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(Securities Code: 1803)  
(Electronic Delivery Measures commencement date) May 30, 2025  
(Posting date) June 2, 2025

Dear Shareholders

Tatsuya Shimmura  
President and Representative Director  
SHIMIZU CORPORATION  
2-16-1 Kyobashi, Chuo-ku, Tokyo

### **Notice of the 123rd Annual General Meeting of Shareholders**

We hereby announce that the 123rd Annual General Meeting of Shareholders of SHIMIZU CORPORATION (the “Corporation”) will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights via the internet or in writing (by post) before the meeting. Please review the Reference Documents for the General Meeting of Shareholders set forth below and exercise your voting rights by 5:10 p.m. on Thursday, June 26, 2025.

#### **Details**

**1. Date and Time:**

Friday, June 27, 2025, at 10:00 a.m. (JST)

**2. Place:**

2-16-1 Kyobashi, Chuo-ku, Tokyo  
Shimizu Hall, 2nd Floor of the Head Office

**3. Purpose of the Meeting**

**Matters to be reported:**

**Following matters for the 123rd fiscal year (from April 1, 2024 to March 31, 2025)**

- a. Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements of the Corporation
- b. Audit Reports of the Accounting Auditor on the Consolidated Financial Statements and Non-Consolidated Financial Statements of the Corporation
- c. Audit Report of the Audit & Supervisory Board on Business Report, Non-Consolidated Financial Statements and Related Supplementary Schedules of the Corporation, and Consolidated Financial Statements

**Matters to be resolved:**

**Proposal 1:** Appropriation of Surplus

**Proposal 2:** Election of Eleven (11) Directors

**Proposal 3:** Election of Two (2) Audit & Supervisory Board Members

#### 4. Exercising Voting Rights

We ask you to kindly exercise your shareholders' voting rights after examining the "Reference Documents for the General Meeting of Shareholders." You may exercise your voting rights by one of the following three methods.

##### **By the internet**

Please access the website for exercising voting rights by PC, smartphone, etc., and cast your vote for or against each proposal.

To be received no later than 5:10 p.m. on Thursday, June 26, 2025 (JST)

##### **In writing (By post)**

Please return the enclosed Voting Form indicating your vote for or against each proposal.

To be received no later than 5:10 p.m. on Thursday, June 26, 2025 (JST)

##### **Attending the General Meeting of Shareholders**

You are kindly requested to present the enclosed Voting Form to the receptionist if you attend the meeting in person.

**Date and Time of the General Meeting of Shareholders:** 10:00 a.m. on Friday, June 27, 2025

1. If you exercise your voting rights both by the internet and in writing, only the vote by the internet will be treated as valid.
2. If you exercise your voting rights in writing, in cases where neither approval nor disapproval of a proposal is indicated, the Corporation will deem that you indicated your approval of the proposal.
3. If you intend to exercise your voting rights by proxy, one other shareholder who possesses voting rights may attend the meeting as your proxy. In the case of attendance by a proxy, your Voting Form, the proxy's Voting Form and a letter of proxy must be presented to reception.

#### 5. Electronic Delivery Measures

For this general meeting of shareholders, the Corporation provides the content of the Reference Documents for the General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on multiple websites. Please access these websites by using the internet addresses shown below to review the information.

The Corporation's website:

<https://www.shimz.co.jp/company/ir/library/report/> (in Japanese)

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

Access the TSE website shown above, enter "SHIMIZU CORPORATION" in "Issue name" or the Corporation's securities code "1803" in "Securities code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," review the information by selecting the button under "Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting."

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\* Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 17 of the Articles of Incorporation of the Corporation, "Propriety Assurance Program for Business Operations and the Status of its Implementation" in the Business Report, "Consolidated Statement of Changes in Net Assets" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements, and "Non-Consolidated Statement of Changes

in Net Assets” and “Notes to Non-Consolidated Financial Statements” in the Non-Consolidated Financial Statements are not provided in the these documents.

