or loss
	Building Construction	Civil Engineering	Road Civil Engineering	Machinery	Infrastructure Management	Total				
Net sales										
Net sales to outside customers	183,905	78,972	125,209	17,452	17,775	423,315	1,191	424,506	–	424,506
Inter-segment net sales	483	1,713	2,391	2,286	–	6,874	2,778	9,652	(9,652)	–
Total	184,388	80,686	127,601	19,738	17,775	430,190	3,969	434,159	(9,652)	424,506
Segment profit (loss) [Business profit]	8,034	8,192	8,191	887	(1,503)	23,802	445	24,247	109	24,357
Other income	–	–	–	–	–	–	–	–	–	374
Other expenses	–	–	–	–	–	–	–	–	–	(1,036)
Operating profit	–	–	–	–	–	–	–	–	–	23,695
Finance income	–	–	–	–	–	–	–	–	–	14,329
Finance costs	–	–	–	–	–	–	–	–	–	(3,025)
Profit before tax	–	–	–	–	–	–	–	–	–	34,999

(Notes) 1. "Others" is the segment which is not included in reportable segments, namely businesses operated by some subsidiaries.

2. The difference between the total amount of segment profit and the amount recorded in the condensed quarterly consolidated statement of profit or loss is due to the elimination of inter-segment transactions.

3. Supplementary Information

(1) Orders Received, Net Sales and Backlog (Breakdown of Consolidated Results by Business and Company)

1. Orders received

(Millions of yen)

			Six months ended September 30, 2024		Six months ended September 30, 2025		Year-on-year change	
			Amount	%	Amount	%	Amount	%
Building Construction	Maeda Corporation	Public Works	15,850	11.3	17,292	6.9	1,441	9.1
		Private Works	121,056	86.7	230,799	92.0	109,742	90.7
		Overseas	2,789	2.0	2,892	1.2	102	3.7
		Total	139,697	100.0	250,984	100.0	111,286	79.7
	Sumitomo Mitsui Construction	Public Works	4,110	4.5	9,428	12.7	5,317	129.4
		Private Works	64,813	70.3	47,590	64.2	(17,222)	(26.6)
		Overseas	23,216	25.2	17,100	23.1	(6,115)	(26.3)
		Total	92,139	100.0	74,118	100.0	(18,021)	(19.6)
	Total	Public Works	19,961	8.6	26,720	8.2	6,758	33.9
		Private Works	185,869	80.2	278,389	85.6	92,519	49.8
		Overseas	26,005	11.2	19,992	6.1	(6,013)	(23.1)
		Total	231,837	100.0	325,102	100.0	93,265	40.2
Civil Engineering	Maeda Corporation	Public Works	41,683	59.6	31,743	39.7	(9,940)	(23.8)
		Private Works	28,263	40.4	48,298	60.3	20,035	70.9
		Overseas	(20)	(0.0)	10	0.0	31	–
		Total	69,925	100.0	80,052	100.0	10,126	14.5
	Sumitomo Mitsui Construction	Public Works	36,518	65.4	28,129	51.4	(8,389)	(23.0)
		Private Works	14,484	25.9	15,555	28.4	1,071	7.4
		Overseas	4,835	8.7	11,010	20.1	6,175	127.7
		Total	55,838	100.0	54,696	100.0	(1,141)	(2.0)
	Total	Public Works	78,201	62.2	59,872	44.4	(18,329)	(23.4)
		Private Works	42,747	34.0	63,854	47.4	21,106	49.4
		Overseas	4,814	3.8	11,021	8.2	6,207	128.9
		Total	125,764	100.0	134,748	100.0	8,984	7.1
Road Civil Engineering	Maeda Road Construction	Pavement Construction	89,387	61.7	65,635	47.4	(23,752)	(26.6)
		Civil Engineering Works	18,513	12.8	33,449	24.2	14,935	80.7
		Manufacturing/Sales	36,589	25.3	38,676	28.0	2,087	5.7
		Other	406	0.3	610	0.4	203	49.9
		Total	144,896	100.0	138,370	100.0	(6,525)	(4.5)
	Sumiken Mitsui Road	Pavement Construction	9,208	59.3	10,235	58.9	1,027	11.2
		Civil Engineering Works	3,965	25.5	4,622	26.6	657	16.6
		Manufacturing/Sales	2,338	15.0	2,500	14.4	162	6.9
		Other	27	0.2	28	0.2	1	3.9
		Total	15,539	100.0	17,387	100.0	1,848	11.9
	Total	Pavement Construction	98,595	61.5	75,870	48.7	(22,724)	(23.0)
		Civil Engineering Works	22,478	14.0	38,071	24.4	15,593	69.4
		Manufacturing/Sales	38,927	24.3	41,176	26.4	2,249	5.8
		Other	434	0.3	638	0.4	204	47.0
		Total	160,435	100.0	155,758	100.0	(4,677)	(2.9)

