

# Integrated Report 2025

DAISUE CONSTRUCTION CO.,LTD. Integrated Report 2025



# Vision

## Becoming a company that creates spaces rich in security and joy

Under its management philosophy of “helping to improve people’s quality of life through its construction business,” Daisue Construction has continually pursued the delivery of safe, reliable, and high-quality buildings that meet its clients’ expectations. Driven by our aim of becoming “a company that creates spaces rich in security and joy,” which is outlined in our Vision 2030, we will continue to work to increase our corporate value in a sustainable manner.

# Philosophy

## Management philosophy

At Daisue Construction, we help to improve people’s quality of life through our construction business, and earn our clients’ trust with our sincerity while challenging the limitless possibilities of the future with youthful passion and drive.

### Company motto

**Integrity,  
Cooperation,  
Diligence,  
Creativity,  
Responsibility**

### Principles

**Provide better products safely,  
quickly,  
accurately,  
and with care**

### Editorial policy

This report is a summary of information about the business activities and sustainability initiatives of Daisue Construction Co., Ltd. We hope this report serves as a way for our stakeholders to learn more about the Daisue Construction Group.

#### • Applicable Period

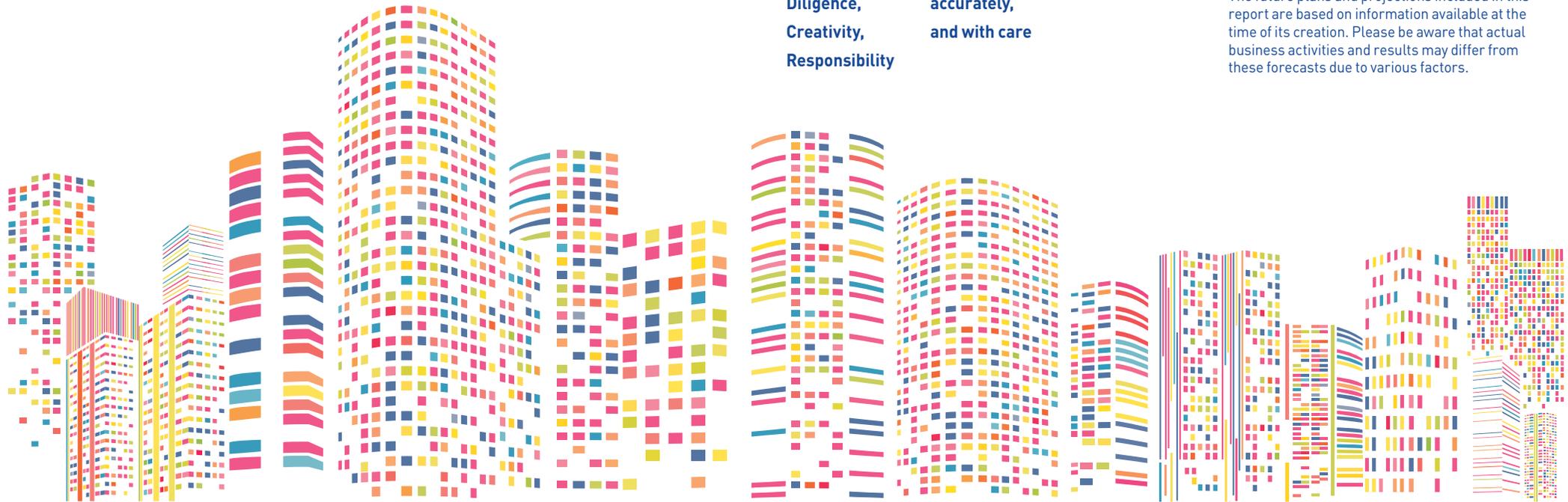
This report covers the period from April 1, 2024 to March 31, 2025 (including some activities before and after this period).

#### • Reference Guidelines

- International Integrated Reporting Framework (IFRS Foundation)
- Value Co-Creation Guidance 2.0 (Ministry of Economy, Trade and Industry)
- ISO 26000 (Japanese Standards Association)
- GRI Sustainability Reporting Standards

#### • Cautionary Note on Future Outlook

The future plans and projections included in this report are based on information available at the time of its creation. Please be aware that actual business activities and results may differ from these forecasts due to various factors.



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# Top Message A message from our President, 2025

# 2025

*President and Representative Director of Daisue Construction Co., Ltd.*

**Kazunori Murao**



In fiscal 2023, we achieved the Tokyo Stock Exchange Prime Market’s listing maintenance standards faster than initially planned. And in fiscal 2024, we launched our medium- to long-term business plan, “Road to 100th A: Embracing new challenges,” achieving an order amount exceeding 100 billion yen for the first time in 25 years. We are now striving toward even greater growth by undertaking radical reforms. We believe “Talent and Creativity for Life”—the theme of the Czech National Pavilion, which we were involved in constructing as part of Expo 2025 in Osaka, Kansai—shares similarities with our own principles, and we will continue to strive to become “a company that creates spaces rich in security and joy”—a goal outlined in our Vision 2030.

**Reflecting on FY2023–2024  
— Exceeding Our Targets —**

Before moving on to where we stand today, I’d like to briefly reflect on the fiscal years 2023 and 2024, when we delivered performance above expectations. In recent years, the construction industry has faced a sharp increase in material and labor costs, and we have also experienced financial difficulties, but efforts to negotiate price adjustments and the completion of unprofitable projects have resulted in our business performance starting to recover. Consequently, at the end of fiscal 2023, we achieved the required listing standards for market capitalization of tradable shares and average daily trading value, which we

had previously fallen short of, and succeeded in meeting the Tokyo Stock Exchange Prime Market listing maintenance criteria a year earlier than originally planned. In fiscal 2024, the year we launched our medium- to long-term business plan, “Road to the 100th Anniversary: Embracing new challenges,” we surpassed an order amount of 100 billion yen for the first time in 25 years, as well as ensuring a good backlog of construction contracts. Return on equity (ROE) improved to 9.0%, and as of September 2025, the price book-value ratio (PBR) also reached over 1.0. Now that I think of it, ever since 2020, when I was appointed President, we have continued to face strong headwinds, including the lull in social activities caused by the COVID-19 pandemic. However, by fostering a mindset of “let’s take on the challenge and grow” because of the fact that we were confronted with these difficulties, we have been able to achieve these results. I would like to take this opportunity to express my sincere gratitude to all our stakeholders.

**Entering the second year of our medium- to long-term business plan  
— Pursuing Radical Reforms —**

Fiscal 2025 marks the second year of our medium- to long-term business plan. This new plan adopts a medium- to long-term perspective of seven years, which is longer than the previous three-year business plans, to pursue more ambitious and sustained efforts. Under this plan, we aim to achieve sales of at least 100 billion yen, an operating

# Daisue Construction's Future Strategy— Transformation Strategy

profit of at least 5 billion yen, and a PBR of at least 1.0 by the fiscal year ending March 2031. In fact, while I mentioned earlier that we have already achieved our PBR target, we must maintain this level and ensure a strong business foundation to achieve remarkable growth as a company listed on Japan's Tokyo Stock Exchange Prime Market. We are engaged in radical reforms by undertaking the three challenges of "Increasing the tenacity of our construction business," "Enhancing our highly profitable portfolio," and "Bringing the foundations of our business into the next generation." As things stand, the construction business, which is our primary focus, is seeing a good number of orders for condominium construction projects. Likewise, in the non-residential sector for logistics warehouses and offices, we have built a solid track record over the last few years, winning multiple major general construction projects in fiscal 2024, in particular. We are proud to say that this is a result of recognition for our construction quality, technical expertise, and attentive consideration for end-users steadily taking root, and along with earning a solid reputation in condominium construction, increased client satisfaction the non-residential sector as well. While we have faced struggles by challenging ourselves in new areas, such as refrigerated and frozen warehouses, we are currently steadily building our expertise. We are also increasingly receiving orders for large-scale projects valued at or above 10 billion yen per project. The increase in contracts for large-scale projects, which offer higher productivity potential, serves as a key driver of our growth. We are also continuing to expand beyond the construction business, with the civil engineering business one of these areas. By re-entering this market, which we had previously

pulled out of, in November 2023, we welcomed Kamishima Corporation Co. and Kawanishi Civil Engineering Co. into the Daisue Construction Group as part of our M&A efforts. The civil engineering business places a large emphasis on public works. As it is a business that is not largely swayed by the state of the economy and can expect a stable number of orders, we believe it to be a pillar for building a stable and highly profitable business foundation. Another such pillar is the enhancement of our real estate business. We are currently in the process of conceiving business collaborations with Misawa Homes Co., Ltd., with whom we formed a strategic capital and business partnership. We think these businesses will make up around 10% of our operating profit in the future.

## — Accelerating business reforms with the deployment of proprietary DX systems —

The construction industry is one of a number of industries that currently face a serious worker shortage, and as a key measure to tackle this issue, we are undertaking a digital transformation. In April 2022, we established a DX Promotion Department to increase productivity and operational efficiency company-wide. Then, in April 2024, we launched our own DX system. The construction industry has been slow to adopt AI automation technologies. There is still a major reliance on the skills of site supervisors and the know-how of construction workers. However, with the number of skilled workers with experience declining, such a business model is approaching its limits. Also, from the perspective of preventing human error, the digitalization of practices is an urgent matter. For example, using AI to automatically evaluate photos from rebar inspections

enables even less experienced engineers to achieve expert-level performance. Real-time data sharing and visualization also boost efficiency and help foster a safer, more worker-friendly environment. We are also exploring the use of robotics on construction sites to carry out hazardous tasks that would otherwise be challenging for human workers. In promoting a digital transformation, we have formed a business alliance with FPT, one of the biggest IT companies in Vietnam. As well as permanently assigning a few dedicated staff members of FPT at our Tokyo Head Office to develop systems, we have a dedicated team in Da Nang City, Vietnam, to work with us in developing and improving the operation of our systems. That being said, the completion of a digital transformation does not happen overnight, and we are still only at the halfway stage with difficult challenges to address. While its deployment has progressed relatively smoothly in the back-office departments, there is still significant room for improvement at construction sites. As the speed at which engineering





technologies also evolve is increasing, we must always take action. Our policy is to request the cooperation of FPT while continuing to make progress technically as well.

— **Creating a working environment where diverse talent perform at their best** —

The greatest asset that supports a company's success is the people who work there. We have consistently focused on fostering a workplace that supports motivated and engaged employees, and we strengthened these initiatives further in fiscal 2024. The construction industry has been slower than other industries in terms of worker diversity. In particular, the ratio of female managers and the overall employment rate of women remains low. Even at Daisue Construction, where site supervisors account for more than half of all employees, the proportion of female managers is only around 8%. The preconceived notion that the "construction industry is male-dominated" is still strong in people's minds, and shaking off this image wouldn't be easy, but we aim to create a workplace that enables more female workers to succeed. In fiscal 2024, we actively sought to increase the number of female employees who were appointed to managerial positions.

Personally, I feel that having female workers on construction sites helps promote a better working environment. In fact, at sites where female supervisors are permanently stationed, facilities such as restrooms and changing rooms tend to be established more promptly, and there is a stronger awareness of cleanliness and organization. As a result, it sparks a positive cycle in which all employees have a pleasant work environment and their work efficiency also improves. We are also working on improving employee engagement and work-life balance. In fiscal 2024, we introduced an employee engagement survey. The results of the survey are fed back to all employees, with the aim of improving employee engagement by the Human Resources Department leading the tackling of issues. Also, in April 2025, we made base salary increases and raised starting salaries, as well as improved employee treatment. We are continuing efforts to improve the workplace environment. Setting targets for the day-off of work sites in consideration of employee work-life balance, we also encourage employees to take paid leave on the day-off of work site or on a rotating basis. Furthermore, we promote the taking of childcare leave by male employees, achieving a 100% rate of taking childcare leave in fiscal 2024. We have a high rate of employees returning to work after childbirth and are committed to creating an environment where they can confidently resume their careers after taking childcare leave.

— **Making our construction business more environmentally friendly** —

While the construction industry plays an important role in supporting social infrastructure, it also has a major impact on the environment. That is why we are focusing on ZEB (Net Zero Energy Building), ZEH (Net Zero Energy House), and wooden constructions to help popularize buildings that have a low environmental impact. We are working on ZEB

and ZEH approaches in our design and construction process. We obtained ZEH-M recognition for the Brillia Fukasawa Hatchome condominium that was completed in fiscal 2024 for Tokyo Tatemono Co., Ltd., as well as ZEB recognition for T-LOGI Tsurugashima, a distribution center for Tokyo Tatemono Co., Ltd. and Tokyo Gas Real Estate Co., Ltd. As for wooden constructions, in recent years, the number of mid- and high-rise wooden buildings has been increasing due to the development and spread of CLT (cross-laminated timber) and fire-resistant wooden structural materials. We have also taken a strong interest in sustainable construction methods. We are currently undertaking research and development, along with preparations to obtain a license for our construction methods for mid- and large-scale wooden structures. It is an idea we would love to bring to life. As part of our environmental initiatives, we are also focusing on reducing construction by-products and promoting the recycling of resources. We see it as our mission to contribute to global resource sustainability by ensuring thorough waste separation at construction sites and promoting the reuse of resources.



**A Symbol of Who We Are**

**— Expo 2025 Osaka, Kansai, Japan Czech National Pavilion —**

Ever since I was appointed President, I have adopted three mottos: “Grow,” “Have strengths,” and “Take on challenges.” Our efforts at Expo 2025 Osaka truly symbolize what these mottos are all about. The Expo 2025 project reflects what we have done to date, as well as opening a new chapter for us. For Expo 2025 in Osaka, we were given the fantastic opportunity to construct the national pavilion for the Czech Republic. The pavilion is predominantly a wooden structure, with a unique spiral design that features a Bohemian glass facade. The construction of the pavilion involved transporting wood and other materials from the Czech Republic, along with the hard work of our employees together with Czech and Japanese laborers. Although there were hurdles in terms of the differences in culture and language, we worked together, building a strong relationship. We ended up signing a partnership agreement with the the office of the commissioner general of the Czech Republic for EXPO 2025 On this project, we learned a great deal in terms of the engineering advancements and traditions on the Czech side, such as the QR code management of timber, BIM (Building Information Modeling), and wooden architecture in Europe. The attention to detail of the Czech laborers when it came to machining the wooden materials was also a major motivator for our employees, which I’m sure will be a huge reference in future engineering efforts. I feel that the theme of the Czech National Pavilion, “Talent and Creativity for Life,” crosses over perfectly with our vision: “Becoming a company that creates spaces rich in security and joy.” As a company, we were also involved in the construction of pavilions for Expo ’70 in Osaka, so I had a strong desire to play a role in Expo 2025 this time around as well. While it was an extremely difficult project, it drew attention from far and wide, and I couldn’t be happier with the response.

**— Challenges are investments for future success —**

As a matter of fact, upon taking on the construction of the Czech National Pavilion, there was a lot of negative talk. Since we had limited experience overseas, there were concerns about the risk of taking on projects in countries with different cultures and construction standards. However, opportunities like this don’t come around very often. The insights we got from directly experiencing an unknown culture and technologies related to construction are a huge asset that cannot be expressed in terms of numbers. Even if there would be difficulties, I believed the experience of Expo 2025 would improve our competitiveness, and that is why I decided that we should be involved. The background to this decision is a phrase I always share with our employees: “Innovation shapes the future.” You aren’t rewarded if you don’t challenge yourself. More to the point, success requires taking bold, forward-thinking challenges. There will, of course, be failures as well. But there will also be lessons we can learn from them. We can’t just be afraid. I believe taking on challenges is an essential element of success. In fact, in the construction of the Czech National Pavilion, we experienced all kinds of problems that we hadn’t faced before, such as delays in the importing of materials, differences in construction methods, and a language barrier. However, everyone worked hard to overcome these, ensuring the project was a success. This really motivated our employees. Experiencing situations, feelings, and decision-making demands that one would not normally encounter in regular projects, no doubt accelerated our growth dramatically. I was convinced that this experience would become the foundation for decision-making and creativity in the future for Daisue Construction.

**— Driving change and building the future through architecture —**

In fiscal 2025, we will publish our first Integrated Report. This is a new initiative to enable our stakeholders to gain a

deeper understanding of the current state of Daisue Construction and what we are up to. We believe that by sharing our financial results together with our ESG initiatives and management approach rooted in our corporate philosophy, our stakeholders will be able to appreciate the value of our company from multiple perspectives. Through this Integrated Report, I want more people to learn about Daisue Construction and the business activities we carry out. Daisue Construction has a history of 88 years, and yet our name is still not widely known yet. My role is to ensure our growth by building on our track record and creating more buildings that we can be proud of so that people say, “Daisue Construction built that.” “DX” refers to digital transformation, in which a societal transformation will be driven by digital technologies. I hope that the buildings that we, Daisue Construction, build, give our clients peace of mind and joy. By continuing to take on challenges from both technological and creative viewpoints, we seek to work together with everyone involved in the building industry to solve social issues, drive change, and build the future through architecture, sparking a “Daisue Transformation.” I ask that our stakeholders continue to provide their understanding and support for our initiatives. We will work even harder to embody the three mottos of “grow,” “have strengths,” and “take on challenges,” and build the foundations of a company that will lead the future of the construction industry.