- \* If revisions to the matters subject to measures for electronic provision arise, the details of the revisions will be posted on the Corporation’s website and the TSE website above.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal 1: Appropriation of Surplus

The Corporation maintains a basic policy of strengthening our financial position to support long-term growth, as well as the stability of dividends, and sets a profit distribution policy with a target consolidated payout ratio of 40% with a minimum annual dividend of ¥20 per share.

Based on the above policy, we announce that the annual dividend amount will be ¥38 per share. After deducting the mid-year dividend of ¥17.50 per share, the year-end dividend comes to ¥20.50 per share.

Matters regarding year-end dividend

- (1) Dividend allotment to shareholders and total amount thereof
  - Dividend per share of common stock of the Corporation: ¥20.50
  - Total amount of dividend: ¥13,988,039,762
- (2) Effective date of dividend:
  - June 30, 2025

**Proposal 2: Election of Eleven (11) Directors**

The terms of office of the current directors will expire at the conclusion of this meeting.  
Accordingly, we propose to elect eleven (11) directors (including four (4) outside directors).


The candidates for directors are as follows:

No.	Name	Gender		Current position and areas of responsibility in the Corporation	Nomination and Compensation Committee Member	Attendance at the Board of Directors meetings
1	Kazuyuki Inoue	Male	<Reelection>	Chairman of the Board and Representative Director	●	100% (16/16)
2	Tatsuya Shimmura	Male	<Reelection>	President and Representative Director President and Executive Officer		100% (12/12)
3	Kentaro Ikeda	Male	<Reelection>	Executive Vice President and Representative Director, Executive Vice President and Executive Officer Director, Civil Engineering Headquarters, In charge of Safety and Environment		100% (16/16)
4	Takeshi Sekiguchi	Male	<Reelection>	Executive Vice President and Director, Executive Vice President and Executive Officer, In charge of Engineering Business, Director, Green Energy Headquarters, In charge of Information Management, Director, DX Management Office		100% (16/16)
5	Yoshito Tsutsumi	Male	<New candidate>	Executive Vice President and Executive Officer Director, Building Construction Headquarters, In charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters and Smart City, Executive Project Director, TOKIWABASHI PROJECT		—
6	Yoshiki Higashi	Male	<Reelection>	Senior Managing Officer and Representative Director In charge of Administrative Functions, Director, Corporate Planning Div., In charge of Sustainability and Human Resources		100% (16/16)
7	Noriaki Shimizu	Male	<Reelection> <Non-executive Director>	Director	● (Chair)	100% (16/16)
8	Tamotsu Iwamoto	Male	<Reelection> <Outside Director> <Independent Director> <Non-executive Director>	Director	●	100% (16/16)
9	Junichi Kawada	Male	<Reelection> <Outside Director> <Independent Director> <Non-executive Director>	Director	●	93.8% (15/16)
10	Mayumi Tamura	Female	<Reelection> <Outside Director> <Independent Director> <Non-executive Director>	Director	●	100% (16/16)
11	Yumiko Jozuka	Female	<Reelection> <Outside Director> <Independent Director> <Non-executive Director>	Director	●	100% (16/16)


\* The attendance at Board of Directors meetings shown for Tatsuya Shimmura is his attendance after he assumed office as director on June 27, 2024.

\* For Nomination and Compensation Committee Members, the status of the candidates for reappointment is shown as of the date of posting of this convocation notice. Tatsuya Shimmura will take over Nomination and Compensation Committee Member from Kazuyuki Inoue, if his reelection is approved at this meeting.

\* Non-executive Director: Focuses on supervising management and business execution without being in charge of business execution.