2. Net sales

(Millions of yen)

			Six months ended September 30, 2024		Six months ended September 30, 2025		Year-on-year change	
			Amount	%	Amount	%	Amount	%
Building Construction	Maeda Corporation	Public Works	29,814	19.3	20,680	11.6	(9,133)	(30.6)
		Private Works	118,923	76.9	153,918	86.1	34,995	29.4
		Overseas	5,883	3.8	4,266	2.4	(1,616)	(27.5)
		Total	154,620	100.0	178,865	100.0	24,245	15.7
	Sumitomo Mitsui Construction	Public Works	6,652	5.5	8,751	9.2	2,099	31.6
		Private Works	87,970	72.9	63,476	66.8	(24,493)	(27.8)
		Overseas	26,046	21.6	22,755	24.0	(3,290)	(12.6)
		Total	120,669	100.0	94,984	100.0	(25,684)	(21.3)
	Total	Public Works	36,466	13.2	29,432	10.7	(7,034)	(19.3)
		Private Works	206,893	75.2	217,395	79.4	10,501	5.1
		Overseas	31,929	11.6	27,022	9.9	(4,906)	(15.4)
		Total	275,289	100.0	273,850	100.0	(1,439)	(0.5)
Civil Engineering	Maeda Corporation	Public Works	40,160	59.6	41,997	57.0	1,836	4.6
		Private Works	27,178	40.3	31,668	43.0	4,490	16.5
		Overseas	60	0.1	10	0.0	(49)	(81.8)
		Total	67,399	100.0	73,677	100.0	6,278	9.3
	Sumitomo Mitsui Construction	Public Works	50,620	59.3	50,966	62.7	346	0.7
		Private Works	16,581	19.4	15,692	19.3	(889)	(5.4)
		Overseas	18,154	21.3	14,568	17.9	(3,585)	(19.8)
		Total	85,356	100.0	81,227	100.0	(4,128)	(4.8)
	Total	Public Works	90,781	59.4	92,964	60.0	2,183	2.4
		Private Works	43,759	28.6	47,360	30.6	3,601	8.2
		Overseas	18,214	11.9	14,579	9.4	(3,634)	(20.0)
		Total	152,755	100.0	154,905	100.0	2,149	1.4
Road Civil Engineering	Maeda Road Construction	Pavement Construction	71,836	58.0	66,110	52.7	(5,726)	(8.0)
		Civil Engineering Works	14,994	12.1	20,043	16.0	5,049	33.7
		Manufacturing/Sales	36,589	29.5	38,676	30.8	2,087	5.7
		Other	406	0.3	610	0.5	203	49.9
		Total	123,826	100.0	125,440	100.0	1,613	1.3
	Sumiken Mitsui Road	Pavement Construction	7,541	59.8	6,896	50.8	(644)	(8.5)
		Civil Engineering Works	2,694	21.4	4,158	30.6	1,463	54.3
		Manufacturing/Sales	2,338	18.6	2,500	18.4	162	6.9
		Other	27	0.2	28	0.2	1	3.9
		Total	12,601	100.0	13,584	100.0	982	7.8
	Total	Pavement Construction	79,377	58.2	73,006	52.5	(6,371)	(8.0)
		Civil Engineering Works	17,688	13.0	24,202	17.4	6,513	36.8
		Manufacturing/Sales	38,927	28.5	41,176	29.6	2,249	5.8
		Other	434	0.3	638	0.5	204	47.0
		Total	136,428	100.0	139,024	100.0	2,596	1.9

(Notes) 1. Net sales include inter-segment transactions.

2. Net sales of Sumitomo Mitsui Construction Co., Ltd. and Sumiken Mitsui Road Co., Ltd. shown in the table reflect the results for the six months ended September 30, 2025, whereas those in the consolidated financial statements reflect only the results after the acquisition date (September 18, 2025).

3. Backlog

(Millions of yen)