# Value Creation Process

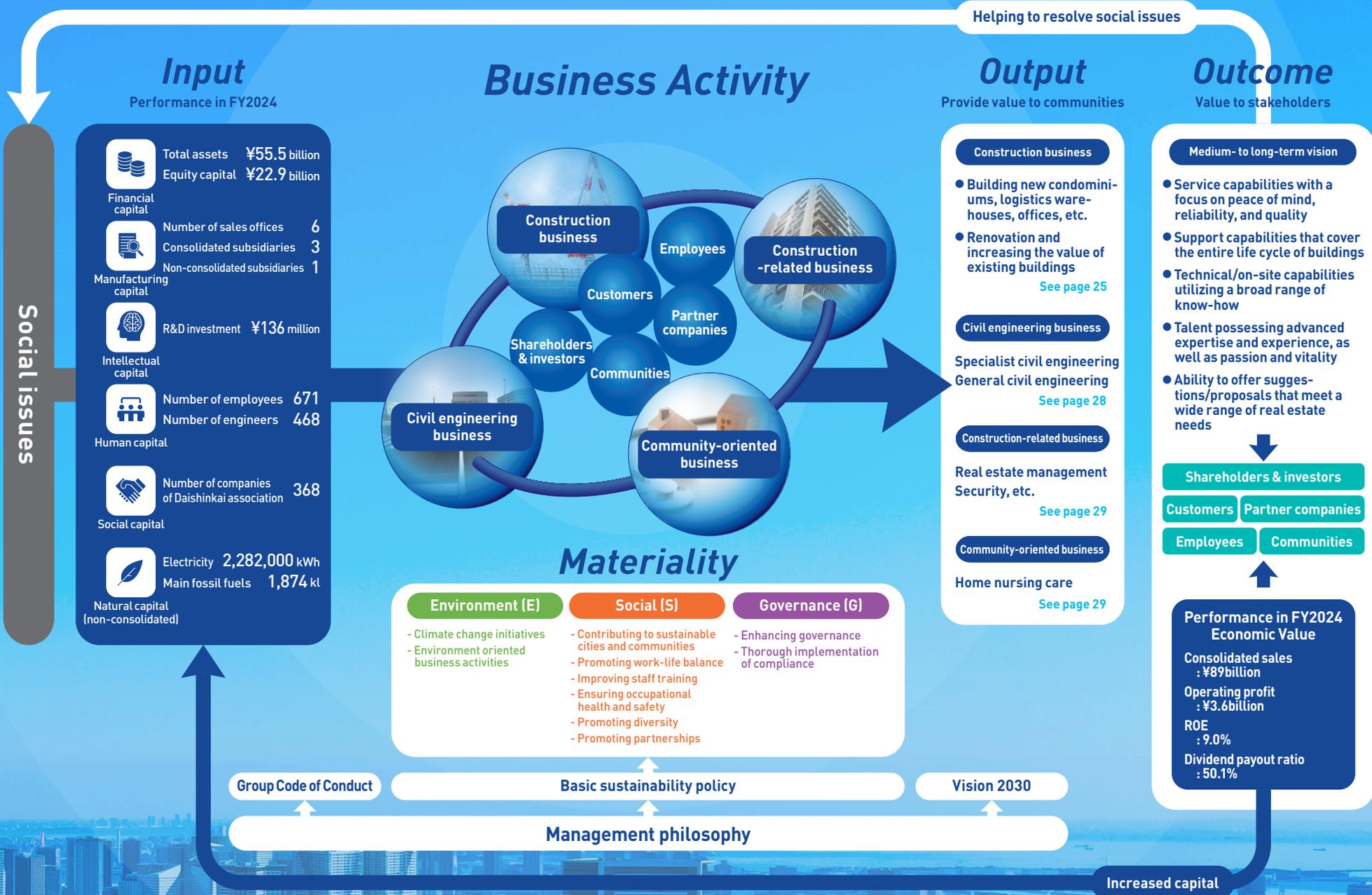
Under our management philosophy of “helping to improve people’s quality of life through our construction business,” we will help realize a sustainable society that cares for people and the planet, through providing safe, reliable, and high-quality buildings that meet our clients’ expectations. In addition to delivering value to our clients through our business activities, we are committed to addressing a wide range of social issues. Through our value creation process, we aim to increase our corporate value in a sustainable manner.

Concept of value creation process activities

Medium- to long-term business plan

## Road to 100th anniversary – Embracing new challenges –

Launching our medium- to long-term business plan, “Road to the 100th Anniversary: Embracing new challenges,” which covers the seven years from April 2024 to March 2031, we aim to achieve remarkable growth by undertaking radical reforms under the three challenges of “Increasing the tenacity of our construction business,” “Enhancing our highly profitable portfolio,” and “Bringing the foundations of our business into the next generation.” We have also set materialities that we must tackle, and are engaging in efforts to resolve sustainability issues.



# Road to 100th anniversary *—Embracing new challenges—*



## Medium- to long-term business plan

In our medium- to long-term business plan, which we launched in April 2024, we aim to achieve remarkable growth as a prime-listed company during the seven-period up to March 2031, in anticipation of our 100th anniversary in 2037, to realize a more fundamental transformation with a medium- to long-term perspective, based on the increasing need to maintain a Tokyo Stock Exchange Prime Market listing and to achieve a PBR exceeding 1.0.

### Vision

Our vision is to become “a company that creates spaces rich in security and joy” by 2030. We aim to be a company that realizes a better society through creating buildings that offer peace of mind and joy to our clients.



### Basic policy

By focusing on transforming our business foundation in the first four years of our medium- to long-term business plan, the aim is to build a solid basis for growth in the early years and realize tangible outcomes from that growth in the final three years of the plan. To achieve this, we have outlined three challenges and 10 key measures.



Building a basis for growth



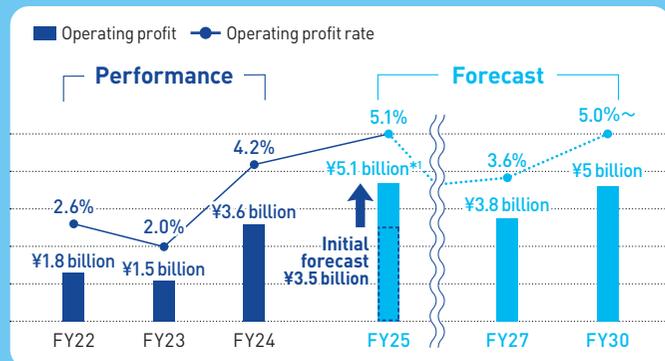
Growth based on Phase 1

<p><b>Increasing the tenacity of our construction business to pull away from the competition</b></p> <p>To date, our business has focused on condominium construction, which is our forte. Going forward, we aim to increase the number of non-bid projects we receive and improve our profitability by further increasing the profitability of our condominium construction business while establishing our Daisue brand with greater expertise in key areas in the general construction space as well.</p>	<ul style="list-style-type: none"> <li>● Further advance condominium construction by streamlining operations</li> <li>● Promote non-bid general construction contracts by succeeding in areas that differentiate us from our competitors</li> <li>● Focus on redevelopment construction, which is increasing in demand</li> </ul>
<p><b>Enhancing our highly profitable portfolio through bold investment and dynamic management</b></p> <p>Until now, we have pursued management focused on financial stability through controlled investment activity. We will expand our business portfolio by engaging in civil engineering, real estate, and community-related businesses, and build a stable and highly profitable business foundation that is less susceptible to the impact of climate change.</p>	<ul style="list-style-type: none"> <li>● Re-enter the civil engineering market</li> <li>● Full-scale entry into the real estate development and redevelopment markets</li> <li>● Generate new business for resolving social issues</li> </ul>
<p><b>Bringing the foundations of our business into the next generation by overhauling the foundation</b></p> <p>To aid remarkable growth, we are further strengthening and expanding our talent base, making our team structure more sophisticated, undertaking DX promotion efforts to improve productivity, engaging in operational reforms, and promoting the establishment of a next-generation management base.</p>	<ul style="list-style-type: none"> <li>● Build a talent base in which diverse personnel can work with motivation</li> <li>● Transform to a team structure that allows for the easy accumulation and use of know-how</li> <li>● Improve productivity through DX and transferring skills to upcoming talent</li> <li>● Make business more sophisticated by undertaking operational reforms</li> </ul>

## Management targets

### Operating profit targets

By fiscal year 2030 (the year ending March 2031), we aim to achieve a PBR of at least 1.0 and a consolidated operating profit of at least 5 billion yen (an operating profit margin of at least 5.0%). However, recent performance has exceeded expectations, allowing for a possibility of reaching targets faster than planned. Thus, a review will be carried out on the operating profit, ROE, etc., and the new targets will be published as soon as they are determined.



\*1 : In October 2025, the initial forecast of 3.5 billion yen was revised upwards.

### Other management targets

		FY22 Results	FY23 Results	FY24 Results	FY30 Target
Capital efficiency related metrics	ROE	6.3%	5.6%	9.0%	10.0% or more
	ROIC*2	6.0%	4.1%	9.8%	7.0% or more
	Debt-to-equity ratio	0.01	0.2	0.1	Approx. 0.65
Capital market related metrics	Market capitalization of publicly traded shares*3	¥7.7 billion	¥10.7 billion	¥13.2 billion	¥20 billion or more
	DOE	3.6%	3.3%	4.5%	4.0% or more
	Total payout ratio*4	50.7%	58.7%	50.1%	50.0% or more*5

\*2 : ROIC = (operating profit x (1-effective tax rate)) ÷ (net assets + interest-bearing debt)

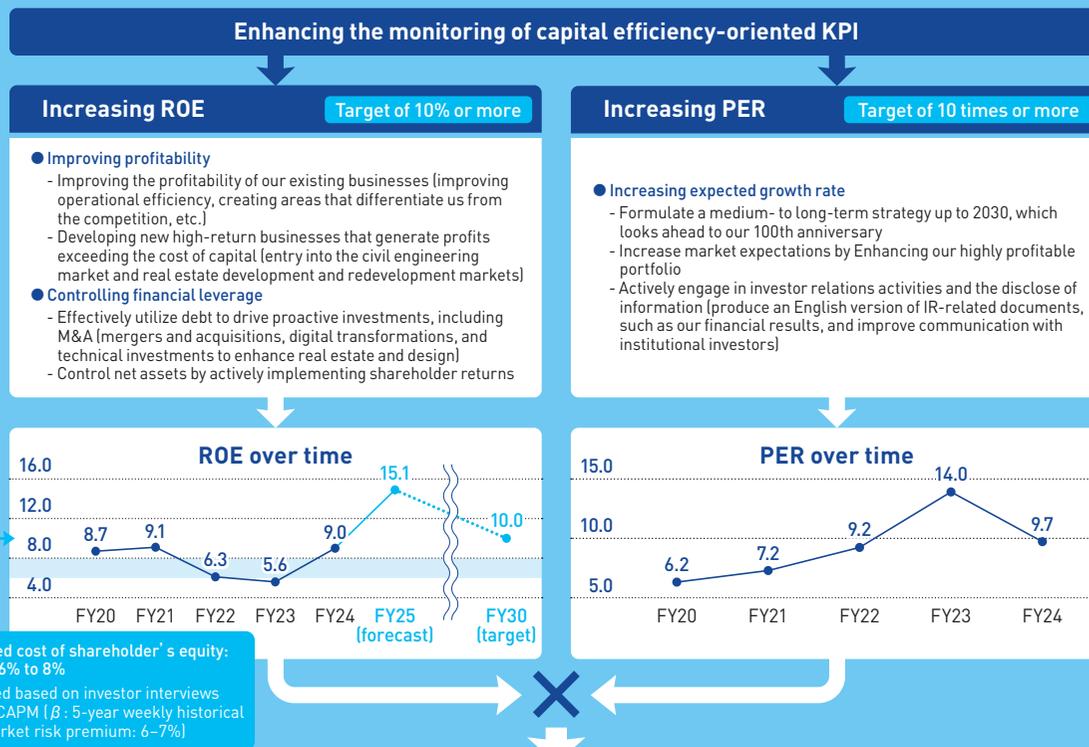
\*3 : Figure estimated by the Daisue Construction. The market capitalization of publicly traded shares is as of the last day of each fiscal year.

\*4 : Acquisition of treasury shares as stock-based remuneration, or the like is excluded for the calculation.

\*5 : We will review and consider measures as appropriate, taking into account future changes in the business environment.

## Management focused on capital costs and share price

We aim to achieve a PBR of 1.0 by fiscal 2030 (year ending March 2031), based on the equation  $PBR = ROE \times PER$ , by attaining an ROE of at least 10% and a PER of at least 10 times. During this fiscal year, improved profitability increased ROE, while greater transparency and ongoing dialogue with investors kept PER at around 10 times, bringing the PBR for the fiscal year ended March 2025 to 0.84. As of the end of September 2025, our PBR is over 1.0.



**Aim for PBR of 1.0 by 2030**

Stock price: the closing price on the last business day of each month, PBR: the closing stock price at the end of each term ÷ book value per share (BPS), ROE: Earnings per share (EPS) ÷ book value per share (BPS) (average book value at the beginning and end of the term), PER: closing stock price at the end of each term ÷ earnings per share (EPS)

## Increasing the tenacity of our construction business

As well as increasing our profitability by further strengthening our skills in condominium construction, we aim to increase the number of non-bid projects we receive and improve our profitability by building on strengths in both Non-residential construction and renovation. This year, we have won contracts in focus areas such as ultra-high-rise

condominiums, renovation and frozen warehouses, and hotels. We have also built on our track record of constructing environmentally friendly buildings, involving ZEH-M condominium designs and constructions and the Czech National Pavilion—a mid-rise wooden structure—at Expo 2025 in Osaka.

Strategic direction	Condominium Construction	<p>We aim to strengthen our position in deck access condominiums, our main business, while streamlining operations and expanding into new fields such as ultra-high-rise condominiums and medium- to high-rise wooden structures.</p>	<p>Build a standard model as a basis for client customization, and turn our extensive track record into a core strength</p>	<p><b>Broad condominium track record</b></p> <p>Data conversion/classification</p> <p><b>Build a standard design and construction model for each company</b></p> <p>Customize the standard model to suit each project</p> <p><b>Streamlining operations</b></p>	<p>Improve our presence across all condominium domains through challenging ourselves in adjacent areas</p>	<p>Large-scale</p> <p>Medium- to small-scale</p> <p>Ultra high-rise condominiums</p> <p>Deck access condominiums (Current focus)</p> <p>Luxury rental apartments</p> <p>RC structure</p> <p>Wooden structure</p> <p>Medium- to high-rise wooden condominium</p>									
	Non-residential Construction	<p>We seek to establish an edge over our competitors, increase the number of non-bid projects we receive, and improve our profitability by identifying key business areas, formulating strategies for each, and fostering the sharing of know-how by specialist teams.</p>	<p>Strive for a shift to high profitability by narrowing down key areas and specialist teams sharing know-how</p>	<p><b>Narrowing down focus areas</b></p> <p>Circulating know-how from specialist teams</p> <p><b>Improve expertise in each area/build standard models</b></p> <p>Establish brand and competitive edge</p> <p><b>Increase non-bid projects and profitability</b></p>	<p>Narrow down key areas to break away from the competition by building on our own unique strengths</p>	<table border="1"> <tr> <td>Key areas</td> <td> <p>Establish a competitive edge as soon as possible</p> <p>Refrigerated and frozen warehouses</p> <p>Factories</p> </td> </tr> <tr> <td>Short-term focus areas</td> <td> <p>Contribute to securing stable profit for the time being</p> <p>General warehouse</p> <p>Small- to medium-sized office</p> <p>Hotel</p> </td> </tr> </table>	Key areas	<p>Establish a competitive edge as soon as possible</p> <p>Refrigerated and frozen warehouses</p> <p>Factories</p>	Short-term focus areas	<p>Contribute to securing stable profit for the time being</p> <p>General warehouse</p> <p>Small- to medium-sized office</p> <p>Hotel</p>					
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Renovation	<p>While focusing on complex refining*<sup>6</sup> and renovation projects, we are also positioning small-scale refurbishment work as a hook to lead to new construction projects.</p>	<p>Many non-residential sector buildings were constructed before 2000, and demand for refurbishment and redevelopment is expected to increase*<sup>7</sup></p>	<table border="1"> <tr> <td>Non-housing (non-wooden structure)</td> <td>Year</td> <td>Housing (non-wooden structure)</td> </tr> <tr> <td>72.2%</td> <td>Before 1960, 1960-1965, 1965-1970, 1970-1975, 1975-1980, 1980-1985, 1985-1990, 1990-1995, 1995-2000, 2000-2005, 2005-2010, 2010-2015, 2015-2017</td> <td>60.1%</td> </tr> </table> <p>(Unit: 10,000 m<sup>2</sup>)</p>	Non-housing (non-wooden structure)	Year	Housing (non-wooden structure)	72.2%	Before 1960, 1960-1965, 1965-1970, 1970-1975, 1975-1980, 1980-1985, 1985-1990, 1990-1995, 1995-2000, 2000-2005, 2005-2010, 2010-2015, 2015-2017	60.1%	<p>While focusing on complex refining and renovation projects, we are also positioning refurbishment work as a hook to lead to new construction projects</p>	<table border="1"> <tr> <td>Refining/renovation</td> <td> <p>Capturing redevelopment demand on the increase due to the aging of existing building stock, and establishing a high-profit business as a result of our exclusive technical capabilities</p> </td> </tr> <tr> <td>Small-scale refurbishment</td> <td> <p>Positioning small-scale refurbishments as a hook to win projects for new constructions in order to enhance our client base in key areas, especially factories</p> </td> </tr> </table>	Refining/renovation	<p>Capturing redevelopment demand on the increase due to the aging of existing building stock, and establishing a high-profit business as a result of our exclusive technical capabilities</p>	Small-scale refurbishment	<p>Positioning small-scale refurbishments as a hook to win projects for new constructions in order to enhance our client base in key areas, especially factories</p>
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Refining/renovation	<p>Capturing redevelopment demand on the increase due to the aging of existing building stock, and establishing a high-profit business as a result of our exclusive technical capabilities</p>														
Small-scale refurbishment	<p>Positioning small-scale refurbishments as a hook to win projects for new constructions in order to enhance our client base in key areas, especially factories</p>														

\*6: Refining architecture is a redevelopment method proposed by architect Shigeru Aoki, which extends a building's lifespan by reusing its existing structure at a lower cost than rebuilding.

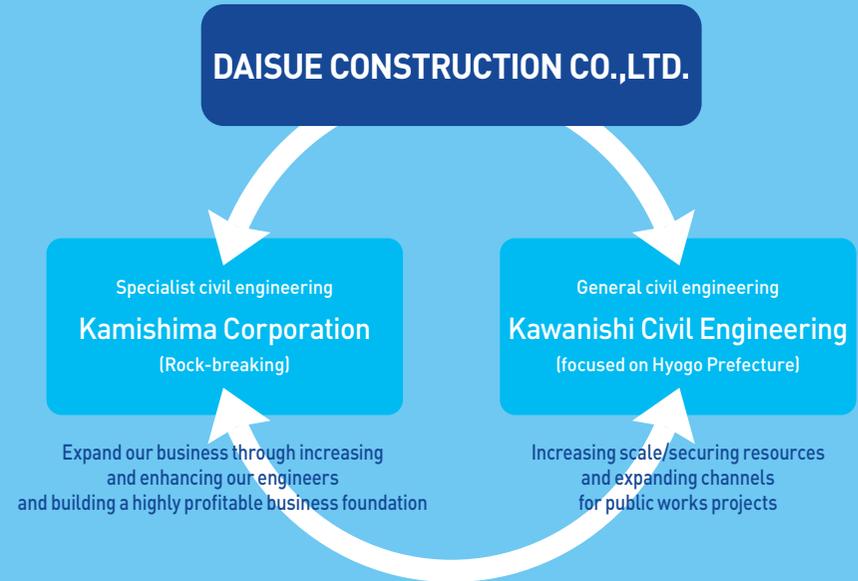
\*7: [Source] Building Stock Statistics / Ministry of Land, Infrastructure, Transport and Tourism, as of January 1, 2018; data before 1990 is given in 10-year intervals.

## Enhancing our highly profitable portfolio

We are expanding our business portfolio by engaging in civil engineering, real estate, and community-related businesses, as well as building a stable and highly profitable business foundation that is less susceptible to the impact of climate change.

### Civil engineering business

By creating a synergy with the two companies that joined the Daisue Construction Group in 2023—Kamishima Corporation Co., with its proprietary technologies, and Kawanishi Civil Engineering Co., which has excellent civil engineers—we aim to increase the scale of our civil engineering business and secure stable profits.