No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
1	 <p>Kazuyuki Inoue (October 3, 1956)</p> <p>&lt;Reelection&gt;</p> <p>Attendance at the Board of Directors meetings 100% (16/16)</p>	<p>April 1981      Joined the Corporation</p> <p>April 2013      Executive Officer, Director, Marketing &amp; Sales Promotion Div. II, Building Headquarters of the Corporation</p> <p>April 2014      Managing Officer, Director, NAGOYA Branch of the Corporation</p> <p>April 2015      Senior Managing Officer, Director, NAGOYA Branch of the Corporation</p> <p>June 2015      Director, Senior Managing Officer, Director, NAGOYA Branch of the Corporation</p> <p>March 2016      Director, Senior Managing Officer, in charge of Marketing &amp; Sales Promotion of the Corporation</p> <p>April 2016      President and Representative Director of the Corporation</p> <p>April 2020      President and Representative Director, President and Executive Officer of the Corporation</p> <p>April 2025      Chairman of the Board and Representative Director of the Corporation (up to the present)</p> <p>[Significant concurrent positions outside the Corporation] Vice Chair of the Board of Councilors of KEIDANREN (Japan Business Federation)</p> <p>[Reasons for nomination as a candidate for Director] Kazuyuki Inoue has abundant experience and a high level of knowledge regarding the management and business activities of the Shimizu Group, having held the positions of President and Representative Director, and Chairman of the Board and Representative Director since April 2025 in turn. We judge that having him continue to leverage his experience in management will be optimal for realizing the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him to continue as a director.</p>	123,606


No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
2	 <p>Tatsuya Shimmura (October 27, 1961)</p> <p>&lt;Reelection&gt;</p> <p>Attendance at the Board of Directors meetings 100% (12/12)</p>	<p>April 1984      Joined the Corporation</p> <p>April 2017      Executive Officer, Deputy Director, TOKYO Branch of the Corporation</p> <p>April 2018      Executive Officer, Director, Building Construction Planning Div., Building Construction Headquarters, Director, Production Management Div., Building Construction Headquarters, Director, Monozukuri Training Center, Building Construction Headquarters of the Corporation</p> <p>April 2019      Executive Officer, Director, YOKOHAMA Branch of the Corporation</p> <p>April 2021      Managing Officer, Director, NAGOYA Branch of the Corporation</p> <p>April 2023      Senior Managing Officer, Director, TOKYO Branch of the Corporation</p> <p>April 2024      Executive Vice President and Executive Officer, Director, Building Construction Headquarters, in charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters and Smart City of the Corporation</p> <p>June 2024      Executive Vice President and Representative Director, Executive Vice President and Executive Officer Director, Building Construction Headquarters, in charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters and Smart City of the Corporation</p> <p>April 2025      President and Representative Director, President and Executive Officer of the Corporation (up to the present)</p> <p>[Reasons for nomination as a candidate for Director] Tatsuya Shimmura has abundant experience and a high level of knowledge regarding the management and business activities of the Shimizu Group, having held key positions in the construction department, such as Director of Tokyo Branch, and Director of Building Construction Headquarters. Since becoming President and Representative Director in April 2025, he has been directing the promotion of the Mid-Term Business Plan &lt;2024-2026&gt; toward the realization of our long-term vision “&lt;SHIMZ VISION 2030&gt;.” We judge that he is the most suitable as a driving force for the Shimizu Group's further increase in corporate value, and we have therefore nominated him to continue as a director.</p>	26,823

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
3	 <p>Kento Ikeda (January 31, 1958)</p> <p>&lt;Reelection&gt;</p> <p>Attendance at the Board of Directors meetings 100% (16/16)</p>	<p>April 1983      Joined the Corporation</p> <p>April 2016      Executive Officer, Director, Civil Engineering Sales &amp; Marketing Div. II, Civil Engineering Headquarters, Director, Civil Engineering Planning Div., Civil Engineering Headquarters of the Corporation</p> <p>April 2018      Managing Officer, Director, Civil Engineering Sales &amp; Marketing Div., Business Development &amp; Marketing Headquarters of the Corporation</p> <p>April 2021      Senior Managing Officer, Director, Civil Engineering Headquarters, in charge of Safety and Environment of the Corporation</p> <p>June 2021      Senior Managing Officer and Representative Director, Director, Civil Engineering Headquarters, in charge of Safety and Environment of the Corporation</p> <p>April 2023      Executive Vice President and Representative Director, Executive Vice President and Executive Officer, Director, Civil Engineering Headquarters, in charge of Safety and Environment of the Corporation (up to the present)</p> <p>[Reasons for nomination as a candidate for Director] Kento Ikeda possesses abundant experience and a high level of knowledge regarding the business activities of the Shimizu Group, which he has gained through managing the civil engineering business and sales &amp; marketing operations. Currently, he supervises the Corporation's civil engineering business as Director of Civil Engineering Headquarters and is working on the sustainable growth of the construction business, which is our core business. We judge his appointment to be appropriate for realizing the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him to continue as a director.</p>	52,019





