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Consolidated Financial Statements for the Second Quarter of the Period Ending March 2026 [Japanese Standard]

November 7, 2025

Name of listed company: DAI-DAN Co., Ltd.
Stock Exchange Listing: Tokyo Stock Exchange Prime Market
Code No.: 1980 URL: https://www.daidan.co.jp/
Representative of Company: Yasuhiro Yamanaka, Representative Director, President
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Date scheduled to submit semi-annual report: November 7, 2025
Date scheduled for dividend payment commencement: December 1, 2025
Creating supplements to the financial statement: Yes
Holding a briefing session on the financial statement: Yes (for instituted investors and analysts)

(Amounts are indicated with figures less than 1 million yen discarded)

1. Consolidated business results for the second quarter of the period ending March 2026 (From April 1, 2025, to September 30, 2025)

(1) Consolidated management performance (Cumulative total) (Percentage indications show increase or decrease from the previous period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Second quarter of the period ending March 2026	118,359	12.1	17,583	159.2	18,137	159.1	12,520	129.5
Second quarter of the period ending March 2025	105,591	15.6	6,783	123.7	6,999	94.7	5,454	126.2

(Note) Comprehensive income Second quarter of the period ending March 2026 13,111 Million yen 156.8%
Second quarter of the period ending March 2025 5,105 Million yen 34.1%

	Profit per share	Diluted Profit per share
	Yen Sen	Yen Sen
Second quarter of the period ending March 2026	291.44	—
Second quarter of the period ending March 2025	127.24	—

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio
	Million yen	Million yen	%
Second quarter of the period ending March 2026	199,260	118,386	58.3
Period ending March 2025	215,309	109,206	49.7

(Reference) Equity capital Second quarter of the period ending March 2026 116,157 Million yen
Period ending March 2025 107,020 Million yen

2. Dividends

	Annual dividends per share				
	End of first quarter	End of second quarter	End of third quarter	Period end	Through year
	Yen Sen	Yen Sen	Yen Sen	Yen Sen	Yen Sen
Period ending March 2025	—	52.00	—	111.00	163.00
Period ending March 2026	—	82.00			
Period ending March 2026 (Forecast)			—	37.00	—

(Note) Presence of revision from dividend forecast published most recently: Yes
At a meeting of the Board of Directors held today, the Company resolved to conduct a 3-for-1 share split of shares of common stock, with an effective date of January 1, 2026.
Without considering the share split, the Company plans to pay a year-end dividend of 111 yen per share for the fiscal year ending March 31, 2026, an increase of 28 yen from the 83 yen per share announced on May 9, 2025.
As a result, the annual dividend will be 193 yen per share.
The year-end dividend for the period ending March 31, 2026 (forecast) shown in the table above reflects the effect of this share split, and the total annual dividend is shown as "—".

3. Estimate of consolidated performance for the period ending March 2026 (From April 1, 2025, to March 31, 2026)

(Percentage indications show increase or decrease from the previous period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Mil. yen	%	Mil. yen	%	Mil. yen	%	Mil. yen	%	Yen Sen
Total period	260,000	(1.0)	28,000	21.5	28,300	20.5	20,500	17.5	159.06

(Reference) Estimated net sales of construction contract orders 320,000 Million yen
(Note) Presence of revision from estimate of performance published most recently: Yes
Net income per share stated in the forecasts for the fiscal year ending March 31, 2026 was calculated based on the assumption that the 3-for-1 share split that will take effect on January 1, 2026 took place at the beginning of the fiscal year ending March 31, 2026.
Not taking the share split into consideration, net income per share would be 477.19 yen.