### Real estate business

With an eye on M&A as a means to accelerate the establishment of our business foundation, we are making a full-scale entry into the real estate development and redevelopment sector. In doing so, we aim to improve/stabilize company-wide profits, and create synergies through collaboration with our construction business and Misawa Homes Co., Ltd., which is a shareholder in Daisue Construction. Based on the land information we get from our real estate business, we aim to improve our profitability by enhancing our land-sourcing sales in the construction business, while providing end-to-end solutions covering development, design, and construction.



## Bringing the foundations of our business into the next generation

To achieve remarkable growth, we are further strengthening and expanding our talent base, making our team structure more sophisticated, undertaking DX promotion efforts to improve productivity, and promoting the Bringing the foundations of our business into the next generation. This year, we introduced an employee engagement survey to establish a workplace environment where our employees can work with a sense of purpose, and we also raised salary levels and improved employee treatment in April 2025. With the DX systems, which we implemented a full-scale launch of this year, we aim to further improve business efficiency and profitability by continuing to accumulate and analyze data to improve functionality.

### Talent strategy

Through the following three initiatives, we strive to further enhance and expand our talent base to support remarkable growth.

<b>Improving work satisfaction</b>	<ul style="list-style-type: none"> <li>- Establishing a workplace environment where our employees can work passionately with motivation</li> <li>- Building a framework that rewards employees for special performance</li> </ul>
<b>Accelerating staff training</b>	<ul style="list-style-type: none"> <li>- Promote a company-wide culture that emphasizes staff development</li> <li>- Enhance both on-the-job and off-the-job training programs and the strategic allocation of staff to ensure young talent are ready to contribute quickly</li> </ul>
<b>Promoting the involvement of diverse talent</b>	<ul style="list-style-type: none"> <li>- Build a system to utilize a wide variety of talent to resolve the lack of personnel in our existing businesses and to assign them to new business</li> <li>- Actively secure new talent through making the hiring process more sophisticated and diverse</li> </ul>

### Organizational strategy

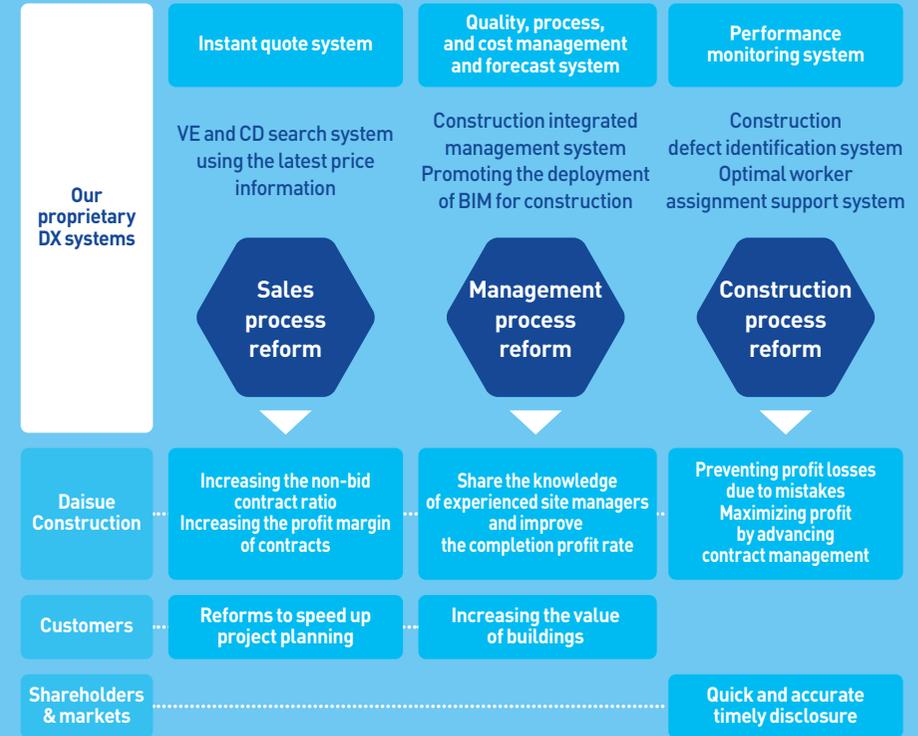
By setting up the following two new organizations, we aim to transform our structure to enable optimized company-wide decisions on whether to take on projects and to facilitate the accumulation and utilization of know-how.

<b>Project Screening Committee</b>	<ul style="list-style-type: none"> <li>- For large-scale, important projects, we make decisions on taking on contracts from a company-wide, mid- to long-term perspective</li> <li>- We timely allocate personnel across our main offices and branches.</li> </ul>
<b>Business Strategy Headquarters*<sup>8</sup></b>	<ul style="list-style-type: none"> <li>- We consolidate and share know-how throughout the company to strengthen our ability to make suggestions/proposals to clients and enhance our efficiency and sophistication in key business areas.</li> <li>- We are utilizing DX systems to advance our design, calculation, and procurement functions</li> </ul>

\*<sup>8</sup> Now named the Business Strategy Department

## DX strategy

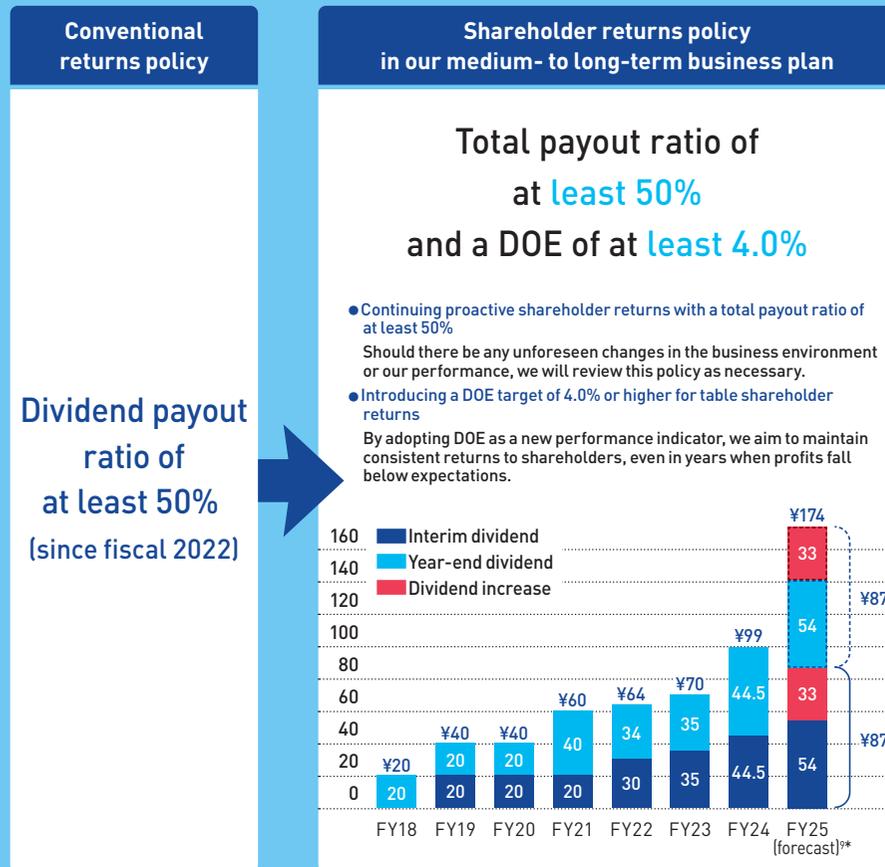
Since April 2024, we have been working on improving our profitability by deploying proprietary DX systems company-wide and reforming our sales, construction, and management processes.



## Capital policy direction

### Shareholder returns policy

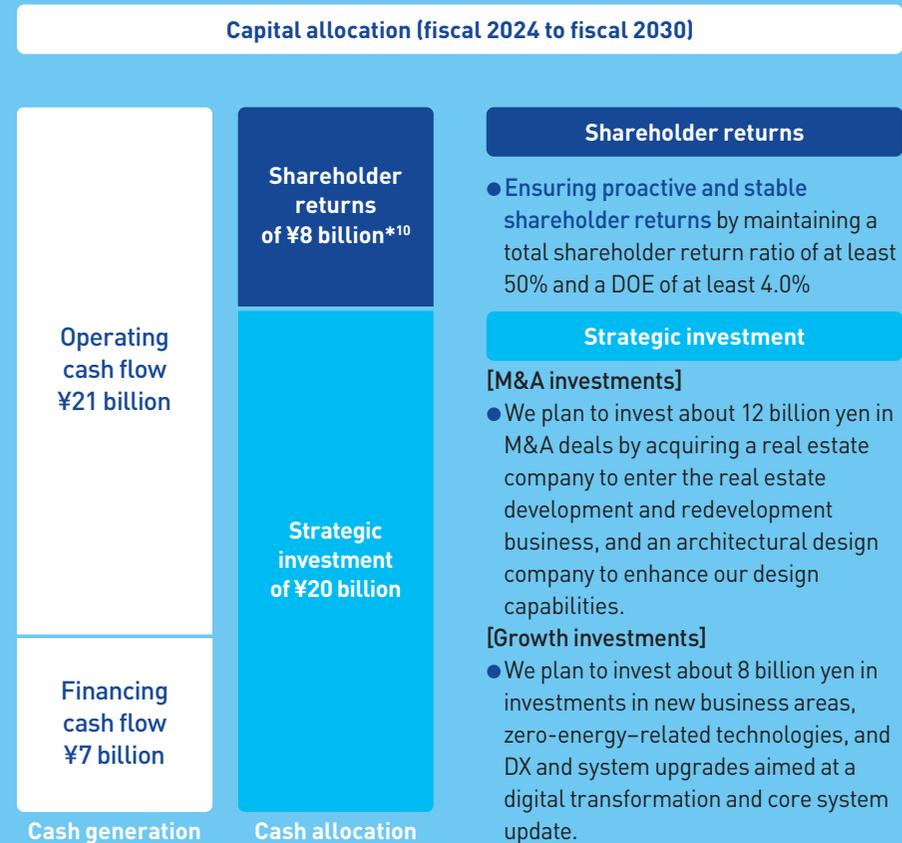
To ensure proactive and stable shareholder returns, we reviewed our shareholders' returns policy to a total shareholder return ratio of at least 50% and a DOE of at least 4.0%. The interim dividend and the year-end dividend for FY25 are both revised to 87 yen, up 33 yen from the initial forecast of 54 yen [174 yen for the full year]. A dividend increase for the 5th consecutive year is therefore planned.



\*9: As of the end of October 2025. The figures for the interim dividend for FY3/26 are final, while those for the year-end dividend are provisional.

### Capital allocation

In the seven years of our medium- to long-term business plan, we plan to ensure a operating cash flow of 21 billion yen, a financing cash flow of 7 billion yen, and allocate 8 billion yen for shareholder returns, 12 billion yen for M&A with real estate companies and so on as strategic investments, and 8 billion yen for digital transformation efforts.



\*10 Estimated based on maintaining a total payout ratio of 50%

# Materialities

## Materialities

As a policy to achieve sustainable improvements to our corporate value, we outlined becoming “a company that creates spaces rich in security and joy” as our Vision 2030. To achieve Vision 2030, in addition to sustainable growth of our company, we confront

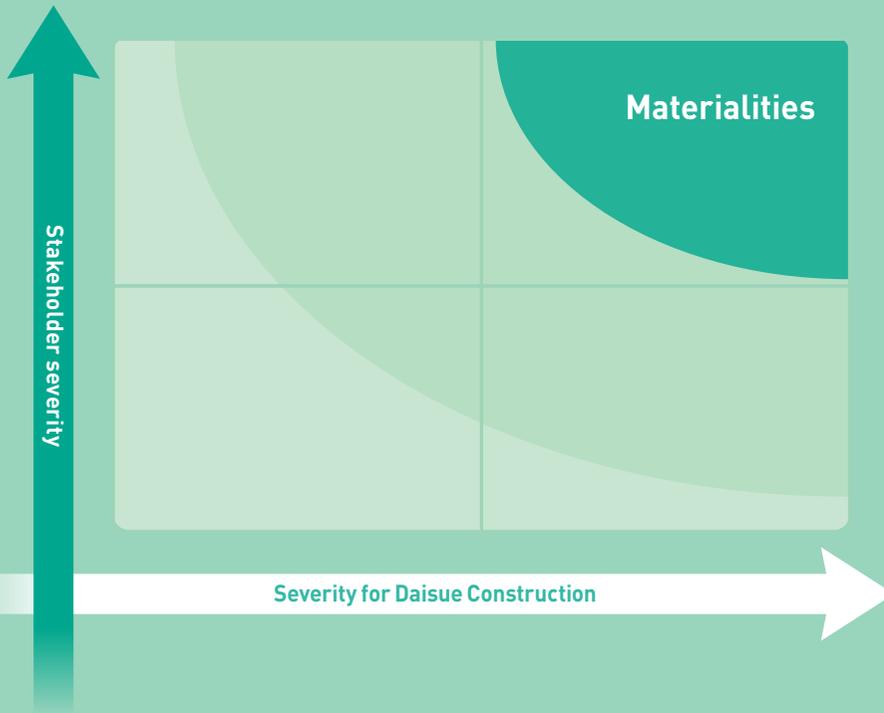
various social issues, and with an awareness that it is important that we contribute to a sustainable society, we set materialities that we should tackle and work to resolve these issues.

	Materialities	Main initiatives in business activities	KPI	FY2023 results	FY2024 results	SDG
Environment (E)	Climate change initiatives	Minimizing greenhouse gas emissions	CO <sub>2</sub> emissions (Scopes 1 & 2)	5,970.7 t-CO <sub>2</sub> (emissions per unit: 7.9t-CO <sub>2</sub> /¥100 million)	5,872.2 t-CO <sub>2</sub> (emissions per unit: 6.8t-CO <sub>2</sub> /¥100 million)	  
		Promoting Zero Energy Building (ZEB), Zero Energy House (ZEH), and wooden structures	Percentage of contracts for new constructions*1	10.5%	62.2%	
	Environment-oriented business activities	Reducing construction by-products	Construction byproducts per unit	6.6 kg/m <sup>2</sup>	7.8 kg/m <sup>2</sup>	
		Promoting construction recycling	Recycling rate	—	94.7%	
Social (S)	Contributing to sustainable cities and communities	Stable and continuous supply of housing	Real estate revenue	¥51.8 billion	¥67.6 billion	     
		Reducing overtime hours	Overtime hours	21 hours 33 minutes/person per month	18 hours 53 minutes/person per month	
	Promoting work-life balance	Promoting the closure of work sites	Implementation rate of the "eight-closure-days-per-four-weeks" system	32.0%	38.0%	
		Promotion of men taking childcare leave	Rate of taking childcare leave*2	72.7%	100.0%	
		Improving employee engagement	Engagement score*3	—	65.1	
	Improving staff training	Increasing the number of certified employees	Percentage of certified employees*4	67.9%	69.8%	
			Ensuring occupational health and safety	Minimizing work accidents	Accident frequency rate (at least 4 days leave)	
	Promoting diversity	Increasing number of female managers	Percentage of female managers	5.9%	8.5%	
			Increasing number of female employees	Percentage of female employees	13.3%	
		Increasing number of experienced employees (mid-career hires)		Percentage of experienced employees	22.4%	
			Promoting partnerships	Promoting the introduction of a construction career development system	(1) Business persons registration rate (2) Skilled worker registration rate (3) Number of touch ups per completed construction work of ¥1 billion	
	Governance (G)	Enhancing governance	Achieving capital-cost-oriented management	Disclosing measures to address a PBR below 1.0	—	
Improving sustainability-related disclosures			Disclosing materialities and progress	—	Twice*6	
Thorough implementation of compliance		Increasing awareness of compliance	Rate of taking compliance education	100%	100%	

\*1: Includes scheduled certification acquisition. \*2: Includes childcare-related leave. \*3: Score from HRBrain's Organization Checkup Survey. \*4: Applies to qualifications such as First-Class Architect and other certifications designated as key qualifications. \*5: Financial Briefing for the Fiscal Year ended March 2025. \*6: Financial Briefing for the Six Months Ended September 30, 2024, Financial Briefing for the Fiscal Year ended March 2025.

## Process for identifying materialities

- 1. Extract issues** Sustainability issues are extracted based on the demands of society and company challenges.
  - 2. Identify materialities** The importance of the extracted issues is considered in terms of our stakeholders and the running of the company, and then the Sustainability Committee identifies the material issues.
  - 3. Set KPI and target values** The Sustainability Committee sets KPI and target values for identified materialities.
- \*Materialities are reviewed when necessary according to the internal and external environment and circumstances in society



## Basic Sustainability Policy

The Daisue Construction Group, under its management philosophy of “helping to improve people’s quality of life through its construction business,” works in collaboration with various stakeholders, and through its business activities, aims to contribute to realizing a sustainable society and increasing its corporate value in a sustainable manner.

- Work to conserve the environment and reduce our environmental footprint toward realizing a carbon-neutral society.
- Contribute to ensuring cities where everyone can live with peace of mind, through providing safe, high-quality buildings and services.
- Aim to realize a safe and healthy workplace environment where a wide range of employees are active and everyone finds their job engaging.
- Strive to improve trust by promoting appropriate information disclosure and dialogue with stakeholders.
- Adhere to laws, regulations, social ethics, and the code of conduct, and implement fair and proper business activities.

## Sustainability Promotion Structure

The Sustainability Committee, led by our President and Representative Director, reviews materialities and target values and monitors their progress.

Matters that are deliberated on are then reported and discussed at the Board of Directors meetings. In fiscal 2024, the Sustainability Committee was held once to discuss matters such as the progress of materialities, targets for fiscal 2025, and our sustainability policy.



# Feature on EXPO 2025

## Czech National Pavilion at Expo 2025 in Osaka



## A stunning spiral-shaped pavilion

We used wooden materials, such as CLT panels, for all columns, beams, walls, and floors, and covered the outside from top to bottom with Bohemian glass, which is a decorative glass made in traditional glassmaking in the Czech Republic. As the beautiful spiral design was extremely complex and the scheduled construction period short, from the early stages of construction, extensive discussions and reviews were conducted with Czech government representatives and design personnel using 3D models (BIM). This construction was an entirely new experience for us, shipping wood and glass that was procured/produced in the Czech Republic to Japan by boat and having Czech and Japanese artisans work together to construct the pavilion at the EXPO site. The completed building is designed so that visitors reach the rooftop observatory by walking up a gentle slope while admiring the murals and glass artwork along the glass-walled corridor. The center of the slope houses Daisue Hall, equipped with tiered rows of seats. This hall is used for cultural performances, speeches, and other program events. While designing and constructing the pavilion was extremely difficult, we are proud that it exemplifies the theme of the pavilion, which is "Talent and Creativity for Life," by fusing Czech design, the artisanship of both nations, and our technical expertise.