No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
4	 <p>Takeshi Sekiguchi (September 19, 1958)</p> <p>&lt;Reelection&gt;</p> <p>Attendance at the Board of Directors meetings 100% (16/16)</p>	<p>April 1984      Joined the Corporation</p> <p>April 2018      Executive Officer, General Manager, Engineering Headquarters of the Corporation</p> <p>April 2020      Managing Officer, General Manager, Engineering Headquarters of the Corporation</p> <p>April 2021      Managing Officer, General Manager, Engineering Headquarters, Deputy Director, LCV Headquarters of the Corporation</p> <p>April 2022      Senior Managing Officer, in charge of Engineering Business, Director, LCV Headquarters, in charge of Information Management of the Corporation</p> <p>June 2023      Director, Senior Managing Officer, in charge of Engineering Business, Director, LCV Headquarters, in charge of Information Management of the Corporation</p> <p>April 2024      Executive Vice President and Director, Executive Vice President and Executive Officer, in charge of Engineering Business, Director, LCV Headquarters, in charge of Information Management of the Corporation</p> <p>October 2024      Executive Vice President and Director, Executive Vice President and Executive Officer, in charge of Engineering Business, Director, Green Energy Headquarters, in charge of Information Management, Director, DX Management Office of the Corporation (up to the present)</p> <p>[Reasons for nomination as a candidate for Director] Takeshi Sekiguchi possesses abundant experience and a high level of knowledge regarding the business activities of the Shimizu Group, which he has gained through managing engineering business operations. He is currently in charge of Engineering Business, leading efforts to establish a new profit base for the Shimizu Group as Director of the Green Energy Headquarters, and promoting digital strategy as Director in charge of Information Management, and Director of DX Management Office. We judge his appointment to be appropriate for realizing the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him to continue as a director.</p>	50,682


No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
5	 <p>Yoshito Tsutsumi (March 1, 1960)</p> <p>&lt;New candidate&gt;</p> <p>Attendance at the Board of Directors meetings —</p>	<p>April 1982      Joined the Corporation</p> <p>April 2016      Executive Officer, Deputy Director, TOKYO Branch of the Corporation</p> <p>April 2017      Executive Officer, Director, KYUSHU Branch of the Corporation</p> <p>April 2019      Managing Officer, Director, KYUSHU Branch of the Corporation</p> <p>April 2021      Senior Managing Officer, Director, TOKYO Branch, in charge of Nuclear Business of the Corporation</p> <p>April 2022      Senior Managing Officer, Deputy Director, Building Construction Headquarters, Director, TOKYO Branch, in charge of Productivity Improvement of the Corporation</p> <p>April 2023      Executive Vice President and Executive Officer, Director, Building Construction Headquarters, in charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters of the Corporation</p> <p>November 2023      Executive Vice President and Executive Officer, Director, Building Construction Headquarters, Executive Project Director, TOKIWABASHI PROJECT, in charge of Productivity Improvement of the Corporation</p> <p>April 2024      Executive Vice President and Executive Officer, Executive Project Director, TOKIWABASHI PROJECT, in charge of Special Projects of the Corporation</p> <p>April 2025      Executive Vice President and Executive Officer, Director, Building Construction Headquarters, in charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters, and Smart City, Executive Project Director, TOKIWABASHI PROJECT of the Corporation (up to the present)</p> <p>[Reasons for nomination as a candidate for Director] Yoshito Tsutsumi possesses abundant experience and a high level of knowledge regarding the business activities of the Shimizu Group, which he has gained through managing business operations of the construction business. Currently, he supervises the construction business in his role as Director of the Building Construction Headquarters, and he is also working on the sustainable growth of the construction business, which is our core business and drives greater productivity in the construction business. We judge his appointment to be appropriate for realizing the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him as a director.</p>	45,018