* Annotations

(1) Changes in key subsidiaries in the period (changes in specific subsidiaries requiring changes of consolidation scope): None

(2) Application of particular accounting to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, restatement
① Changes in accounting policies due to revision of accounting standards, etc.: None
② Changes in accounting policies other than ①: None
③ Changes in accounting estimates: None
④ Restatement: None

(4) Number of issued shares (common stock)

① Number of issued shares at the end of period (including treasury shares)	Second quarter of the period ending March 2026	45,963,802 shares	Period ending March 2025	45,963,802 shares
② Number of treasury shares at the end of period	Second quarter of the period ending March 2026	2,836,554 shares	Period ending March 2025	3,077,485 shares
③ Average number of shares in the period (semi-annual total)	Second quarter of the period ending March 2026	42,959,572 shares	Second quarter of the period ending March 2025	42,869,753 shares

(Note) The number of treasury shares at the end of the period includes the Company's shares held in the BIP Trust for Directors (325,908 shares for the period ending March 2025, 271,014 shares for the second quarter of the period ending March 2026). In addition, the Company's shares held in the BIP Trust for Directors (129,736 shares for the second quarter of the period ending March 2025, 299,264 shares for the second quarter of the period ending March 2026) are also included in treasury shares, which is deducted in the calculation of the average number of shares outstanding during the period.

* Brief report on semi-annual financial statements is beyond the object of audit by CPA or an audit corporation.

* Explanation about adequate use of achievement forecasts and other noteworthy matters
(Caution regarding forward-looking statements and others)
The forward-looking statements disclosed herein are based on the information available at the time of preparation of this document and the assumption considered as reasonable.
Consequently, actual results differ materially from forecasts above due to changes in business results.

(How to obtain supplementary explanatory materials for semi-annual financial results)
Supplementary explanatory materials for semi-annual financial results will be available on the Company's website.

(Reference) Estimate of individual performance
Estimate of individual performance for the period ending March 2026 (From April 1, 2025 to March 31, 2026)

(Percentage indications show increase or decrease from the previous period.)

	Net sales		Operating profit		Ordinary profit		Profit		Profit per share
	Mil. yen	%	Mil. yen	%	Mil. Yen	%	Mil. yen	%	Yen Sen
Total period	235,000	(5.5)	28,000	21.7	28,300	21.6	20,500	17.1	159.06

(Reference) Estimated net sales of construction contract orders 286,000 Million yen
(Note) Presence of revision from estimate of performance published most recently: Yes
Net income per share stated in the forecasts for the fiscal year ending March 31, 2026 was calculated based on the assumption that the 3-for-1 share split that will take effect on January 1, 2026 took place at the beginning of the fiscal year ending March 31, 2026.
Not taking the share split into consideration, net income per share would be 477.19 yen.

○ Contents of Information

1. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	Previous Consolidated Accounting Year (As of March 31, 2025)	Current Semi-annual Consolidated Accounting Period (As of September 30, 2025)
Assets		
Current assets		
Cash and deposits	51,761	69,864
Notes receivable, accounts receivable from completed construction contracts and other	90,747	60,386
Electronically recorded monetary claims - operating	11,267	9,077
Costs on construction contracts in progress	892	2,498
Other	10,849	5,459
Allowance for doubtful accounts	(192)	(235)
Total current assets	165,326	147,052
Non-current assets		
Property, plant and equipment	7,952	7,737
Intangible assets		
Goodwill	1,607	1,493
Customer-related intangible assets	2,675	2,404
Other	1,526	1,459
Total intangible assets	5,809	5,356
Investments and other assets		
Investment securities	17,116	18,809
Retirement benefit asset	16,996	17,069
Other	2,212	3,340
Allowance for doubtful accounts	(105)	(104)
Total investments and other assets	36,220	39,113
Total non-current assets	49,982	52,208
Total assets	215,309	199,260

(Millions of yen)

	Previous Consolidated Accounting Year (As of March 31, 2025)	Current Semi-annual Consolidated Accounting Period (As of September 30, 2025)
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	28,222	20,838
Electronically recorded obligations - operating	5,479	2,643
Short-term borrowings	22,927	2,659
Income taxes payable	5,445	4,958
Advances received on construction contracts in progress	6,937	10,007
Provision for bonuses	—	5,069
Provision for bonuses for directors (and other officers)	—	32
Provision for share awards	104	31
Provision for warranties for completed construction	114	140
Provision for loss on construction contracts	1,218	445
Deposits received	19,673	16,838
Other	10,399	10,490
Total current liabilities	100,523	74,154
Non-current liabilities		
Long-term borrowings	675	519
Deferred tax liabilities	3,882	5,142
Retirement benefit liability	967	961
Long-term accounts payable - other	2	2
Other	49	93
Total non-current liabilities	5,578	6,719
Total liabilities	106,102	80,874
Net assets		
Shareholders' equity		
Share capital	4,479	4,479
Capital surplus	5,349	5,959
Retained earnings	88,503	96,155
Treasury shares	(3,578)	(3,251)
Total shareholders' equity	94,754	103,343
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,443	8,357
Foreign currency translation adjustment	512	303
Remeasurements of defined benefit plans	4,309	4,153
Total accumulated other comprehensive income	12,265	12,814
Non-controlling interests	2,186	2,228
Total net assets	109,206	118,386
Total liabilities and net assets	215,309	199,260