### Construction overview

- Project name:** Czech National Pavilion at Expo 2025 in Osaka
- Location:** 1-chome Yumeshima Higashi, Konohana Ward, Osaka City
- Contractor:** The Czech Republic
- Period:** July 2024 to March 2025
- Design and supervision:** Apropos Architects
- Purpose:** Event hall
- Structure:** A wooden structure partly constructed with a steel frame

### Interview with work site manager

It is a great honor to lead the construction of the Czech National Pavilion at Expo 2025 in Osaka, which is being held in Osaka for the first time in 55 years. To complete the construction of this complex building within the tight eight-month schedule, there were many challenges beyond my expectations. It was Daisue Construction's first large-scale wooden structure, and we learned a great deal through our collaboration with companies from the Czech Republic and discussions with government officials. We successfully completed the construction of the pavilion thanks to the hard work of everyone involved. The pavilion is a wooden helical structure, with the outside made of Czech Bohemian glass and CLT (cross-laminated timber). The floors of the ground level and rooftop terrace are made of solid Japanese cedar. This beautifully designed building is truly a work of art. I am extremely proud that many people will visit and experience this building during Expo 2025.



**Site manager :**  
Akiumi Fujikawa

# Feature on DX

## DX initiatives

To achieve the targets of our Medium- to Long-Term Business Plan and remarkable growth as we approach our 100th anniversary in 2037, in April 2024, we began company-wide development of our own “DXS” (Daisue DX System) under a partnership with FPT, which is one of the largest IT companies in Vietnam. We aim to use this DX system (DXS) to improve the efficiency of our business processes and increase our profitability and customer satisfaction.

### DXS overview

Built on a cloud computing base, the platform contains three main systems: Sales DXS, Construction DXS, and Management DXS. Integrating the storage of all the data from our bases located all over Japan, the DXS will enable consolidated management of information at every step of the process, from obtaining project information through to the completion of construction.

<b>Sales DXS</b>	The Sales DXS allows users to search previous rough estimates and VE/CD (Value Engineering/Cost Down) proposals during the sales process. We also expect the Sales DXS to accelerate our project plans, increase the ratio of non-bid contracts from customers, and improve the gross profit margin of contracts.
<b>Construction DXS</b>	The Construction DXS enables the integrated management of quality, schedule, and cost throughout the construction process, as well as the accumulation and searching of knowledge, to increase the value of our buildings and improve our completion profit rate.
<b>Management DXS</b>	The Management DXS will enable performance monitoring and construction defect identification within the management process to prevent losses caused by mistakes. As well as helping to maximize our profits, it will make timely disclosure quicker and more accurate.

With our sales representatives able to generate rough quotes using the DXS, we have seen benefits, such as a reduced burden on our cost estimators and being able to assign resources to other tasks. We will continue to automate construction plans and automate/make our operations more sophisticated with the use of AI.

## Promotion framework

We have set up a DX Systems Strategy Department to promote and embed DX systems and digital technologies company-wide. We have also appointed a DX systems operation and promotional officer and an operation and promotion leader, and are undertaking training to encourage the use of DX systems within each department to get the most out of them.



## DX certification

Our medium- to long-term business plan, initiatives to promote DX through business strategies and organizational development, and efforts to communicate information appropriately to stakeholders have been recognized, earning us DX-Certified Business Operator certification in October 2024 as part of the DX Certification Program established by the Ministry of Economy, Trade and Industry.



## Partnership with FPT

We signed a global partnership agreement in April 2024 with FPT, and together we will continue to enhance and improve the value of DX systems. We successfully showcased our DX initiatives to many visitors at our joint booth with FPT at the Fourth Japan Build Tokyo event in December 2024. As well as aiming to be a leading company in the DX space by accelerating business efficiency and productivity through enhancing our partnership with FPT, we are also working to address challenges such as the aging population of skilled workers and work style reforms in the construction industry, and striving to contribute to the sustainable development and advancement of the sector.



# Project Introduction



## Grand Maison Kitahorie Residence

Condominiums and apartment buildings

The Grand Maison Kitahorie Residence is a 19-story condominium with 178 apartments, located in a highly convenient area. The exterior features an elegant white-based design that blends harmoniously with the surrounding streetscape while still standing out.

Construction overview

Location: Osaka

Contractor: Sekisui House, Ltd.

Completed: January 2025



## Brillia Fukasawa Hatchome

Condominiums and apartment buildings

Brillia Fukasawa Hatchome is a three-story condominium with 38 apartments that has obtained ZEH-M (Net Zero Energy House – Multi-unit) certification, which is a top-tier standard in Japan. Combining high insulation performance with solar power and an ENE-FARM system, this state-of-the-art residence is designed for both energy efficiency and resilience in the event of disasters.

Construction overview

Location: Setagaya Ward, Tokyo

Contractor: Tokyo Tatemono Co., Ltd.

Completed: February 2025



## T-LOGI Tsurugashima Logistics warehouses and factories

T-LOGI Tsurugashima is a four-story logistics facility with convenient access to the Kan-Etsu Expressway and the Ken-O Expressway. The building features solar panels installed on the roof that generate electricity for on-site consumption. It has been designed with environmental sustainability in mind and has obtained ZEB (Net Zero Energy Building) certification.

Construction overview  
 Location: Kawagoe City,  
 Saitama Prefecture  
 Contractors: Tokyo Tatemono Co., Ltd.  
 and Tokyo Gas  
 Real Estate Co., Ltd.  
 Completed: May 2024



## Logicross Osaka Katano Logistics warehouses and factories

Logicross Osaka Katano is a four-story logistics facility designed for a high degree of flexibility to support frozen, refrigerated, and ambient temperature zones to meet a wide range of tenant requirements. Situated in a location that can efficiently cover the two major consumption areas of Osaka and Kyoto, this facility has acquired BELS certification, which demonstrates the energy conservation performance of buildings.

Construction overview  
 Location: Katano City, Osaka  
 Contractor: MITSUBISHI ESTATE CO., LTD.  
 Completed: November 2022



## Suzuran Department Store Takasaki Commercial facilities

Suzuran Department Store Takasaki is a four-story commercial facility located in the center of Takasaki City in Gunma Prefecture. This building features a bright and spacious design, with characteristic large glass windows, as well as a canopy and banners at the main entrance.

Construction overview

Location: Takasaki City, Gunma Prefecture

Contractor: Excellent buildings co constructors' council of Miyamoto cho 2nd district

Completed: April 2024

(joint construction project)



BACK



## PMO Akihabara III

Government buildings and offices

PMO Akihabara III is an eight-story office building that features a full curtain wall and a gray-based color scheme. The office space offers a bright and spacious column-free environment with a 2,750 mm ceiling height, creating an open and spacious, pleasant working environment.

Construction overview

Location: Chiyoda Ward, Tokyo

Contractor: Nomura Real Estate Development Co., Ltd.

Completed: August 2024



## HILLTOP THE SQUARE

Event hall

Hilltop The Square is a multi-function complex that fuses together daily-use facilities such as restaurants with a wedding chapel. Characterized by its white triangular roof, the chapel features a pure white interior illuminated by natural light and accented with decorations inspired by a bridal veil.



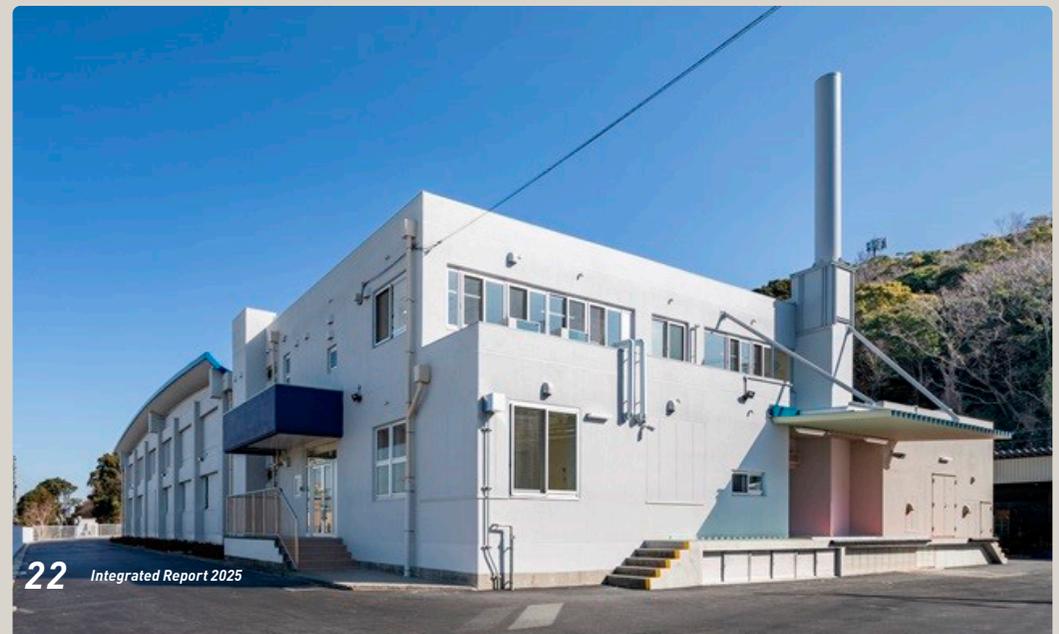
Construction overview  
 Location: Koshigaya City, Saitama Prefecture  
 Contractor: Alpha Club Musashino Co., Ltd.  
 Completed: April 2024

## HANNAN City School Lunch Center

Refurbishments

The Hannan City School Lunch Center helps prepare lunches for schools in Hannan City, Osaka. The center was transformed by upgrading/updating the old facilities and cooking equipment.

Construction overview  
 Location: Hannan City, Osaka  
 Contractor: Hannan City  
 Completed: January 2025  
 (a joint construction project)



# History



1937. 3

Our founder Sueo Yamamoto establishes Yamamoto Contractors in Tannan Village, a part of the Minamikawachi District of Osaka (now Matsubara City)

1947

Daisue Gumi Co., Ltd. is established

1961

Daisue Gumi is listed on the Second Section of the Osaka Securities Exchange

1963

Daisue Gumi relocates its headquarters to within Osaka City

1965

Daisue Gumi establishes its Tokyo Branch (now Tokyo Head Office)

1967

Daisue Gumi is listed on the First Section of the Osaka Securities Exchange and the Tokyo Stock Exchange

1970

Daisue Gumi changes its name to Daisue Construction Co., Ltd.

1989

Chuo Giken Co., Ltd., which will go on to become Daisue Techno Service Co., Ltd., is established

● 1951

Win the contract for the project to build the new Osaka Minami Prefectural Tax Office, which is our first reinforced concrete construction

● 1954

Finish the construction project for the Osaka Municipal Furuichi No. 2 (Block 3) fire-resistant housing complex



● 1961

Complete The Japan Housing Corporation's Kitahorie urban housing complex with commercial facilities, which is our first project exceeding 100 million yen



● 1965

Develop and sell Iruma River New Town, which is our first land development

● 1967

Completed construction revenue exceeds 10 billion yen

● 1969

Complete construction of the Wednesday Plaza Deck for the Japan World Exposition Association and the Fuji Pan Robot Pavilion at Expo '70 for Nichimen Co., Ltd.



● 1972

Construct and sell Kayo Corporas, which is our first condominium project

● 1978

Finish construction of Nanki Shirahama World Safari (now Adventure World), which is the first safari park in the Kansai region



## History of Daisue Construction

Since our establishment in 1937, we have grown over the years by taking on challenges in various sectors while also being firmly rooted in the construction industry. We will continue to meet the needs of our clients and aim to remain a company that contributes to the sustainable development of society.



1997

Daisue Construction acquires ISO 9001 certification

2001

Daisue Construction acquires ISO 14001 certification

2017

Daisue Techno Service Co., Ltd. is born, with Techno Service Co., Ltd. (formerly Chuo Giken Co., Ltd.) merging with the two Daisue Construction Group companies

Home nursing care business Yasuragi Co., Ltd. is established

2018

A strategic capital and business partnership is formed with Misawa Homes Co., Ltd.

2022

The Daisue Construction Group has transitioned to the Prime Market of the Tokyo Stock Exchange

2023

Kamishima Corporation Co. and Kawanishi Civil Engineering Co. are fully acquired by the Daisue Construction Group

2024

Daisue Construction launches its medium- to long-term business plan titled, Road to the 100th Anniversary: Embracing new challenges

● 1985

Develop a hybrid construction method as a new way to build mid- to high-rise residential buildings. Use this method to build the Nittetsu Life Kanazawa-Hakkei residential complex in 1987.

● 1989

Finish construction of Shinjuku Nishiguchi Kyodo Building (now Shinjuku L Tower), which is our first skyscraper over 100 meters tall (a joint venture project)



● 1990

Develop the Daisue Seismic Isolation Construction Method. Use this method to build the Kawaguchi Family Dormitory the following year, in 1991.

● 1991

Establish our company emblem based on the logo created in 1989



● 1998

Finish construction of the Nada-Hinodecho Housing Complex (M District), a reconstruction project by the Housing and Urban Development Corporation following the Great Hanshin-Awaji Earthquake



● 1999

Finish phase II construction of the Osaka Municipal Central Wholesale Market (a joint venture project)



● 2010

Finish construction of the Osaka Prefectural Police Kanaoka Single-Occupancy Dormitory Improvement Project, which is our first private finance initiative (PFI) project

● 2019

Finish construction of the Sea Forest Waterway, which is developed as a venue for the Tokyo 2020 Olympic and Paralympic Games (a joint venture project)



● 2025

Construct the Czech National Pavilion at Expo 2025 in Osaka



# Business Introduction

Introduction to  
Daisue Construction Group's  
Businesses

## Construction business

### Condominium Construction

Our strength lies in the extensive experience and strong trust we've earned from our clients, which has been built through the construction of numerous condominium complexes across Japan, particularly focused on the three major metropolitan areas. From compact urban condominiums to high-rise buildings exceeding 20 stories and large-scale complexes spanning multiple tower buildings, we meet the diverse needs and preferences of our clients and handle a wide range of properties.

#### Main construction projects

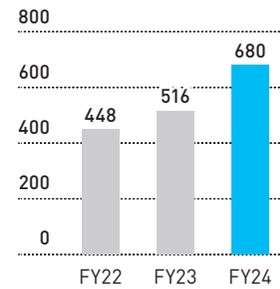
Contractor	Property Name (project name)	Prefecture	Purpose
Hankyu Hanshin Properties Corp.	Shimorenjaku 3 chome Mitaka city Projct	Tokyo	Condominiums and apartment buildings
Sekisui House, Ltd.	GRAND MAISON Kakuozan Tsukimizaka	Aichi	Condominiums and apartment buildings
MITSUBISHI ESTATE RESIDENCE CO.,LTD.	Project for Shogoin Entomi-cho in Sakyo Ward, Kyoto	Kyoto	Condominiums and apartment buildings
Tokyo Tatemono Co., Ltd.	Kobe Ekimae Project	Hyogo	Condominiums and apartment buildings
ANABUKI KOSAN INC.	Alpha States Shingu	Fukuoka	Condominiums and apartment buildings

\*Ordered by prefectural code

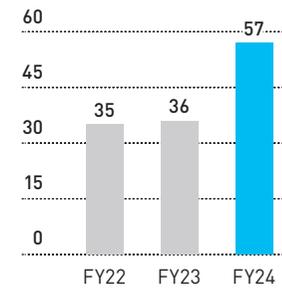
#### Performance in the fiscal year ended March 2025

For the fiscal year ended March 2025, condominium construction sales rose 31.9% year on year to 68 billion yen, gross profit increased 56.9% to 5.7 billion yen, while the order amount declined 26.7% to 56.9 billion yen.

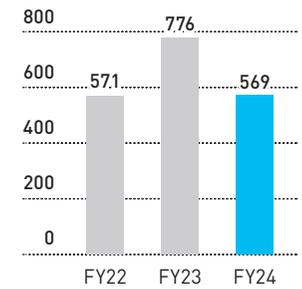
#### Sales (¥100 million)



#### Gross profit (¥100 million)



#### Order amount (¥100 million)



#### Main completed construction projects



#### Laurel I+ MEIEKI HIGASHI

Completed:  
November 2024  
Contractor:  
Kintetsu Real Estate Co., Ltd.  
Location:  
Nagoya City,  
Aichi Prefecture



#### Brillia Meguro Ohashi

Completed:  
March 2025  
Contractors:  
Tokyo Tatemono Co., Ltd.  
and San Shin Jyuken Ltd.  
Location: Meguro Ward,  
Tokyo



#### CLARE HOMES NAGATSUKA

Completed:  
March 2025  
Contractor:  
CENTRAL GENERAL DEVELOPMENT CO.,LTD.  
Location:  
Hiroshima City,  
Hiroshima Prefecture



#### Grand Maison Kitahorie Residence

Completed:  
January 2025  
Contractor:  
Sekisui House, Ltd.  
Location:  
Osaka City,  
Osaka Prefecture

# Construction business

## Non-residential Construction

We have worked on a wide variety of buildings across different sectors, including offices, distribution centers, factories, medical and welfare facilities, commercial facilities, and educational institutions. Recently, we've been building a strong track record in key focus areas outlined in our medium- to long-term business plan, such as general warehouses, refrigerated and frozen warehouses, small- to medium-sized offices, and hotels. By accumulating expertise and enhancing our specialization in these areas, we are actively working to establish unique strengths that distinguish us from the competition.

### Main construction projects

Contractor	Property Name (project name)	Prefecture	Purpose
MUFG Bank, Ltd.	Demolition Work of MUFG Bank Main Office (underground and above ground)	Tokyo	Government buildings and offices
Tokyo Gas Real Estate Co., Ltd.	Negishi Logistic Facility Project	Kanagawa Prefecture	Logistics warehouses and factories
Daiwa House Industry Co., Ltd.	D Project Silver Nagoya Aichi	Aichi Prefecture	Medical, welfare and elderly housing
JR Tokai Real Estate Co., Ltd.	Kyoto Hachijo Higashiguchi Plan	Kyoto	Commercial facilities(Hotel)
MEC City Development SPC No.13 Taisho ku Tsurumachi Development TMK	Osaka Taisho ku Tsurumachi Cold Storage Warehouse Project	Osaka	Logistics warehouses and factories

\*1: Joint venture project

\*Ordered by prefectural code

### Main completed construction projects



**New production facilities and storage warehouse of SUPER TOOL**

Completed: June 2024  
Contractor: SUPER TOOL CO., LTD.  
Location: Sakai city, Osaka prefecture  
Purpose: Logistics warehouses and factories



**Medical Rehab Home Granda Suizenji**

Completed: November 2024  
Contractor: ITOCHU Property Development, Ltd.  
Location: Kumamoto City, Kumamoto Prefecture  
Purpose: Medical, welfare and elderly housing



**Suzuran Department Store Takasaki**

Completed: April 2024  
Contractor: Excellent buildings co constructors' council of Miyamoto cho 2nd district  
Location: Takasaki City, Gunma Prefecture  
Purpose: Commercial facilities (Joint venture project)



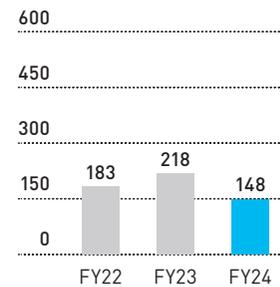
**EXPO2025 Osaka, Kansai, Czech National Pavilion**

Completed: March 2025  
Contractor: Czech Republic  
Location: Osaka City, Osaka Prefecture  
Purpose: Event hall

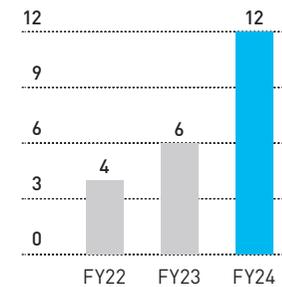
### Performance in the fiscal year ended March 2025

For the fiscal year ended March 2025, Non-residential construction sales declined 31.9% year on year to 14.8 billion yen, gross profit increased 75.2% to 1.2 billion yen, and the order amount rose 304.9% to 52.1 billion yen.