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
6	 <p>Yoshiki Higashi (July 7, 1960)</p> <p>&lt;Reelection&gt;</p> <p>Attendance at the Board of Directors meetings 100% (16/16)</p>	<p>April 1983      Joined the Corporation</p> <p>June 2008      Manager, Accounting Dept., NAGOYA Branch of the Corporation</p> <p>August 2011    Manager, Accounting Dept., Building Headquarters of the Corporation</p> <p>April 2013      Manager, Secretarial Dept. of the Corporation</p> <p>May 2016      Deputy Director, Corporate Planning Div., Manager, Corporate Planning Dept., Corporate Planning Div. of the Corporation</p> <p>April 2018      Executive Officer, Director, Corporate Planning Div., Manager, Corporate Planning Dept., Corporate Planning Div. of the Corporation</p> <p>April 2020      Managing Officer, Director, Corporate Planning Div., in charge of Human Resource System Reform of the Corporation</p> <p>April 2021      Managing Officer, Director, Corporate Planning Div., in charge of Human Resources and Human Resource System Reform of the Corporation</p> <p>April 2022      Managing Officer, Director, Corporate Planning Div., in charge of Human Resource System Reform of the Corporation</p> <p>April 2023      Senior Managing Officer, in charge of Administrative Functions and SDGs &amp; ESG Promotion, Director, Corporate Planning Div. of the Corporation</p> <p>June 2023      Senior Managing Officer and Representative Director, in charge of Administrative Functions and SDGs &amp; ESG Promotion, Director, Corporate Planning Div. of the Corporation</p> <p>April 2024      Senior Managing Officer and Representative Director, in charge of Administrative Functions, Director, Corporate Planning Div., in charge of SDGs &amp; ESG Promotion of the Corporation</p> <p>April 2025      Senior Managing Officer and Representative Director, in charge of Administrative Functions, Director, Corporate Planning Div., in charge of Sustainability and Human Resources of the Corporation (up to the present)</p> <p>[Reasons for nomination as a candidate for Director] Yoshiki Higashi possesses abundant experience and a high level of knowledge regarding the business activities of the Shimizu Group through his execution of business in accounting, finance, management planning, and the like. He is currently leading efforts to strengthen the business base as Director in charge of Administrative Functions and planning and promoting management strategy for the Shimizu Group as Director of the Corporate Planning Div. and Director in charge of Sustainability and Human Resources. We judge his appointment to be appropriate for realizing the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him to continue as a director.</p>	71,237

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
7	 Noriaki Shimizu (October 11, 1972)  <Reelection> <Non-executive Director>  Attendance at the Board of Directors meetings 100% (16/16)	<p>April 1995      Joined the Corporation</p> <p>June 2018      General Manager, Sales &amp; Marketing Department, Civil Engineering Headquarters, Sales &amp; Marketing Headquarters of the Corporation</p> <p>June 2020      Auditor of SHIMIZU &amp; CO., LTD.</p> <p>April 2022      General Manager, 3rd Division of Civil Engineering, Civil Engineering TOKYO Branch of the Corporation</p> <p>June 2023      President and Representative Director of SHIMIZU &amp; CO., LTD. (up to the present)            Director of the Corporation (up to the present)</p> <p>[Significant concurrent positions outside the Corporation]            President and Representative Director of SHIMIZU &amp; CO., LTD.</p> <p>[Reasons for nomination as a candidate for Director]            Noriaki Shimizu supervises the management and business execution of the Corporation from a long-term perspective, as the present head of the Shimizu family, which bears the Company's 221-year history and tradition. Since 2023, he has performed his duties as Chair of the Nomination and Compensation Committee. We judge that he will be able to contribute to the Shimizu Group's sustainable development and increase in corporate value over the medium and long term, and we have therefore nominated him to continue as a director.</p>	1,021,753