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

(Consolidated Statements of Income)

(Semi-annual Consolidated Cumulative Period)

(Millions of yen)

	Previous Semi-annual Consolidated Cumulative Period (From April 1, 2024 to September 30, 2024)	Current Semi-annual Consolidated Cumulative Period (From April 1, 2025 to September 30, 2025)
Net sales of completed construction contracts	105,591	118,359
Cost of sales of completed construction contracts	90,732	90,889
Gross profit on completed construction contracts	14,859	27,470
Selling, general and administrative expenses	8,076	9,886
Operating profit	6,783	17,583
Non-operating income		
Interest income	1	44
Dividend income	210	237
Insurance fee income	139	172
Foreign exchange gains	—	141
Share of profit of entities accounted for using equity method	21	—
Rental income from real estate	16	16
Other	30	50
Total non-operating income	420	663
Non-operating expenses		
Interest expenses	102	57
Guarantee commission	0	7
Rental expenses on real estate	10	12
Foreign exchange losses	79	—
Other	11	32
Total non-operating expenses	204	109
Ordinary profit	6,999	18,137
Extraordinary income		
Gain on sale of non-current assets	7	4
Gain on sales of investment securities	1,140	212
Reversal of allowance for doubtful accounts	—	0
Total extraordinary income	1,148	218
Extraordinary losses		
Loss on sale of non-current assets	—	2
Loss on retirement of non-current assets	3	0
Loss on valuation of investment securities	68	—
Total extraordinary losses	71	2
Profit before income taxes	8,076	18,353
Income taxes - current	2,219	4,811
Income taxes - deferred	397	920
Total income taxes	2,617	5,731
Profit	5,459	12,622
Profit attributable to non-controlling interests	5	102
Profit attributable to owners of parent	5,454	12,520

(Consolidated Statements of Comprehensive Income)
(Semi-annual Consolidated Cumulative Period)

(Millions of yen)

	Previous Semi-annual Consolidated Cumulative Period (From April 1, 2024 to September 30, 2024)	Current Semi-annual Consolidated Cumulative Period (From April 1, 2025 to September 30, 2025)
Profit	5,459	12,622
Other comprehensive income		
Valuation difference on available-for-sale securities	(704)	914
Foreign currency translation adjustment	226	(268)
Remeasurements of defined benefit plans, net of tax	(229)	(156)
Share of other comprehensive income of entities accounted for using equity method	353	—
Total other comprehensive income	(354)	489
Comprehensive income	5,105	13,111
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,087	13,069
Comprehensive income attributable to non-controlling interests	18	42

(3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	Previous Semi-annual Consolidated Cumulative Period (From April 1, 2024 to September 30, 2024)	Current Semi-annual Consolidated Cumulative Period (From April 1, 2025 to September 30, 2025)
Cash flows from operating activities		
Profit before income taxes	8,076	18,353
Depreciation	454	688
Amortization of goodwill	—	71
Increase (decrease) in allowance for doubtful accounts	(90)	41
Increase (decrease) in retirement benefit liability	(11)	(13)
Interest and dividend income	(211)	(282)
Interest expenses	102	57
Share of loss (profit) of entities accounted for using equity method	(21)	—
Loss (gain) on valuation of investment securities	68	—
Loss (gain) on sales of investment securities	(1,140)	(212)
Loss (gain) on sale of non-current assets	(7)	(2)
Loss on retirement of non-current assets	3	0
Decrease (increase) in trade receivables	(4,265)	32,715
Decrease (increase) in costs on construction contracts in progress	(760)	(1,588)
Decrease (increase) in other current assets	(2,809)	5,249
Decrease (increase) in other non-current assets	(0)	315
Decrease (increase) in retirement benefit asset	(370)	(293)
Increase (decrease) in trade payables	(4,971)	(10,220)
Increase (decrease) in advances received on construction contracts in progress	974	3,069
Increase (decrease) in deposits received	4,063	(2,834)
Increase (decrease) in other current liabilities	(1,990)	4,856
Increase (decrease) in other non-current liabilities	15	44
Subtotal	(2,893)	49,995
Interest and dividends received	211	270
Interest paid	(208)	(41)
Income taxes refund (paid)	(3,114)	(5,528)
Net cash provided by (used in) operating activities	(6,004)	44,695