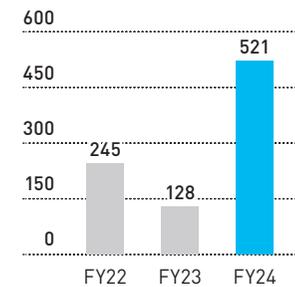
#### Sales (¥100 million)



#### Gross profit (¥100 million)



#### Order amount (¥100 million)



# Construction business Renovation

We meet all kinds of requests from our clients regarding building inspections, renovations, refurbishments, expansions, and increased earthquake resistance. We are also actively engaged in large-scale and technically challenging refurbishment projects, including renovations, conversions, and redevelopment work that increase the value of properties by making use of existing building structures. Through Renovation and extending the life of buildings, we are contributing to the realization of a sustainable society.

## Performance in the fiscal year ended March 2025

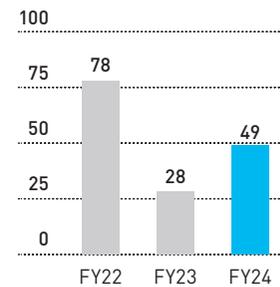
For the fiscal year ended March 2025, Renovation sales increased 77.4% year on year to 4.9 billion yen, gross profit increased 112.2% to 900 million yen, and the order amount rose 45.4% to 5.3 billion yen.

### Main construction projects

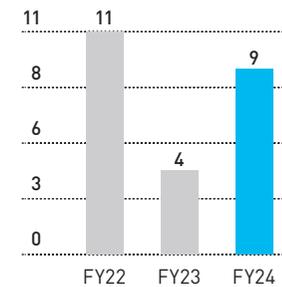
Contractor	Property Name (project name)	Prefecture	Purpose
MITSUBISHI ESTATE HOME CO.,Ltd.	Kojimachi HAKUWA Building	Tokyo	Government buildings and offices(renovation)
Josho Gakuen Educational Foundation	Osaka Institute of Technology Hirakata Campus Buildings 1 and 2	Osaka	Education, culture and sports(renovation)
Kubota Corporation	Hanshin Factory Amagasaki Plant 1, 2 Casting Plant	Hyogo	Logistics warehouses and factories(renovation)
Kindai University	Kindai University, Hiroshima Campus	Hiroshima	Education, culture and sports(renovation)
Seino Transportation Co., Ltd.	Seino Transportation Co., Ltd. Higashi-Hiroshima Sales Office	Hiroshima	Logistics warehouses and factories(renovation)

\*Ordered by prefectural code

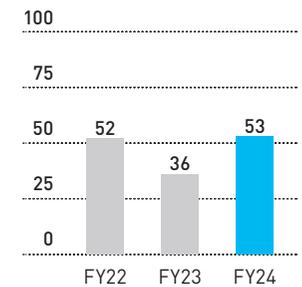
### Sales (¥100 million)



### Gross profit (¥100 million)



### Order amount (¥100 million)



### Main completed construction projects



#### Osaka Institute of Technology Hirakata Campus Buildings 1 and 2

Completed: March 2025  
 Contractor: Josho Gakuen Educational Foundation  
 Location: Hirakata city, Osaka Prefecture  
 Purpose: Education, culture and sports(renovation)



#### HANNAN City School Lunch Center

Completed: January 2025  
 Contractor: Hannan City  
 Location: Hannan city, Osaka Prefecture  
 Purpose: Logistics warehouses and factories(renovation)

## Civil engineering business

### Kamishima Corporation Co.



Civil engineering business  
3-9-5 Kofuen, Nishinomiya City,  
Hyogo Prefecture  
<https://kamishimagumi.co.jp/>



Kamishima Corporation is a civil engineering construction company that possesses proprietary environmentally friendly technology in the field of “rock-breaking,” which involves breaking bedrock and large boulders during civil engineering and construction work. Kamishima Corporation’s patented construction method offers higher productivity and a lower environmental impact, including reduced noise and vibration, compared to conventional rock-breaking techniques. Kamishima Corporation is also working to further promote widespread adoption of this method.

#### Fortes of Kamishima Corporation

##### Kachiwari-kun Construction Method

- A rock-breaking construction method with superior breaking force
- This method is also compatible with breaking up concrete structures

##### Construction example

Project for the Kakogawa Takino Bridge Downstream Embankment and Related Construction Works Completed: March 2025 Contractor: Himeji River and National Highway Office, Ministry of Land, Infrastructure, Transport and Tourism



##### Pakatto-kun Construction Method

- A specialized device that grips and rapidly crushes boulders in one powerful motion
- A reliable rock-breaking construction method that improves work efficiency

##### Construction example

Work to rechannel the Najiogawa River Completed: February 2025 Contractor: Hyogo National Highway Office, Ministry of Land, Infrastructure, Transport and Tourism



##### Triple Soldier Pile Construction Method

- A rockbed-breaking construction method that does not generate vibration or noise
- Optimal for breaking rockbed, boulders, and concrete

##### Construction example

Rock excavation work for structural foundations in Hirobancho Completed: March 2024 Contractor: Chugoku-Shikoku Defense Bureau, Japan Ministry of Defense



##### Super Kusabi-Kun Construction Method

- A low-emission, high-capacity wedge-type rock excavation construction method
- Break rock with the most powerful rock-breaking technology in Japan

##### Construction example

Excavation work of Kusunoki, Shireda at the Fujisaki narrow section of the Kinokawa River Completed: November 2023 Contractor: Wakayama River and National Highway Office, Ministry of Land, Infrastructure, Transport and Tourism



### Kawanishi Civil Engineering Co.



Civil engineering business  
2-21 Nishinomiya-hama,  
Nishinomiya City, Hyogo Prefecture  
<https://www.kawanishicons.co.jp/>



Kawanishi Civil Engineering is engaged in numerous civil engineering projects, particularly in Hyogo Prefecture, to improve rivers, ports and roads, as well as refurbishing water supply and sewerage pipes. Amid rising demand for national resilience and disaster prevention and mitigation, Kawanishi Civil Engineering sees it as its mission to help ensure the safety and security of local communities and the nation as a whole. With this mission in mind, it will build trust and contribute to society by continuing to build/maintain social infrastructure.

#### Track record of Kawanishi Civil Engineering

##### Nanbu Bridge Phase II Construction on the Class B Mukogawa River System of the Mukogawa River

Completed: March 2025

Contractor: Nishinomiya Civil Engineering Office, Hyogo Prefecture  
Hanshin South Prefectural Citizens Center



##### Left bank approach retaining wall and related works at the Mogawa Section of the Sonoda-Nishimuko Route

Completed: March 2025

Contractor: Nishinomiya Civil Engineering Office, Hyogo Prefecture  
Hanshin South Prefectural Citizens Center



##### Road improvement work in the Misono Section of the Sonoda-Nishimuko Route (#8)

Completed: September 2024

Contractor: Nishinomiya Civil Engineering Office, Hyogo Prefecture  
Hanshin South Prefectural Citizens Center



##### Construction of Pier PE6 and related works at the third viaduct on Rokko Island

Completed: March 2022

Contractor: Naniwa National Highway Office, Kinki Regional Development Bureau



## Construction-Related Business

### Daisue Techno Service Co., Ltd.



With its expertise originating in real estate management undertaken by Daisue Construction, Daisue Techno Service is a company established in 2017 as a result of a merger between three companies within the Daisue Construction Group. Daisue Techno Service undertakes a wide range of business, including construction contracting work, real estate management, general worker dispatch services, security, and the running of insurance agencies. Valuing each and every customer, Daisue Techno Service aims to offer a comprehensive range of services that can provide “peace of mind,” “reliability,” and “satisfaction.”

Construction contracting operations, real estate management business, general worker dispatch services, security services, etc. 1-5-18 Doshomachi, Chuo-ku, Osaka City, Osaka  
<https://www.daits.co.jp/>



#### Business Overview

<b>Construction</b>	In addition to construction projects such as constructing new buildings and the large-scale renovations and interior and exterior refurbishment of apartment buildings and commercial buildings, Daisue Techno Service undertakes regular inspections, maintenance, internal surveys, and viewing checks of buildings.
<b>Real estate management</b>	Manages and operates buildings, facilities, tenants, and condominium properties, as well as oversees cleaning to ensure sanitary conditions within buildings.
<b>Staffing services</b>	Provides staffing and recruitment services for all kinds of occupations, including office workers, IT engineers, and mechanical engineers, with a focus on construction engineers.
<b>Security</b>	Offers a wide range of security services, including security for buildings or facilities, traffic control, event security, and facility management.



## Community-Oriented Business

### Yasuragi Co., Ltd.



Yasuragi is a company established in 2017 to run the Daisue Construction Group’s new home nursing business. Operating a rehabilitation center in Sugunami Ward, Tokyo, Yasuragi values its collaboration with all personnel involved in home medical care to provide its patients with reliable services at home or a home-like facility, regardless of the patient’s age or condition. Yasuragi helps its patients to live a life free of restrictions by talking with the patient and their family about what care can be provided at home.

Home nursing care business  
 1-7-27 Shinsuna, Koto-ku, Tokyo  
<https://yasuragi-0703.co.jp/>



#### Business Overview

<b>Center:</b>	<b>Ola Loa Home Nursing Rehabilitation Center Shin-Koenji</b>
<b>Location:</b>	K&I Building 401 1-7-17 Umezato, Sugunami-ku, Tokyo
<b>Visitation area:</b>	Sugunami-ku and Nakano-ku, Tokyo
<b>Details of home nursing services:</b>	Health monitoring and observation of patients’ medical condition, home nursing for daily life, medical treatment under the instruction of a doctor, monitoring the taking of medication, rehabilitation, providing mental and psychological care, dementia care, nursing consultations, family support, terminal care, etc.
<b>Meaning of “Ola Loa”:</b>	In Hawaiian, “Ola Loa” means a long life or recovery. The name was given so that the patients and their families would enjoy a Hawaii-like feel of relaxation and calm when they attended the rehabilitation center or were visited at their home by staff.



# Environment

## Environment

With the operating of a total management system\* [TMS] based on ISO 9001 and ISO 14001 regulations, we aim to reduce our impact on the environment across the construction lifecycle while simultaneously increasing customer satisfaction by providing quality services.

\*A system that integrates both a quality management system and environmental management system

### Quality policy

1. Building structures and providing services that meet the needs of society and our customers, we will continue to improve our company-wide performance in an effort to improve customer satisfaction.
2. We shall comply with laws and regulations and provide better products safely, quickly, accurately, and with care.
3. We will continue to improve the effectiveness of our quality management system to improve our business performance and contribute to society.

### Environmental policy (core values)

With society's rising interest in the environment and environmental laws being put in place, Daisue Construction Co., Ltd. will strive to improve the environment, help enhance the quality of human life, and fulfill its social responsibility by actively tackling environmental problems through designing and constructing buildings, as well as building civil engineering structures.

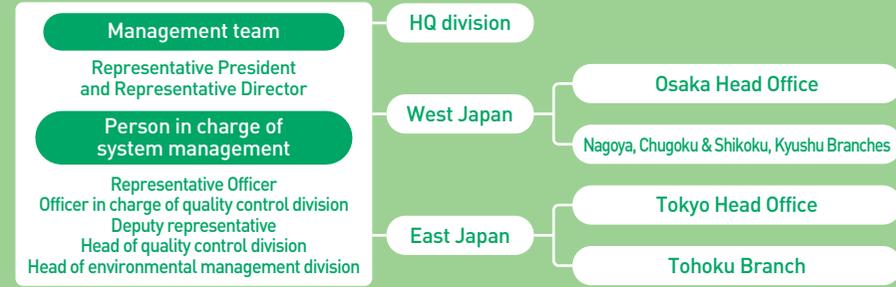
### Environmental policy (basic values)

1. Daisue Construction Co., Ltd. will strive to improve the environment, help enhance the quality of human life, and fulfill its

social responsibility by actively engaging in environmental activities within society through construction projects.

2. Daisue Construction Co., Ltd. will establish/maintain an environmental management system, make continuous improvements to it, and strive to ensure its effectiveness as a company.
3. Environmental activities
  - ① Comply with environmental laws and other requirements.
  - ② Strive to prevent pollution by undertaking activities to improve the environment.
  - ③ Minimize the production of waste, promote recycling, and undertake the proper processing of waste.
  - ④ Promote energy and resource conservation efforts.
  - ⑤ Actively implement environmentally friendly designs and constructions, as well as green procurement.
  - ⑥ Strive to promote awareness of the environmental policy among all personnel involved in company operations by providing environment-related education.
4. Our environmental policy is made public according to demands for transparency from society at large.

## Operating Structure



We undertake quality and environment-related patrols to guarantee the effectiveness of the quality and environmental management systems, as well as improve the quality of workplaces and reduce their environmental impact.

### Quality patrols

A check led by the Quality Control Division on the quality of work site constructions at each stage from start to finish, based on specified inspection items.



### Environmental patrols

A check led by the Environmental Management Division on things like the status of construction by-product waste separation, recycling efforts, and noise and vibration mitigation measures at construction sites.





## Environment and climate change-related efforts

### Information disclosure based on the TCFD recommendations

Seeing climate change as a material issue, in November 2023, we announced our support for the Task Force on Climate-related Financial Disclosure (TCFD) recommendations. The following is information regarding our climate change strategy, as well as

#### Governance

We have a Sustainability Committee in place, led by our President and Representative Director, to discuss and examine sustainability issues, including those related to climate change. The committee will meet multiple times a year as necessary to identify and review material issues such as risks and opportunities related to sustainability, as well as to promote efforts regarding sustainability issues through discussing and examining measures and assessing and monitoring the state of their implementation. Matters discussed by this committee are reported at the Board of Directors meetings at least once a year, whereby the details of these matters are then discussed and decided.

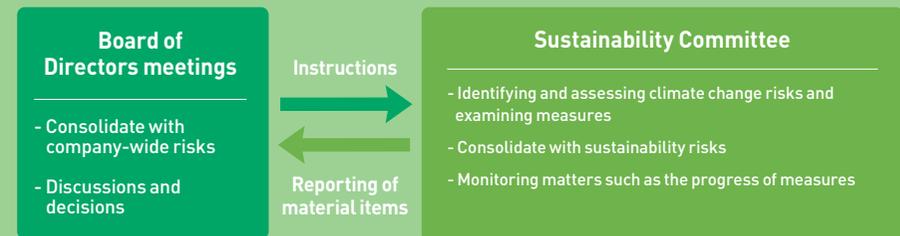
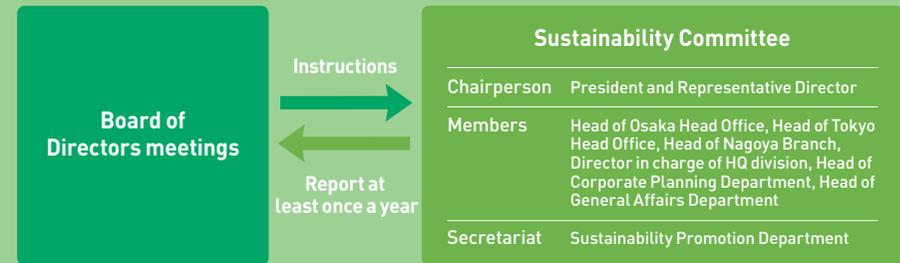
#### Risk management

Climate change risks are managed by the Sustainability Committee. The committee identifies climate change-related risks, assesses them qualitatively and quantitatively, and discusses and examines countermeasures. The committee consolidates and reassesses the identified climate change risks together with other sustainability risks, and monitors the state of action. The risks determined by material risks are reported at the Board of Directors meetings, and then consolidated and managed/monitored with company-wide risks.

#### Strategy

Using the scenario analysis techniques recommended in the TCFD recommendations, we identify and evaluate the future risks and opportunities, looking ahead to 2030. The scenario analysis assumes two possible climate change scenarios: the less than 2° C scenario, in which the effects of a transition to a low-carbon society become apparent, and the 4° C scenario, in which the physical impact of climate change becomes apparent. For the identified risks and opportunities, we consider the items listed in the “main risks and opportunities related to climate change” on page 32 as the main countermeasures.

climate change-related risks and opportunities analyzed as per the TCFD recommendations. We will continue to promote data-driven measures and undertake efforts toward realizing a sustainable society and enhancing our corporate value.



#### Assumed world view

- 4° C scenario**

A scenario that assumes a world in which global warming reaches approximately 4° C above preindustrial levels by 2100. Current climate change-related government policies highlight a worldview in which industry will continue to rely on fossil fuels, without assuming a transition to decarbonization.
- Less than 2° C scenario**

A scenario that assumes a world in which global warming is curbed to a 1.5° C increase from preindustrial levels by 2100. This indicates a worldview where companies will be subject to even stricter regulations, as society demands net-zero greenhouse gas emissions, and as a result, the speed at which greenhouse gases are emitted into the atmosphere will slow down.