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
8	 <p>Tamotsu Iwamoto (September 25, 1950)</p> <p>&lt;Reelection&gt; &lt;Outside Director&gt; &lt;Independent Director&gt; &lt;Non-executive Director&gt;</p> <p>Attendance at the Board of Directors meetings 100% (16/16)</p> <p>Term of office served as Outside Director (at the conclusion of this meeting) 6 years</p>	<p>April 1974      Joined Ajinomoto Co., Inc.</p> <p>July 2001      President of AJINOMOTO VIETNAM Co., Ltd.</p> <p>June 2005      Corporate Executive Officer, General Manager, Human Resources Dept. of Ajinomoto Co., Inc.</p> <p>June 2009      Director, Corporate Vice President of Ajinomoto Co., Inc.</p> <p>June 2011      Director, Corporate Senior Vice President of Ajinomoto Co., Inc.</p> <p>June 2015      Representative Director, Corporate Executive Deputy President of Ajinomoto Co., Inc.</p> <p>June 2017      Senior Advisor of Ajinomoto Co., Inc. Outside Auditor of HOUSE FOODS GROUP INC.</p> <p>June 2019      Director of the Corporation</p> <p>June 2021      Outside Director of XEBIO HOLDINGS CO., LTD. (up to the present)</p> <p>[Significant concurrent positions outside the Corporation] Outside Director of XEBIO HOLDINGS CO., LTD.</p> <p>[Reasons for nomination as a candidate for Outside Director, expected roles, etc.] Tamotsu Iwamoto possesses abundant experience and a high level of knowledge through his many years in corporate management and global businesses as a corporate executive of a listed company. At the Board of Directors meetings, he has actively provided recommendations and advice on matters such as management strategies, global business fields, and risk management, from multiple perspectives and contributed to stimulating discussions and enhancing the supervision functions of the Board of Directors. We judge that he is able to use these experiences and knowledge to supervise the management of the Corporation from an objective and neutral position, and we have therefore nominated him to continue as an outside director.</p> <p>[Independence of the candidate] Tamotsu Iwamoto meets the standards for independence set out by the Tokyo Stock Exchange, on which the Corporation is listed, and the Standards regarding the Independence of Outside Officers set by the Corporation. The Corporation has therefore designated him as an independent director who will not have a conflict of interests with general shareholders and it submitted notification of this to the Tokyo Stock Exchange. If his reelection is approved, the Corporation will continue his registration as an independent director. Furthermore, although the Corporation has a transactional relationship with Ajinomoto Co., Inc. of which Tamotsu Iwamoto was Representative Director, Corporate Executive Deputy President until June 2017, the transaction amount with Ajinomoto Co., Inc. came to less than 0.1% of the Corporation's consolidated net sales for the most recent fiscal year. Accordingly, we believe that this relationship will have no effect on Tamotsu Iwamoto's independence as Outside Director.</p>	8,212

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
9	 <p>Junichi Kawada (September 26, 1955)</p> <p>&lt;Reelection&gt; &lt;Outside Director&gt; &lt;Independent Director&gt; &lt;Non-executive Director&gt;</p> <p>Attendance at the Board of Directors meetings 93.8% (15/16)</p> <p>Term of office served as Outside Director (at the conclusion of this meeting) 4 years</p>	<p>April 1978      Joined Nippon Oil Corporation (currently ENEOS Holdings, Inc.)</p> <p>June 2007      Executive Officer, General Manager, General Administration of Nippon Oil Corporation (currently ENEOS Holdings, Inc.)</p> <p>April 2010      Director, Senior Vice President of JX Holdings, Inc. (currently ENEOS Holdings, Inc.)</p> <p>June 2015      Director, Executive Vice President of JX Holdings, Inc. (currently ENEOS Holdings, Inc.)</p> <p>April 2017      Director, Executive Vice President of JXTG Holdings, Inc. (currently ENEOS Holdings, Inc.)</p> <p>June 2020      Trustee of ENEOS Holdings, Inc.</p> <p>June 2021      Director of the Corporation (up to the present)</p> <p>[Reasons for nomination as a candidate for Outside Director, expected roles, etc.]</p> <p>Junichi Kawada possesses abundant experience and a high level of knowledge through his many years in corporate management as a corporate executive of a listed company, particularly in the areas of compliance and corporate governance in corporate group management. At the Board of Directors meetings, he has actively provided recommendations and advice on matters such as sustainability management, group governance, and risk management, from multiple perspectives and contributed to stimulating discussions and enhancing the supervision functions of the Board of Directors. We judge that he is able to use these experiences and knowledge to supervise the Corporation's management from an objective and neutral position, and we have therefore nominated him to continue as an outside director.</p> <p>[Independence of the candidate]</p> <p>Junichi Kawada meets the standards for independence set out by the Tokyo Stock Exchange, on which the Corporation is listed, and the Standards regarding the Independence of Outside Officers set by the Corporation. The Corporation has therefore designated him as an independent director who will not have a conflict of interests with general shareholders and it submitted notification of this to the Tokyo Stock Exchange. If his reelection is approved, the Corporation will continue his registration as an independent director.</p>	5,389