(Millions of yen)

	Previous Semi-annual Consolidated Cumulative Period (From April 1, 2024 to September 30, 2024)	Current Semi-annual Consolidated Cumulative Period (From April 1, 2025 to September 30, 2025)
Cash flows from investing activities		
Purchase of property, plant and equipment	(176)	(261)
Proceeds from sale of property, plant and equipment	7	9
Purchase of investment securities	(2)	(948)
Proceeds from sale and redemption of investment securities	1,316	504
Other payments	(263)	(808)
Other proceeds	37	22
Net cash provided by (used in) investing activities	920	(1,483)
Cash flows from financing activities		
Proceeds from short-term borrowings	33,900	7,800
Repayments of short-term borrowings	(13,900)	(27,961)
Proceeds from long-term borrowings	500	100
Repayments of long-term borrowings	(357)	(361)
Purchase of treasury shares	(0)	(0)
Dividends paid	(2,063)	(4,796)
Net cash provided by (used in) financing activities	18,077	(25,220)
Effect of exchange rate change on cash and cash equivalents	154	(4)
Net increase (decrease) in cash and cash equivalents	13,148	17,987
Cash and cash equivalents at beginning of period	22,665	50,552
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	―	141
Cash and cash equivalents at end of period	※ 35,814	※ 68,681

(4) Annotation Items Concerning Semi-annual Consolidated Financial Statements

(Notes to Going Concern Assumption)

None

(Notes in Case of Significant Changes in the Amount of Shareholders' Equity)

None

(Changes in presentation method)

(Consolidated Statements of Cash Flows)

"Increase (decrease) in deposits received" which were included in "increase (decrease) in other current liabilities" under "cash flows from operating activities" in the previous semi-annual consolidated accounting period, have been separately presented from the semi-annual consolidated accounting period due to their increased financial importance.

To reflect these changes in presentation, the Company reclassified the semi-annual consolidated financial statements for the previous semi-annual consolidated accounting period.

As a result, 2,072 million yen stated in "increase (decrease) in other current liabilities" in the semi-annual consolidated statements of cash flows for the previous semi-annual consolidated accounting period have been reclassified into 4,063 million yen in "increase (decrease) in deposits received" and (1,990) million yen in "increase (decrease) in other current liabilities."

(Notes regarding Semi-annual Consolidated statement of cash flows)

※ Reconciliation of interim ending balance of cash and cash equivalents with account balances per consolidated balance sheet

(Millions of yen)

	Previous Semi-annual Consolidated Cumulative Period (From April 1, 2024 to September 30, 2024)	Current Semi-annual Consolidated Cumulative Period (From April 1, 2025 to September 30, 2025)
Cash and deposits	35,845	69,864
Time deposits with maturity over 3 months	(30)	(1,183)
Cash and cash equivalents	35,814	68,681

(Significant Subsequent Event)

(Share Split and Partial Amendment to the Articles of Incorporation Due to the Share Split)

At the Board of Directors meeting held on November 7, 2025, the Company resolved to implement a share split and to make a partial amendment to the Articles of Incorporation.

1. Share Split

(1) Purpose of share split

The Company aims to create a more accessible investment environment, enhance market liquidity, and expand its investor base by reducing the investment amount required per unit of its stock.

(2) Overview of share split

① Method of share split

The record date for the share split is set for Wednesday, December 31, 2025 (effectively Tuesday, December 30, 2025, since the shareholder registry administrator is closed on the record date). Shareholders listed on the final shareholder registry as of this date will receive three shares for every one share of the Company's common stock they hold.