Main risks and opportunities related to climate change

	Risks and Opportunities	Considerations	Assessment*		Measures
			Less than 2°C	4°C	
Risks	Transition	Carbon cost (carbon tax)	High	Low	Promote energy conservation (deploying hybrid vehicles, etc.), develop low-carbon technologies and products (low-carbon concrete, etc.), research and develop private power generation equipment (environmental use at construction sites)
		Recycling regulations	Medium	Medium	Minimize the production of waste, promote recycling, and introduce uniforms made of plant-based materials
		Change in raw material / energy costs	High	High	Reviewing material procurement (promoting green procurement, etc.) and examining the development of low-carbon technologies and products (low-carbon concrete, etc.)
Risks	Physical	The increasing severity of extreme weather (typhoons, rainstorms, landslides, storm surges, etc.)	Low	Low	Improvements to business contingency plan measures (implementing regular training, etc.)
		Worsening of labor and construction conditions	Medium	Medium	Promoting labor saving and work efficiency (promoting industrialized construction methods, use of things like BIM/CIM and robotics)
Opportunity	Transition	Change in energy costs/customer behavior	High	Low	Increasing the lifespan of existing buildings (architectural regeneration, etc.), developing environment-related technologies and products (promoting ZEB and ZEH series, etc.), and exploring the development of low-carbon technologies and products (low-carbon concrete, etc.)
		The increasing severity of extreme weather (typhoons, rainstorms, landslides, storm surges, etc.)	Medium	High	Increasing/enhancing opportunities to win contracts (by entering into the civil engineering business, etc.)
		Increase in mean temperature	Low	Medium	Promoting efforts and enhancing sales activities in the renovation space
Opportunity	Physical	Drop in geographical advantage (caused by an increase in natural disasters)	Low	Medium	Promote efforts and enhance sales activities in non-housing areas (plants, distribution warehouses)
		Increase in mean temperature	Low	Medium	Promoting efforts and enhancing sales activities in the renovation space

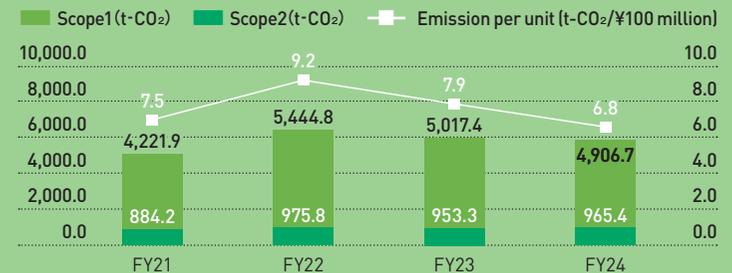
\*Assessment categories of financial impact: Large = ¥50 million or more, Medium = ¥10 million or more to less than ¥50 million, Small: Less than ¥10 million.

Metrics and targets

Using greenhouse gas (GHG) emissions as a metric, we have outlined that we will reduce our Scope 1 (directly emitted by our business) and Scope 2 (indirectly emitted through electricity consumption) CO<sub>2</sub> emissions by 31.0% compared to fiscal 2021 levels by fiscal 2030. In relation to Scope 1 and Scope 2 CO<sub>2</sub> emissions of 5,106.1 t-CO<sub>2</sub> in fiscal 2021, which is the base year, in fiscal 2024, our emissions increased by approximately 15% to 5,872.2 t-CO<sub>2</sub>. However, we improved our emission per unit from 7.5 t-CO<sub>2</sub>/¥100 million to 6.8 t-CO<sub>2</sub>/¥100 million. Scope 3 CO<sub>2</sub> emissions across our supply chain in fiscal 2024 were 869,358.3 t-CO<sub>2</sub>. We are continuing to monitor our CO<sub>2</sub> emissions and implement efforts to reduce them.

Target

	Base year	Target year	Target		
Scope1.2	FY2021	FY2030	-31.0%		
Performance	(Base year) FY2021	FY2022	FY2023	FY2024	
Scope1.2	CO <sub>2</sub> emissions (unit: t-CO <sub>2</sub> )	5,106.1	6,420.7	5,970.7	5,872.2
Scope1.2	CO <sub>2</sub> emission per unit (unit: t-CO <sub>2</sub> /¥100million)	7.5	9.2	7.9	6.8
Scope3	CO <sub>2</sub> emissions (unit: t-CO <sub>2</sub> )	718,705.2	952,963.9	877,405.9	869,358.3



## Environment-oriented business activities

### ZEB and ZEH\*1 construction redevelopment initiatives

As a ZEB planner certified by the Sustainable open Innovation Initiative (SII), we promote energy conservation of buildings through ZEB and ZEH design and construction. We are also working on architectural redevelopment projects that extend the lifespan of aging buildings by restoring them to a like-new condition in an effort to reduce construction by-products and CO<sub>2</sub> emissions produced during the building process.

### Examples of ZEB and ZEH initiatives

T-LOGI Tsurugashima  
Contractors: Tokyo Tatemono Co., Ltd.  
Tokyo Gas Real Estate Co., Ltd.  
Purpose: logistics warehouses  
Certification: ZEB



Brillia Fukasawa Hatchome  
Contractor: Tokyo Tatemono Co., Ltd.  
Purpose: condominium  
Certification: ZEH-M



### CDP\*2 Climate Change Report evaluation

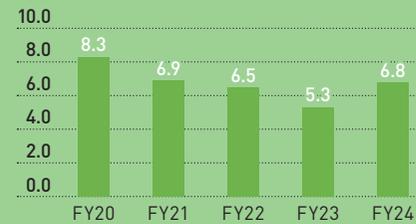
In response to the CDP Climate Change Report 2024, we obtained a “B” score, indicating that we have identified and taken action to address our environmental risks and impacts.



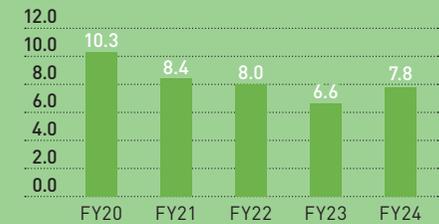
### Reducing construction by-products

We are working to promote waste separation at construction sites. This includes seven categories of waste, such as concrete and asphalt debris. We are also implementing recycling efforts while advancing the introduction of electronic manifests to enhance transparency in waste disposal and improve administrative efficiency.

All work sites  
Construction byproducts per unit (kg/m<sup>2</sup>)



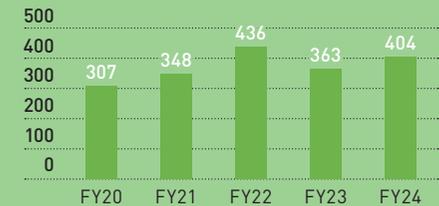
Work sites of completed projects  
Construction byproducts per unit (kg/m<sup>2</sup>)



### Promotion of green procurement

We promote green procurement by actively adopting environmentally friendly products that offer good energy efficiency and recyclability.

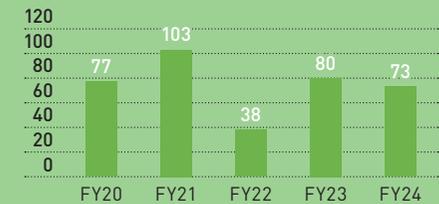
Number of green procurement cases at work sites



### Promoting eco-friendly designs

At the design stage, we strive to actively suggest to our clients the use of materials and construction methods with high energy efficiency and low environmental impact.

Number of eco-friendly designs



\*1: ZEB (net Zero Energy Building) and ZEH (net Zero Energy House) refer to the buildings or houses that aim to achieve net-zero or even negative energy consumption through improved energy efficiency and the use of renewable energy sources.

\*2: An international non-governmental organization (NGO) that collects, analyzes, and evaluates information on the environmental initiatives of companies and local governments, and discloses the results to institutional investors to promote environmental transparency and action.

## Technological development

### Measures to prevent explosive spalling of high-strength concrete in ultra-high-rise buildings

In super high-rise constructions, while high-strength concrete is generally used to meet structural strength requirements, the rapid increase in temperature during a fire raises the risk of concrete “spalling,” where surface layers detach and scatter explosively. High-strength concrete has an extremely dense structure that makes the moisture and gases trapped inside prone to rapid expansion. It is this phenomenon that is considered the main cause of explosive spalling. To address this issue, we have started developing a type of concrete that has anti-spalling properties. This will help to prevent concrete from peeling or spalling under high temperatures during a fire, thereby contributing to the structural integrity of buildings and the safety of their occupants.

### Construction of medium- to high-rise wooden structures

We are also working on developing a new wood-based structural material that is compatible with a broad range of structures, from housing complexes to building constructions. We are undertaking structural tests while collaborating with certification bodies, with the aim of obtaining patents and performance certifications in the future.



### Technical presentation conference

In March 2025, we held a technical presentation conference involving all employees, with the aim of improving our engineering capabilities and quality. The presentations provide an opportunity to share updates on the latest technological developments and future prospects, helping to improve understanding and awareness of engineering technologies.

#### Presentation topics

- Introduction of non-destructive inspection equipment for exterior tiles using electromagnetic waves and organic adhesives
  - Development and future prospects of high-strength concrete
  - Development of construction robotics and current status towards its practical application
- And more...



## Health and safety

In line with our health and safety management plan, which is based on our core value of creating a comfortable workplace and ensuring the safety and well-being of all workers, we have joined forces with our partner companies, working together as one team to achieve zero occupational accidents and disasters.

### Health and safety training

We hold around 30 training sessions annually for employees of Daisue Construction and our partner companies, including specialized training on scaffolding assembly and the proper use of safety harnesses.

### Safety patrols

Led by our Safety Management Division, we conduct monthly patrols at our work sites nationwide based on a disaster prevention checklist, in a bid to prevent accidents by raising awareness of safety protocol on-site. We also conduct regular officer patrols by members of top management, as well as joint patrols with our partner companies.

### Heatstroke measures

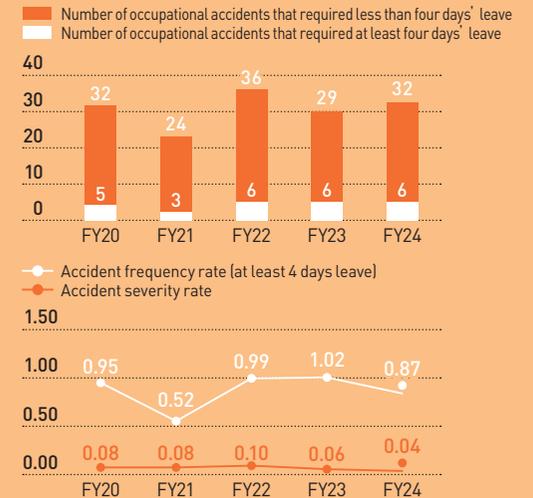
With the number of extremely hot days increasing year after year, heatstroke has become a serious occupational health and safety risk in the construction industry. In addition to conventional measures such as ensuring proper hydration and salt intake and access to rest areas, we have also introduced wristband-type heatstroke prevention devices as part of our efforts. We also post information such as heatstroke alerts and the wet-bulb globe temperature (WBGT) index on our company intranet homepage to raise employees’ awareness of taking measures to prevent them from suffering from heatstroke.

### Safety awards

At our annual Occupational Accident Prevention Conference, we present awards to work sites and partner companies that have achieved outstanding safety results. This initiative helps to raise awareness of safety practices.



### Safety performance



## Work-life balance

We aim to create a workplace environment where all our employees balance work and their personal lives with systems that enable them to lead fulfilling lives and to work with a sense of security over the long term to make the most of their talents.

### Main company initiatives

- Improving childcare/nursing leave and shorter working hours systems (beyond legal requirements)
- Promoting the taking of leave when transferring between work sites
- Implementing no overtime days
- Improving the refresh leave system for long-term employees
- Setting days to promote the taking of paid holidays (the level for granting paid leave exceeds the legal requirements)
- Promoting flex-time or working from home practices
- Introducing parental leave and making child/parental nursing leave a form of paid leave

### Plan of action based on the Act on Advancement of Measures to Support Raising Next-Generation Children

We have formulated an action plan for the period from April 2025 to March 2030, based on the Act on Advancement of Measures to Support Raising Next-Generation Children. With this plan, we are working on creating an environment where our employees can balance their jobs and parenting, and where everyone can fully demonstrate their abilities.

<b>Target 1</b>	To create a guidebook on systems for childcare leave and leave for childcare purposes, and to deepen understanding of these systems by publishing the guidebook on the company intranet	<ul style="list-style-type: none"> <li>- Establish a guidebook for childcare leave/childcare</li> <li>- We will use the company newsletter and so on to raise awareness of efforts related to taking childcare leave and leave for childcare purposes</li> <li>- Holding ad-hoc training for supervisors and managers</li> </ul>
<b>Target 2</b>	To achieve the following standard for employees with children under one year old, within the period of the plan. Female employees: achieving a 100% rate of taking childcare leave Male employees: achieving a 100% rate of taking childcare leave, including leave for childcare purposes	<ul style="list-style-type: none"> <li>- Internally publish data on the rate of taking childcare leave, etc., every quarter</li> <li>- Send individual notices, including the guidebook, via internal email to the applicable employees and their supervisors</li> </ul>
<b>Target 3</b>	The total duration of employee overtime hours and holiday work (including prescribed overtime hours) is a monthly average of 40 hours or less, and the number of paid holidays (including days where the taking of paid holidays is encouraged) is at least 10 days annually per person.	<ul style="list-style-type: none"> <li>- Set six days each year as company-wide planned paid leave days to encourage employees to take their annual leave</li> <li>- Ascertain overtime hours and working hours on holidays each month, as well as the state of taking annual leave, and publish this data internally every quarter</li> <li>- Using company newsletters and so on to raise awareness of efforts related to taking leave when transferring work sites</li> </ul>

Plan period: five years from April 1, 2025 to March 31, 2030

### Data on the use of childcare/nursing leave and the short working hours system

Data on the use of childcare/nursing leave and the short working hours system at Daisue Construction is as follows. We also have a rehiring system in place where employees who have left the company due to major life events, such as for childcare or nursing purposes, can return as full-time employees.

Data from FY2024	Number of employees who took leave (%)	Percentage of employees who returned after leave
Childcare leave (up to two years old)	2 women (100%)/7 men (87.5%)	100%
Childcare leave, paternity leave, parental leave	Women (100%)/Men (100%)	—
Shorter working hours for childcare purposes (up until entering junior high school)	9	—
Nursing leave (within one year in total)	2	100%
Shorter working hours for nursing purposes (for a maximum of three years)	0	—

### Improving employee engagement

We believe that increasing employee engagement is important for sustainable growth, and so since fiscal 2024, we have conducted an engagement survey. The engagement score is partially reflected in the compensation of executive directors and executive officers, and the analysis results of the survey are fed back to top management, promoting efforts to increase engagement through collaboration between the management team and each department. We will continue to regularly monitor engagement and strive to improve the appeal of the workplace and the engagement of employees.

### Employee recognition program

To achieve a workplace environment where all our employees can positively engage in their work, regardless of age, we have a program where, once a year, we commemorate projects and individuals who have performed exceptionally among all teams and departments. This program also rewards upcoming employees up to year three at the company.

### Employee suggestion program

We have introduced an employee suggestion program, whereby the free thinking and ideas of employees to improve operations and productivity lead to greater company growth and development. Suggestions are discussed at a screening meeting once a month, with the outcome promptly made public to all employees. This initiative aims to increase motivation within the workplace.

## Staff training

In our medium- to long-term business plan, we have a talent strategy to further strengthen our human capital foundation to support sustainable and dynamic growth by “enhancing employee engagement,” “accelerating staff training,” and “promoting diversity and inclusion.”



### Staff training policy

Based on our belief that people are the very foundation to increase our corporate value, we have formulated a talent management plan and implement training for all employees over the year to develop staff that can contribute to achieving team objectives. We also have a framework that helps accelerate employee readiness and raise overall capability levels by establishing training and qualification acquisition measures focused on upcoming employees. We have formulated a talent management plan and are building a highly practical and effective education system with programs that clarify the “capabilities, motivation, and skills” needed for each position and rank.

### Talent management plan

By Position/Rank	Main Initiatives
All ranks	E-learning (improving the capabilities, motivation, and skills required for each rank, and improving human relationship skills)
Years 1 to 3	Training to encourage the improvement of construction management skills, and construction management courses by external institutions
Year 3 to 5	Construction drawing training, AutoCAD workshop
Year 4 to 10	Training to encourage the improvement of construction management skills
Less than 10 years	In-person training to encourage improvement in capabilities, motivation, and skills
10 years or more	Training on team management, task execution, and human relationship skills
Executive officers & managers	Implement training focusing on themes such as DX, market strategies, staff training, and team management
Promotions	Training to candidates of core class, Training to candidates of supervisory class, Training to candidates of management class
Other	New hire training (a total of six sessions: at onboarding and at 6 months, 1 year, 1.5 years, 2 years, and 2.5 years after joining the company), sales improvement programs and skill improvement courses, support in acquiring statutory qualifications (First-Class Architect, First-Class building operation and management engineer, etc.), labor management courses, diversity courses

## Support in acquiring statutory qualifications

To facilitate the acquisition of statutory qualifications by employees, we provide partial subsidies for external training programs and online courses, and offer grants for employees who obtain specific statutory credentials.



### Initiatives of the D-supporters

We help new hires embed and grow within the company by encouraging the building of relationships with new hires and internal communication through having new hires form small groups with upcoming employees and experienced members, and engaging in phone chats, one-on-one meetings, and networking events.

## Diversity

Creating a motivated team is essential for the company to maintain its sustainable growth. We work to create an environment where a diverse range of talent can succeed and work happily within the workplace.

### Obtaining Eruboshi Certification

We acquired Eruboshi Certification (Level 2) by clearing four of the following five criteria: Recruitment, Employee Retention, Workstyle and Working Hours, Manager Ratios, and Diverse Career Paths.



### Initiatives to promote the involvement of female employees

- Launching of a diversity sub-committee
- Setting up a diversity helpline
- Interview female managers, female site workers, and employees with childcare-related short working hours, hold discussion meetings, and share information on these internally
- Attend the Kensetsu Komachi Committee of the Japan Federation of Construction Contractors\*
- Formulating an action plan for promoting the involvement of female employees
- Improving the workplace environment to make it more comfortable for female employees

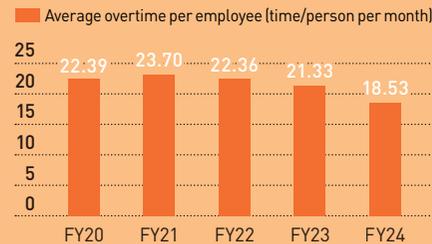
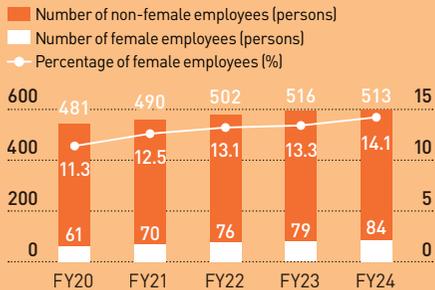


\*Kensetsu Komachi is a series of initiatives to support the involvement of female skilled workers and engineers in the construction industry.

### Plan of action based on the Act on the Promotion of Women's Active Engagement in Professional Life

Based on the Act on the Promotion of Women's Active Engagement in Professional Life, we formulated an action plan for the period from April 2021 to March 2026, working to create an environment where our female employees can fully demonstrate their uniqueness and abilities while being a pleasant workplace for all employees, who can enjoy a work-life balance.

Target	Timing	Details of Initiatives
<b>Target 1</b> Implement with the target of female workers making up 15% of the workforce	From April 2021	- We will strengthen our internships and ties with schools and suppliers to increase the percentage of female new graduates and experienced hires  - Continue to improve on making the working environment more inclusive for women to increase their length of employment
	From April 2023	- Improving career development training
<b>Target 2</b> We will continue to keep the average monthly overtime of workers to 40 hours or less (including overtime within prescribed working hours)	From April 2021	- Begin or continue to implement no overtime days at least once a week  - We publish information internally on the taking of the five encouraged paid leave days to raise awareness to improve the corporate culture of taking paid leave and increase awareness among all employees, including department managers.  - As a way of increasing awareness of initiatives to reduce the total working hours among employees and their respective managers, we publish information internally on employees with low overtime hours and employees with high overtime hours.
	From April 2024	- As one of the objectives for ensuring the management and supervision of numerical targets across the organization and for each department, we will update information, such as in documents like the Overtime Management Table, once a week, and share it with the relevant managers



### Salary disparity between male and female employees

The percentage of female workers in the construction industry is relatively low compared to other industries, and the percentage of female workers in management positions is also by no means high. This trend is also similar at Daisue Construction, leading to a disparity between the salaries of male and female employees. We will work to increase our percentage of female workers and support their career advancement to eliminate the disparity in salaries between male and female employees.