No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
10	 Mayumi Tamura (May 22, 1960)	April 1983      Joined Sony Corporation (currently Sony Group Corporation) July 2002      Executive Officer of Johnson Diversey Corporation (currently CxS Corporation) December 2004      CFO of adidas Japan K.K. June 2007      Executive Officer, Senior Vice President and CFO of Seiyu Corporation May 2010      Executive Officer, Senior Vice President and CFO of Seiyu Corporation and Executive Officer, Senior Vice President and CFO of Walmart Japan Holdings GK. (currently Seiyu Co., Ltd.) June 2015      Outside Auditor of Honda Motor Co., Ltd. June 2017      Outside Director, Audit and Supervisory Committee Member of Honda Motor Co., Ltd. Outside Director of Hitachi High-Technologies Corporation (currently Hitachi High-Tech Corporation) June 2019      Director of the Corporation March 2022      Outside Audit & Supervisory Board Member of Kyowa Kirin Co., Ltd. (up to the present) June 2022      Outside Director of LIXIL Corporation (up to the present)	8,362
		[Significant concurrent positions outside the Corporation] Outside Audit & Supervisory Board Member of Kyowa Kirin Co., Ltd. Outside Director of LIXIL Corporation	
		[Reasons for nomination as a candidate for Outside Director, expected roles, etc.] Mayumi Tamura possesses abundant management experience and a high level of knowledge in the field of finance and accounting from her many years working at global corporations, and she has the experience of working as an Outside Director at numerous listed companies until now. Based on this experience, at the Board of Directors meetings, she has actively provided recommendations and advice on matters such as finance and accounting, sustainability management, and global business fields, from multiple perspectives and contributed to stimulating discussions and enhancing the supervision functions of the Board of Directors. We judge that she is able to use these experiences and knowledge to supervise the Corporation's management from an objective and neutral position, and we have therefore nominated her to continue as an outside director.	
		[Independence of the candidate] Mayumi Tamura meets the standards for independence set out by the Tokyo Stock Exchange, on which the Corporation is listed, and the Standards regarding the Independence of Outside Officers set by the Corporation. The Corporation has therefore designated her as an independent director who will not have a conflict of interests with general shareholders and it submitted notification of this to the Tokyo Stock Exchange. If her reelection is approved, the Corporation will continue her registration as an independent director.	
		<Reelection> <Outside Director> <Independent Director> <Non-executive Director>  Attendance at the Board of Directors meetings 100% (16/16)  Term of office served as Outside Director (at the conclusion of this meeting) 6 years	