② Number of shares to be increased by share split

Total number of issued shares before the share split	45,963,802 shares
Number of shares to be increased by this share split	91,927,604 shares
Total number of issued shares after the share split	137,891,406 shares
Total number of shares authorized to be issued after the share split	240,000,000 shares

③ Timetable for the share split

(1) Date of public notice of the record date (scheduled)	Monday, December 15, 2025
(2) Record date	Wednesday, December 31, 2025
(3) Effective date	Thursday, January 1, 2026

④ Impact on per share information

Pro forma per share information assuming the share split was conducted at the beginning of the previous fiscal year is as follows.

	Previous Semi-annual Consolidated Cumulative Period (From April 1, 2024 to September 30, 2024)	Current Semi-annual Consolidated Cumulative Period (From April 1, 2025 to September 30, 2025)
Net income per share	¥42.41	¥97.15

(Note) Diluted Profit per share is not shown in the above table, as there are no residual shares.

(3) Other matters

There will be no change in the amount of share capital resulting from this share split.

2. Partial Amendment to the Articles of Incorporation Due to the Share Split

(1) Reason for amendments to the Articles of Incorporation

Following the share split, and in accordance with Article 184, Paragraph 2 of the Companies Act, the Company will make a partial amendment to its Articles of Incorporation effective January 1, 2026.

(2) Details of the amendment to the Articles of Incorporation

The details of the amendment are as follows (underlined sections indicate changes):

Current Articles of Incorporation	Revised Articles of Incorporation
(Total Number of Shares Authorized to be Issued) Article 5 The total number of shares authorized to be issued by the Company shall be <u>80,000,000</u> shares.	(Total Number of Shares Authorized to be Issued) Article 5 The total number of shares authorized to be issued by the Company shall be <u>240,000,000</u> shares.

(3) Timetable of the amendment to Articles of Incorporation

Date of Board of Directors' resolution to amend the Articles of Incorporation:	November 7, 2025
Effective date of the amendment to the Articles of Incorporation:	January 1, 2026

2. Supplementary Information

Divisional net sales of construction contract orders received, completed construction contracts, and uncompleted construction contracts (consolidated)

(Millions of yen)

		Previous Semi-annual Consolidated Cumulative Period (From April 1, 2024 to September 30, 2024)		Current Semi-annual Consolidated Cumulative Period (From April 1, 2025 to September 30, 2025)		Increase (decrease)	
		Amount	Component ratio %	Amount	Component ratio %	Amount	Ratio %
Net sales of construction contract orders received	Air conditioning and plumbing installations	119,428	86.6	128,757	70.4	9,328	7.8
	Electrical installations	18,438	13.4	54,113	29.6	35,674	193.5
	Total	137,866	100.0	182,870	100.0	45,003	32.6
	(Industrial facilities)	81,246	58.9	60,905	33.3	(20,341)	(25.0)
	(Overseas operations)	10,128	7.3	43,175	23.6	33,047	326.3
	(Renovations)	51,628	37.4	76,840	42.0	25,212	48.8
Net sales of completed construction contracts	Air conditioning and plumbing installations	91,974	87.1	96,332	81.4	4,358	4.7
	Electrical installations	13,617	12.9	22,027	18.6	8,409	61.8
	Total	105,591	100.0	118,359	100.0	12,768	12.1
	(Industrial facilities)	49,903	47.3	66,728	56.4	16,824	33.7
	(Overseas operations)	6,117	5.8	13,682	11.6	7,565	123.7
	(Renovations)	32,684	31.0	37,879	32.0	5,194	15.9
Net sales of uncompleted construction contracts	Air conditioning and plumbing installations	239,634	88.1	255,861	79.2	16,226	6.8
	Electrical installations	32,502	11.9	67,049	20.8	34,547	106.3
	Total	272,136	100.0	322,910	100.0	50,774	18.7
	(Industrial facilities)	150,836	55.4	138,754	43.0	(12,082)	(8.0)
	(Overseas operations)	18,411	6.8	64,185	19.9	45,774	248.6
	(Renovations)	57,473	21.1	102,331	31.7	44,857	78.0

(Note) Industrial facilities and Overseas operations, Renovations are aggregated for each type of construction. These includes duplicated construction.