#### Difference in salary between male and female workers (non-consolidated) FY2024

All workers	77.7%
Full-time workers	77.4%
Part-time and contract workers	74.9%

#### Other initiatives

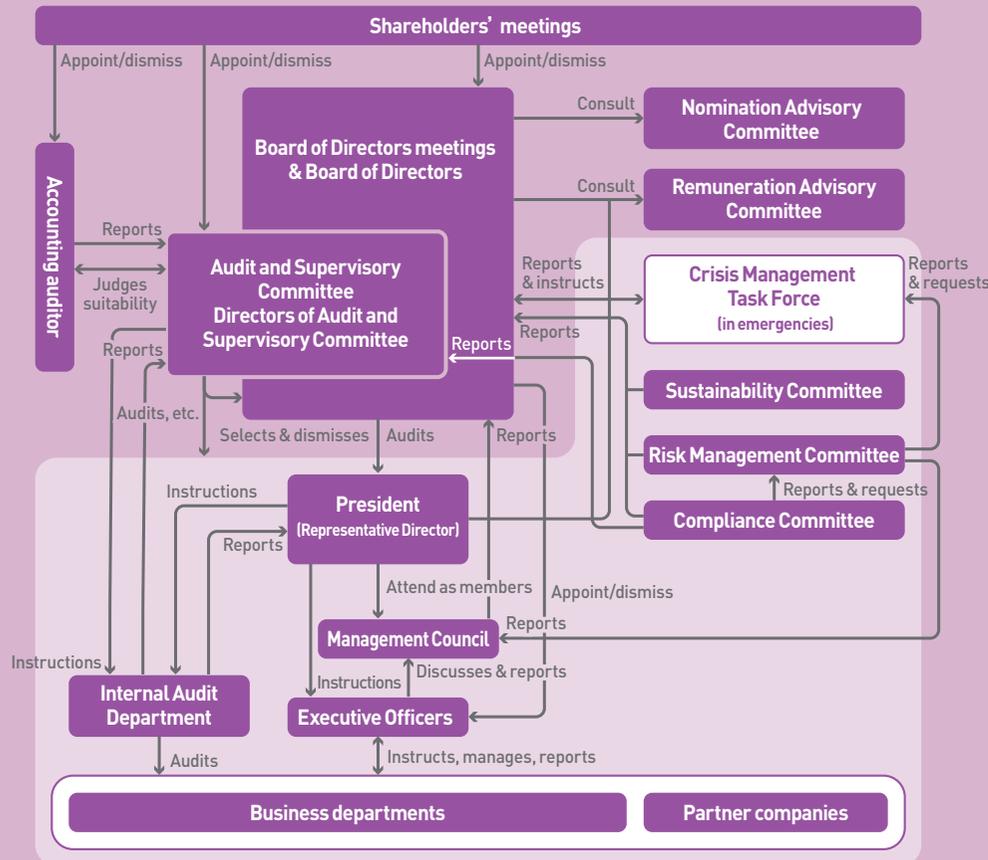
Efforts to support senior personnel	We have a continuous recruitment program in place for employees who wish to continue working even after their mandatory retirement to ensure an environment where said employees can continue to leverage their vast knowledge and expertise in the workplace.
Promoting employment with persons with disabilities	We have continued to achieve the statutory hiring rate of persons with disabilities over at least 10 years, making the work environment accessible to everyone.
Recruitment of international personnel	We are hiring both new international graduates and experienced international personnel.
Respecting diversity	We respect diversity and are striving to establish a workplace environment where people of all kinds of different backgrounds can fully showcase their skills, regardless of gender, age, nationality, or disability.

# Governance

## Corporate Governance

### Underlying thinking

To remain a company that is trusted and needed by society, we strive to maintain transparency and soundness in management while further enhancing our corporate value. We also believe that it is a key management priority for all our executives and employees to conduct business with a strong sense of ethics by pursuing customer satisfaction and profitability based on our Management Philosophy, and by running the company in accordance with the Daisue Construction Group Code of Conduct.



### Board of Directors meetings

The Board of Directors is made up of 10 directors (five of whom are external directors), including three directors who are on the Audit and Supervisory Committee. Board of Directors meetings are held at least once a month to discuss and make decisions on matters stipulated by laws and regulations, as well as key management-related topics. We have adopted an executive officer system, in which the Board of Directors is positioned as the body responsible for deciding fundamental management policies and supervising business execution, while the Management Council serves as an organization for discussing and making decisions regarding business operations. Following the core values set by the Board of Directors, executive officers discuss and decide on key management issues as part of the Management Council and execute business operations.

### Effectiveness evaluation by the Board of Directors

Each year, we conduct an anonymous survey of all directors. The Independent External Directors' Liaison Committee holds discussions based on the results of this survey. The Board of Directors then performs a comprehensive analysis and evaluation. As an assessment of fiscal 2024, while we need to further discuss topics such as clarifying the roles and functions of the Board of Directors and the Management Council, and periodic reviews of the operation and structure of the internal control system, we did confirm that the system is working effectively. We will continue to work to improve our practices to further enhance the effectiveness of the Board of Directors.

### Overview of evaluation methods

Evaluation Period	January to December 2024
Evaluation Method	Self-assessment conducted by all 10 directors, using a five-point scale
Evaluation Item	29 items (including Board of Directors composition, operation, and support framework)

### Management Council

The Management Council is made up of 10 executive officers, including four directors who execute business operations. The Management Council discusses and makes decisions on key matters, particularly relating to the running of the company.

### Audit and Supervisory Committee

The Audit and Supervisory Committee consists of three members, including two external directors. Along with regular meetings, we carry out audits of directors' performance to ensure their actions are lawful and appropriate. We strive to enhance the effectiveness of business audits through discussions and sharing information with directors other than Audit Committee members, executive officers, and the internal audit department.



### Nomination Advisory Committee, Remuneration Advisory Committee

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The Nomination Advisory Committee and the Remuneration Advisory Committee are made up of the President and four independent external directors. The Nomination Advisory Committee discusses matters related to the administrative matters of directors and executive officers, while the Remuneration Advisory Committee discusses matters concerning the remuneration of directors and executive officers. As an advisory body to the Board of Directors, this ensures the transparency and objectivity of the decision-making process and the appropriateness of the officers' compensation structure and levels.

### Internal audits

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We monitor, assess, and improve the effectiveness of internal controls by conducting regular internal audits of Daisue Construction and its group companies, and by evaluating the corrective actions taken in response to audit findings.

### Director compensation

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Directors' compensation consists of fixed remuneration and performance-based remuneration. The amount of fixed remuneration is determined by the Board of Directors based on the recommendations of the Remuneration Advisory Committee. Performance-based compensation consists of monetary and stock-based remuneration. Monetary remuneration is designed as a short-term incentive, linked to the company's annual performance (consolidated operating profit). Meanwhile, stock-based remuneration is seen as a medium- to long-term incentive linked to the increasing corporate value, based on stock price-related indicators, medium- to long-term business performance indicators (such as consolidated operating profit), and non-financial indicators (such as employee engagement). All compensation for outside directors and directors serving as Audit and Supervisory Committee members is paid in the form of fixed remuneration.

### Succession Plan

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To promote the sustainable enhancement of corporate value, we have introduced a succession plan. This ensures a framework for the smooth succession of executive roles and responsibilities, while also striving to build a pool of candidates to lead the next generation of management and foster their development in a systematic manner. In developing and selecting successor candidates, we endeavor to ensure an open and fair process by clearly defining the qualities required of executives and establishing explicit criteria for their evaluation and development.

## Compliance

### Basic policy and framework

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We recognize the implementation of compliance as a key management and business issue and strive to ensure adherence to laws, social ethics, and our Code of Conduct. We also strive to ensure the thorough implementation of compliance under the principle that we must endeavor to conduct our business in a fair and transparent manner and strive to be a good corporate citizen. To effectively implement compliance, we have also set up a Compliance Committee to discuss key compliance issues and a Compliance Leaders' Council to increase awareness of compliance within the company.

### Increasing awareness of compliance

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To keep directors informed and reinforce compliance awareness, we conduct regular compliance training. Meanwhile, employees also receive compliance education through company training that educates and increases awareness. Furthermore, by conducting various monthly compliance-related discussions within each department, including work sites, we aim to embed compliance best practices.

### Internal compliance reporting system

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We have established a whistleblowing system (Compliance Hotline) that is available to all employees of the Daisue Construction Group, including contract workers and temporary staff. We have also put in place a framework to handle compliance-related reports and inquiries and to take necessary action when appropriate. Internally, the Internal Audit Department acts as the point of contact for compliance-related reports, while externally, a third-party organization serves as the point of contact. We also have safeguards in place to protect whistleblowers and strive to foster a workplace culture where employees can easily seek advice or report issues.

### Preventing harassment

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We have established a basic policy on the prevention of harassment and have formulated and implemented rules to prevent power harassment. We also increase employee awareness through training and so forth to prevent behaviors that undermine employee dignity or disrupt workplace order and business operations.

### Eliminating antisocial forces

To ensure we have no association with antisocial forces, we have strengthened our screening framework by conducting checklist-based reviews of new suppliers/contractors, as well as educating employees about this topic.

## Risk management

### Underlying thinking and promotion framework

The Daisue Construction Group works to prevent risks that could significantly affect our business operations or performance, and when such risks arise, we respond swiftly and appropriately to minimize damage and prevent their recurrence. We have also established basic risk management rules to ensure the Group's corporate value remains intact, and set up a Risk Management Committee that operates based on these rules. The Risk Management Committee works to establish frameworks and policies to prevent risks before they occur. In cases where serious risks arise or become apparent, the committee takes appropriate countermeasures to minimize damage and prevent the recurrence of said risks. Sustainability risks, including those related to climate change, are identified and evaluated by the Sustainability Committee, which also discusses and reviews measures and monitors their progress.

### Business Continuity Plan (BCP)

In preparation for a major disaster, we have established a business continuity plan and a crisis management manual to minimize damage to our operations and promptly resume critical business activities, as well as facilitating cooperation with suppliers/clients, local communities, and government agencies to help minimize damage to these stakeholders and prevent further escalation. At each office, we stock emergency supplies and implement evacuation training and safety confirmation drills.

### Information security

To protect and properly manage key documents and information assets, such as servers, from falsification, destruction, or leakage, we have formulated and enforce information security rules. The IT System Management Regulations outline policies and procedures for IT system development and operations to maintain system effectiveness and reliability.

## Diversity of the Board of Directors and Audit and Supervisory Committee

Name	Position	Gender	External	Independence (External only)	Expected Expertise & Experience*					
					Corporate management	Finance & accounting	Legal compliance	DX/IT	Sales	Engineering
Kazunori Murao	President and Representative Director	Male			●			●	●	●
Motohiro Kataoka	Director & Managing Executive Officer	Male			●	●	●	●	●	
Koichiro Tsuru	Director & Managing Executive Officer	Male			●				●	●
Kenjo Matsuda	Director & Executive Officer	Male			●			●	●	●
Hiroki Nakashotani	External Director	Male	●		●					●
Harumi Isowa	External Director	Female	●	●	●			●	●	
Yuriko Kajiwara	External Director	Female	●	●	●			●	●	
Nobuhiro Maeda	Director, Audit and Supervisory Committee	Male			●	●	●	●	●	●
Masaaki Yasuoka	External Director, Audit and Supervisory Committee	Male	●	●	●	●	●	●		●
Akinori Tani	External Director, Audit and Supervisory Committee	Male	●	●	●	●	●			

\*The list above is not exhaustive and does not cover all areas of each director's expertise and experience.

## Meet Our Directors



President and Representative Director **Kazunori Murao**

- 1988.4 Joined Daisue Construction
- 2013.4 Appointed Executive Officer
- 2015.4 Appointed General Manager of Osaka Head Office and Nagoya Branch
- 2015.6 Appointed Director
- 2018.4 Appointed Managing Executive Officer
- 2019.4 Appointed General Manager of Tokyo Head Office
- 2020.4 Appointed Representative Director and President (current role)
- Appointed President and Representative Director (current role)
- 2022.4 Appointed Head of DX Promotion Division
- 2024.4 Appointed Head of Business Strategy Division



Director & Managing Executive Officer **Motohiro Kataoka**

- 1989.4 Joined Sanwa Bank, Limited (now MUFG Bank, Ltd.)
- 2018.5 Joined Daisue Construction
- Appointed Executive Officer
- 2019.6 Appointed Head of Corporate Planning Division (current role)
- 2020.4 Appointed Director (current role)
- Appointed Head of Audit Division and New Business Division (current role)
- 2022.4 Appointed Managing Executive Officer (current role)
- 2024.4 Appointed Head of DX Systems Strategy Division (current role)



Director & Managing Executive Officer **Koichiro Tsuru**

- 1988.4 Joined Daisue Construction
- 2013.4 Appointed Executive Officer (current role)
- 2020.4 Appointed Head of Tokyo Main Office (current role) and Vice Head of Sales Division
- 2021.6 Appointed Director (current role)
- 2022.4 Appointed Head of Design Division (current role)
- 2024.4 Appointed Head of Tokyo Real Estate Business Division (current role) and Osaka Real Estate Business Division (current role)
- 2025.4 Appointed Managing Executive Officer (current role)



Director & Executive Officer **Kenjo Matsuda**

- 1988.4 Joined Daisue Construction
- 2020.4 Appointed Executive Officer (current role)
- Appointed Head of Tokyo Head Office's Construction Division
- 2022.4 Appointed Head of DX Promotion Department of DX Promotion Division
- 2024.4 Appointed Head of Osaka Head Office (current role) and Vice Head of Business Strategy Division
- 2024.6 Appointed Director (current role)
- 2025.4 Appointed Manager of Business Strategy Division (current role)



External Director **Hiroki Nakashotani**

- 1992.4 Joined Misawa Homes Co., Ltd.
- 2020.4 Appointed Head of Engineering at Misawa Homes Co., Ltd.
- 2022.4 Appointed Executive Officer (current role)
- Appointed Vice Head of Product and Engineering Development Division (current role) and Head of Engineering Department in Product and Engineering Development Division (current role)
- 2022.6 Appointed External Director at Daisue Construction (current role)



External Director **Harumi Isowa**

- 1988.4 Joined The Mainichi Newspapers Co., Ltd.
- 2006.4 Appointed Kofu Bureau Chief at The Mainichi Newspapers
- Appointed Digital Media Director at The Mainichi Newspapers
- 2018.6 Appointed General Manager of the Second Sales Division at The Mainichi Newspapers and Director at Mainichi Advertising Inc.
- 2020.6 Appointed Head of the Tokyo Headquarters Representative Office at The Mainichi Newspapers
- Appointed External Director at Kobelco Eco-Solutions Co., Ltd.
- 2022.6 Appointed External Director at the Daisue Construction (current role)
- 2023.6 Appointed External Director at Oriental Shiraishi Corporation (current role)



External Director **Yuriko Kajiwara**

- 1988.4 Joined NHK (Japan Broadcasting Corporation)
- 2017.6 Appointed Director of Programming for the NHK Osaka Broadcasting Station
- Appointed Director of the NHK Chiba Broadcasting Station
- 2021.6 Appointed Director of the Secretariat of the Board of Governors
- 2024.6 Appointed External Director at the Daisue Construction (current role)
- Appointed External Director at NSD Co., Ltd. (current role)



Director, Audit and Supervisory Committee **Nobuhiro Maeda**

- 1972.4 Joined Daisue Construction
- 2009.4 Appointed Executive Officer
- 2013.4 Appointed Manager of Safety and Environmental Quality Department
- 2015.4 Appointed Manager of General Affairs Division
- 2015.6 Appointed Director
- 2015.10 Appointed Manager of Human Resources Division and Audit Division
- 2016.4 Appointed Managing Executive Officer
- 2018.4 Appointed Senior Managing Executive Officer
- 2020.4 Appointed Vice President
- Appointed Manager of IT Systems Division
- Appointed Director (Audit and Supervisory Committee member) (current role)
- 2022.6



External Director, Audit and Supervisory Committee **Masaaki Yasuoka**

- 1979.4 Joined Sanwa Bank, Limited (now MUFG Bank, Ltd.)
- 2008.6 Appointed President of Mobit Co., Ltd. (now Sumitomo Mitsui Card Company, Limited)
- 2013.6 Appointed Full-Time Corporate Auditor at Mitsubishi UFJ NICOS Co., Ltd.
- 2015.6 Appointed Director and Senior Managing Executive Officer at UNITIKA Ltd.
- 2020.6 Appointed External Director (Audit and Supervisory Committee member) at Daisue Construction (current role)
- Appointed External Director at Nippon Computer Dynamics Co., Ltd. (now NCD Co., Ltd.)
- 2025.6 Appointed External Director at NCD Co., Ltd. (Audit and Supervisory Committee member) (current role)



External Director, Audit and Supervisory Committee **Akinori Tani**

- 2010.12 Became a registered lawyer (current role)
- 2011.1 Joined Kitahama Partners
- 2018.1 Appointed Partner at Kitahama Partners
- 2019.1 Hired as a lawyer by Kitahama Partners (current role)
- 2022.6 Appointed External Director and Audit and Supervisory Committee member at the Daisue Construction (current role)

## Stakeholder engagement

### Improving client satisfaction

In every step of the process from winning a contract to follow-up maintenance after delivery, we have a framework in place where the relevant departments work together to support our clients, ensuring we provide high-quality buildings that meet our clients' needs. We also aim to increase client satisfaction by taking customer feedback from surveys seriously, sharing it throughout the company, and using it to drive our improvement efforts.

### Site tours

Working together with schools and universities, we invite students, predominantly those studying construction, to take a tour of our in-progress construction sites. During the site tour, attendees are given the opportunity to observe the construction site, where they get a rare behind-the-scenes look at rebar and formwork being assembled. We also explain the construction process and the daily work of site supervisors, aiming to enhance the tour participants' understanding and appreciation of the construction industry.



### Partnership with FC OSAKA

We endorse the "initiative to connect diverse groups through the power of sports to become the heart of the community" implemented by FC OSAKA, a team in Japan's professional soccer league. Working with FC OSAKA as a top-level partner, we deepen our connection with the club by sponsoring matches and holding various events like soccer schools. We will continue to work with FC OSAKA going forward to rejuvenate the local area and tackle social issues.