			Six months ended September 30, 2024		Six months ended September 30, 2025		Year-on-year change	
			Amount	%	Amount	Amount	%	Amount
Building Construction	Maeda Corporation	Public Works	97,768	21.7	106,381	18.1	8,613	8.8
		Private Works	348,626	77.4	478,518	81.6	129,892	37.3
		Overseas	3,838	0.9	1,554	0.3	(2,284)	(59.5)
		Total	450,233	100.0	586,454	100.0	136,221	30.3
	Sumitomo Mitsui Construction	Public Works	30,883	10.5	28,911	13.0	(1,972)	(6.4)
		Private Works	198,422	67.3	142,987	64.4	(55,435)	(27.9)
		Overseas	65,342	22.2	50,136	22.6	(15,205)	(23.3)
		Total	294,648	100.0	222,035	100.0	(72,613)	(24.6)
	Total	Public Works	128,652	17.3	135,292	16.7	6,640	5.2
		Private Works	547,048	73.4	621,505	76.9	74,457	13.6
		Overseas	69,181	9.3	51,691	6.4	(17,490)	(25.3)
		Total	744,882	100.0	808,489	100.0	63,607	8.5
Civil Engineering	Maeda Corporation	Public Works	139,907	51.5	142,815	48.7	2,907	2.1
		Private Works	131,245	48.3	150,740	51.3	19,494	14.9
		Overseas	504	0.2	–	–	(504)	(100.0)
		Total	271,657	100.0	293,555	100.0	21,897	8.1
	Sumitomo Mitsui Construction	Public Works	215,984	55.6	191,122	54.1	(24,862)	(11.5)
		Private Works	69,405	17.9	71,053	20.1	1,647	2.4
		Overseas	103,396	26.6	91,136	25.8	(12,260)	(11.9)
		Total	388,786	100.0	353,312	100.0	(35,474)	(9.1)
	Total	Public Works	355,891	53.9	333,937	51.6	(21,954)	(6.2)
		Private Works	200,651	30.4	221,794	34.3	21,142	10.5
		Overseas	103,901	15.7	91,136	14.1	(12,764)	(12.3)
		Total	660,444	100.0	646,867	100.0	(13,576)	(2.1)
Road Civil Engineering	Maeda Road Construction	Pavement Construction	77,374	81.5	66,904	66.6	(10,470)	(13.5)
		Civil Engineering Works	17,564	18.5	33,500	33.4	15,936	90.7
		Manufacturing/ Sales	–	–	–	–	–	–
		Other	–	–	–	–	–	–
		Total	94,939	100.0	100,405	100.0	5,465	5.8
	Sumiken Mitsui Road	Pavement Construction	9,093	65.9	8,613	65.7	(480)	(5.3)
		Civil Engineering Works	4,715	34.1	4,491	34.3	(224)	(4.8)
		Manufacturing/ Sales	–	–	–	–	–	–
		Other	–	–	–	–	–	–
		Total	13,809	100.0	13,104	100.0	(705)	(5.1)
	Total	Pavement Construction	86,468	79.5	75,517	66.5	(10,950)	(12.7)
		Civil Engineering Works	22,280	20.5	37,991	33.5	15,711	70.5
		Manufacturing/ Sales	–	–	–	–	–	–
		Other	–	–	–	–	–	–
		Total	108,749	100.0	113,509	100.0	4,760	4.4

(2) Summary of Forecast of Consolidated Financial Results

(Millions of yen)

		Six months ended September 30, 2025			Fiscal year ending March 31, 2026		
		Results for the previous period	Results for the current period	YoY change	Full-year forecast	YoY change	Progress
Net sales		380,739	424,506	43,766	1,133,000	285,451	37.5%
	Building Construction	156,418	183,905	27,487	502,700	182,007	36.6%
	Civil Engineering	67,049	78,972	11,922	277,600	135,617	28.4%
	Road Civil Engineering	123,003	125,209	2,206	274,800	11,698	45.6%
	Machinery	19,956	17,452	(2,504)	40,100	(918)	43.5%
	Infrastructure Management	13,076	17,775	4,698	34,700	4,116	51.2%
	Others	1,235	1,191	(44)	3,100	(47,070)	38.4%
Gross profit		46,970	59,691	12,721	157,800	42,285	37.8%
		12.3%	14.1%	1.7%	13.9%	0.3%	
	Building Construction	11,702	20,061	8,359	52,000	22,078	38.6%
		7.5%	10.9%	3.4%	10.3%	1.0%	
	Civil Engineering	13,536	14,830	1,294	45,600	17,306	32.5%
		20.2%	18.8%	(1.4)%	16.4%	(3.5)%	
	Road Civil Engineering	15,481	17,635	2,154	40,900	4,105	43.1%
		12.6%	14.1%	1.5%	14.9%	0.9%	
	Machinery	4,265	4,017	(248)	10,600	1,517	37.9%
		21.4%	23.0%	1.6%	26.4%	4.3%	
	Infrastructure Management	1,841	2,970	1,129	7,200	1,448	41.3%
		14.1%	16.7%	2.6%	20.7%	1.9%	
	Others	142	175	32	1,500	(4,171)	11.7%
		11.6%	14.7%	3.2%	48.4%	37.1%	
Selling, general and administrative expenses		(32,711)	(35,349)	(2,638)	(93,400)	(25,069)	37.8%
Share of profit of investments accounted for using equity method		389	14	(374)	14,800	13,444	0.1%
Business profit		14,648	24,357	9,708	79,200	30,660	30.8%
Operating profit		14,346	23,695	9,348	71,500	24,351	33.1%
Profit before tax		12,898	34,999	22,100	82,400	32,643	42.5%
Profit attributable to owners of parent		8,105	24,558	16,452	55,400	22,983	44.3%

(Note) Percentages in the lower row of gross profit indicate profit margin.