### Partnerships with partner companies

We have introduced an Excellent Foreman System that recognizes foremen from partner companies who demonstrate exceptional quality and safety-related skills, awarding them with a special bonus. Furthermore, on the "Come join us!" section of our website, we showcase the stages of construction projects and explain the work of the various professionals involved. This is to communicate the excitement of the construction industry to a wide audience. We are also helping to attract talent by posting job opportunities of corporate members of Daishinkai, an association of Daisue Construction partner companies. Announcing a Declaration of Partnership Building, we aim to strengthen our partnerships with partner companies and work toward mutual growth and prosperity by promoting fair and transparent business transactions and deepening trusting relationships.



Come join us!



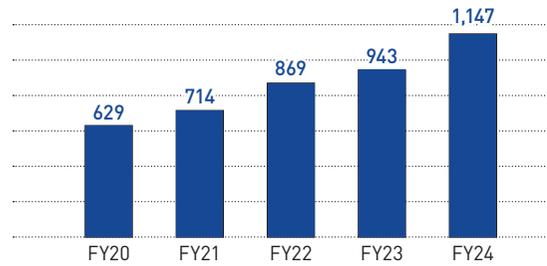
### Relations with shareholders and investors

For shareholders, investors, and other stakeholders, we disclose corporate information such as financial data on our website and publish IR materials such as supplementary explanations of financial results and shareholder newsletters. Since 2024, we have published reports of our sponsored research business (QUICK & NOMURA Corporate Research) undertaken jointly with Quick Corp., Nomura Investor Relations Co., Ltd., and Nomura Securities Co., Ltd. Also, in response to our growing number of overseas investors, we are translating our website and shareholder meeting notices into English and introducing a platform that enables the electronic exercise of voting rights. In terms of communication with shareholders and investors, we hold financial results briefings for institutional investors, company information sessions for individual investors, and conduct IR meetings with investors. Here we explain our performance, details of our businesses, and company initiatives such as medium- to long-term measures to increase our corporate value.

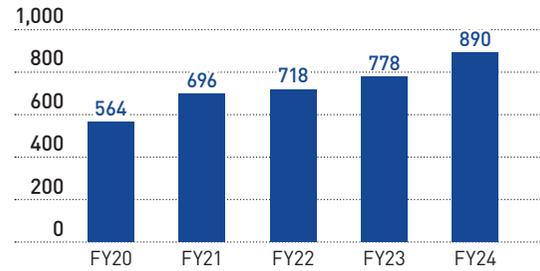


### Financial data (consolidated)

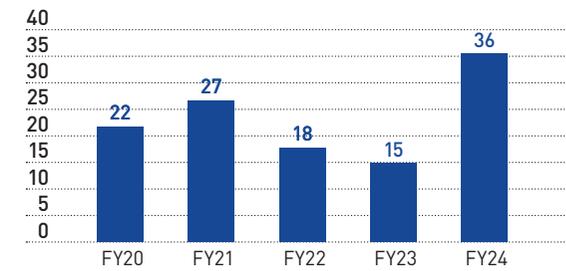
#### Order amount (¥100 million)



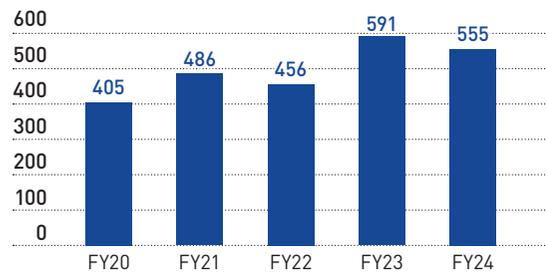
#### Net sales (¥100 million)



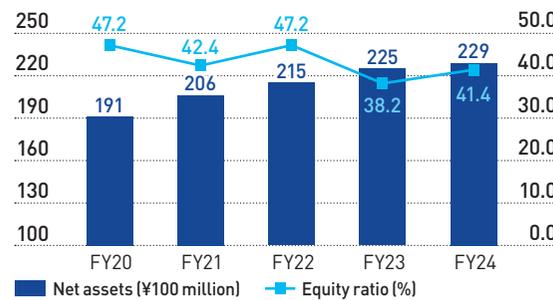
#### Operating profit (¥100 million)



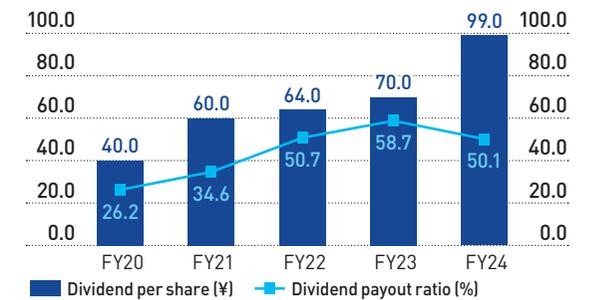
#### Total assets (¥100 million)



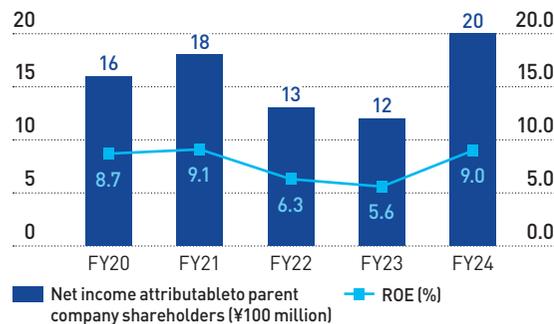
#### Net assets (¥100 million)/equity ratio (%)



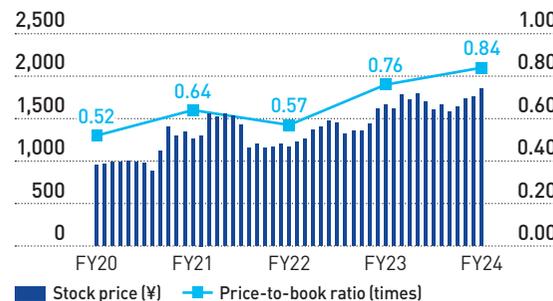
#### Dividend per share (¥)/dividend payout ratio (%)



#### Profit attributable to owners of parent (¥100 million)/Return-on-equity (%)

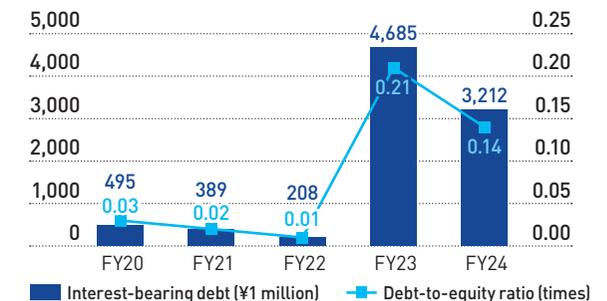


#### Stock price (¥)/PBR (times)



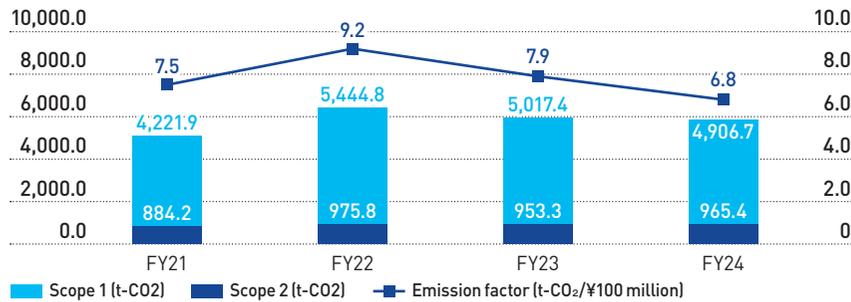
The stock price is based on the closing price on the last business day of each month, and the price-to-book ratio (PBR) is calculated using the closing stock price at the end of each fiscal period.

#### Interest-bearing debt (¥1 million)/Debt-to-equity ratio (times)

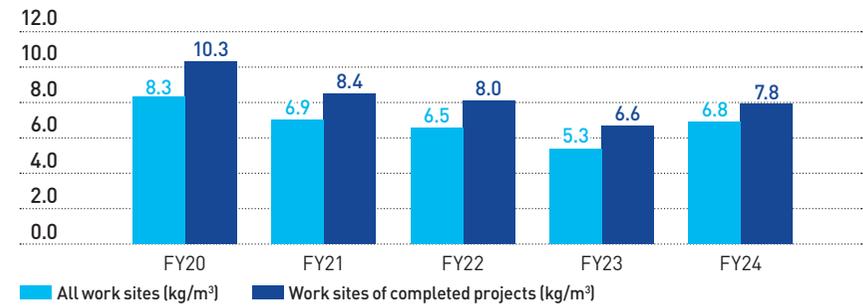


### Non-financial data (not consolidated)

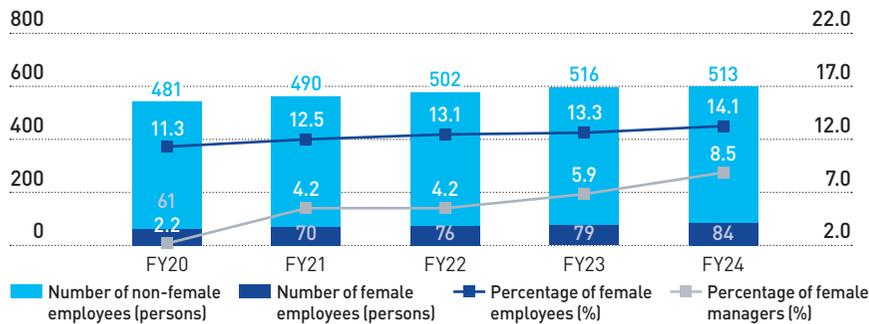
#### CO<sub>2</sub> emissions (Scopes 1&2)



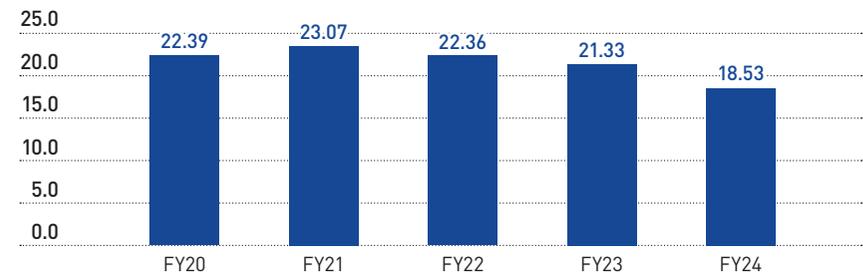
#### Construction byproducts per unit



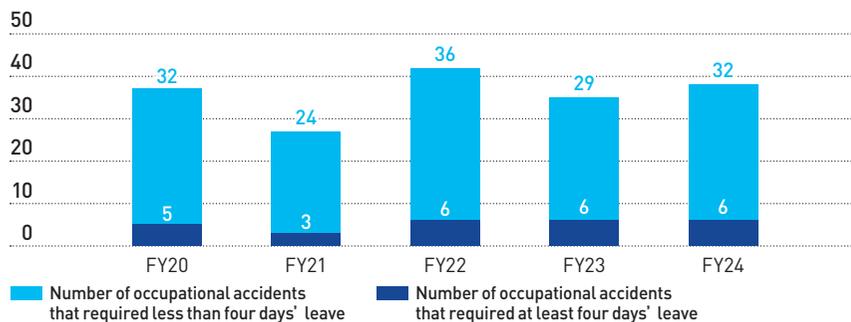
#### Number of employees



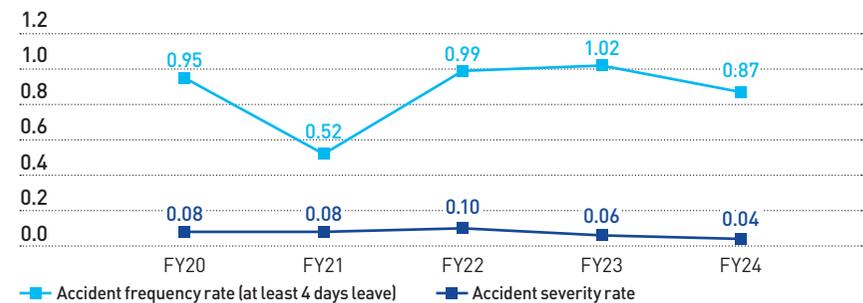
#### Average overtime per employee (time/person per month)



#### Number of occupational accidents



#### Accident frequency rate and accident severity rate



## Financial summary (consolidated data)

Business performance	Unit	FY20	FY21	FY22	FY23	FY24
Order amount	¥1 million	62,906	71,453	86,958	94,324	114,727
Net sales	¥1 million	56,490	69,645	71,834	77,815	89,027
Operating profit	¥1 million	2,214	2,708	1,887	1,590	3,695
Ordinary profit	¥1 million	2,219	2,712	1,939	1,602	3,710
Profit attributable to owners of parent	¥1 million	1,603	1,816	1,321	1,235	2,060
<b>Financial status</b>						
Net assets	¥1 million	19,114	20,629	21,536	22,551	22,993
Total assets	¥1 million	40,533	48,662	45,625	59,017	55,595
Interest-bearing debt	¥1 million	495	389	208	4,685	3,212
<b>Cash flow</b>						
Cash flow from operating activities	¥1 million	-3,091	1,960	4,192	-1,919	-3,059
Cash flow from investing activities	¥1 million	7	-122	-516	-2,992	808
Cash flow from financing activities	¥1 million	-706	-535	-1,009	3,701	-2,066
<b>Share price index</b>						
Book value per share (BPS)	¥	1,822.51	1,968.06	2,055.58	2,190.88	2,200.96
Earnings per share (EPS)	¥	152.83	173.23	126.24	119.20	197.48
Dividend per share	¥	40.00	60.00	64.00	70.00	99.00
Dividend payout ratio	%	26.2	34.6	50.7	58.7	50.1
<b>Management index</b>						
Return on equity (ROE)	%	8.7	9.1	6.3	5.6	9.0
Equity ratio	%	47.2	42.4	47.2	38.2	41.4
Debt-to-equity ratio	Times	0.03	0.02	0.01	0.21	0.14

# About *Company Overview*

<b>Trade name</b>	DAISUE CONSTRUCTION CO.,LTD. <a href="https://www.daisue.co.jp/">https://www.daisue.co.jp/</a>
<b>Headquarters</b>	2-5-28, Kyutaromachi, Chuo-ku, Osaka-shi
<b>Founded in</b>	March 1937
<b>Incorporated in</b>	March 1947
<b>Construction business license</b>	(Special-6) No. 2700, granted by the Minister of Land, Infrastructure, Transport and Tourism
<b>Real estate broker's license</b>	(16) No. 139, granted by the Minister of Land, Infrastructure, Transport and Tourism
<b>Capital</b>	¥4,324,497,237
<b>Number of employees</b>	671 employees of consolidated companies [as of March 2025]
<b>Offices</b>	Headquarters, Osaka Head Office, Tokyo Head Office, Nagoya Branch, Tohoku Branch, Chugoku-Shikoku Branch, Kyushu Branch
<b>Listed stock exchange</b>	Prime Market of the Tokyo Stock Exchange
<b>Main banks</b>	MUFG Bank, Ltd., Resona Bank, Ltd., The Norinchukin Bank, and others.

## Group companies

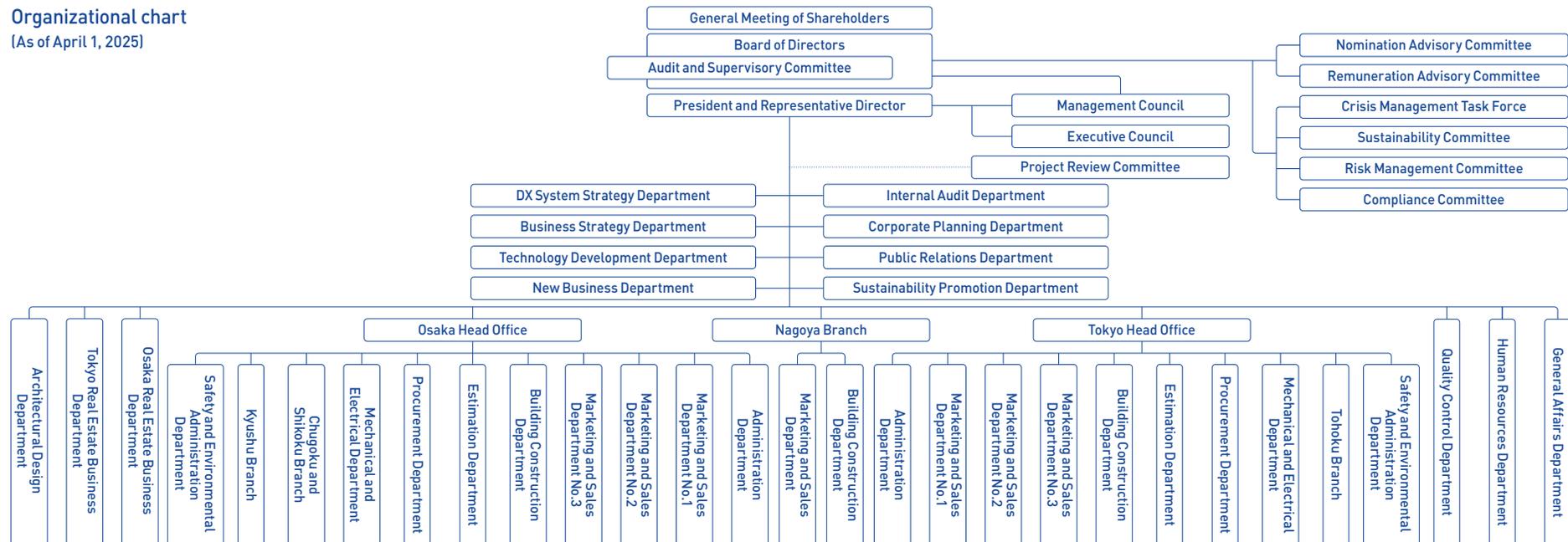
**Daisue Techno Service Co., Ltd.**   
 Headquarters:  
 1-5-18 Doshomachi, Chuo-ku, Osaka  
 Details of business activities:  
 construction contracting operations, real estate management business, security services, etc.  
<https://www.daits.co.jp/>

**Kamishima Corporation Co.**   
 Headquarters:  
 3-9-5 Kofuen, Nishinomiya City, Hyogo Prefecture  
 Details of business activities:  
 civil engineering business  
<https://www.kamishimagumi.co.jp/>

**Yasuragi Co., Ltd.**   
 Headquarters:  
 1-7-27 Shinsuna, Koto-ku, Tokyo  
 Details of business activities:  
 home nursing care business  
<https://yasuragi-0703.co.jp/>

**Kawanishi Civil Engineering Co.**   
 Headquarters:  
 2-21 Nishinomiya-hama, Nishinomiya City, Hyogo Prefecture  
 Details of business activities:  
 civil engineering business  
<https://www.kawanishicons.co.jp/>

## Organizational chart (As of April 1, 2025)





 **大末建設株式会社**

2-5-28, Kyutaromachi, Chuo-ku, Osaka-shi

<https://www.daisue.co.jp/en>