No.	Name (Date of birth)	Career summary (Position and areas of responsibility in the Corporation, and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
11	 Yumiko Jozuka (March 19, 1962)  <Reelection> <Outside Director> <Independent Director> <Non-executive Director>  Attendance at the Board of Directors meetings 100% (16/16)  Term of office served as Outside Director (at the conclusion of this meeting) 4 years	<p>April 1984      Joined the Ministry of Labor</p> <p>April 2001      Head of Pharmaceutical Office, General Coordination Division, Pharmaceutical Safety Bureau of Ministry of Health, Labour and Welfare</p> <p>July 2004      Director of Promotion Division, Gender Equality Bureau, Cabinet Office</p> <p>August 2007    Head of Work and Family Harmonization Division, Equal Employment, Children and Families Bureau of Ministry of Health, Labour and Welfare</p> <p>July 2010      Head of Social Welfare and War Victims' Relief Bureau, Welfare Promotion Division of Ministry of Health, Labour and Welfare</p> <p>May 2014      Councilor, Cabinet Bureau of Personnel Affairs, Cabinet Secretariat</p> <p>June 2016      Director-General, Social Welfare and War Victims' Relief Bureau of Ministry of Health, Labour and Welfare</p> <p>July 2018      Deputy Vice-Minister of Ministry of Health, Labour and Welfare</p> <p>July 2019      Director-General for Human Resources Development of Ministry of Health, Labour and Welfare</p> <p>June 2021      Outside Director of Tokyu Fudosan Holdings Corporation (up to the present)                                Director of the Corporation</p> <p>April 2022      Director of Japan Legal Support Center</p> <p>June 2023      Chairman of Japan Institute for Women's Empowerment &amp; Diversity Management (up to the present)</p> <p>[Significant concurrent positions outside the Corporation]            Outside Director of Tokyu Fudosan Holdings Corporation            Chairman of Japan Institute for Women's Empowerment &amp; Diversity Management</p> <p>[Reasons for nomination as a candidate for Outside Director, expected roles, etc.]            Yumiko Jozuka has accumulated extensive experience and knowledge related to diversity, empowerment of women, working style reform and human resource development, through experience in many years of involvement in public labor and welfare administration. At the Board of Directors meetings, she has actively provided recommendations and advice, in particular on sustainability management, human resource development and DE&amp;I, from a wide perspective and contributed to stimulating discussions and enhancing the supervision functions of the Board of Directors. We judge that she is able to use these experience and knowledge to supervise the Corporation's management from an objective and neutral position, and we have therefore nominated her to continue as an outside director.</p> <p>[Independence of the candidate]            Yumiko Jozuka meets the standards for independence set out by the Tokyo Stock Exchange, on which the Corporation is listed, and the Standards regarding the Independence of Outside Officers set by the Corporation. The Corporation has therefore designated her as an independent director who will not have a conflict of interests with general shareholders and it submitted notification of this to the Tokyo Stock Exchange. If her reelection is approved, the Corporation will continue her registration as an independent director.</p>	5,389

## Notes:

- None of the candidates for Directors have special interests in the Corporation.
- Of the candidates for directors, Tamotsu Iwamoto, Junichi Kawada, Mayumi Tamura and Yumiko Jozuka are candidates for outside directors.
- The Corporation has entered into a limited liability agreement with Tamotsu Iwamoto, Junichi Kawada, Mayumi Tamura and Yumiko Jozuka pursuant to the provisions of Article 427 Paragraph 1 of the Companies Act and Article 26 of the Articles of Incorporation. The maximum amount of the liability for damage based on said agreement is the minimum amount of liability prescribed in laws and regulations. If their reelection is approved at this meeting, the Corporation plans to renew the agreement.



4. The Corporation has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The policy covers losses incurred by insureds, which includes Directors and Audit & Supervisory Board Members of the Corporation, from legally mandated amounts of indemnification and litigation expenses. (However, losses arising from cases where the insured has obtained personal gains or been granted benefits illegally are excluded.) If each candidate is elected and assumes office as director, the candidate will be included as an insured in the insurance policy.

**[Director Candidate Skills Matrix]**

The Corporation identified skills (knowledge, experience, and abilities) necessary to respond quickly to changes in the business environment and to achieve sustainable growth and medium- to long-term improvement in corporate value as below. The Corporation aims to maintain the appropriate size and diversity of the Board of Directors and also to optimize the Board of Directors as a whole and maximize its functions by organically combining skills of each director.

Name	Common skills	Expertise (skills particularly expected, four items at maximum)							
	The Analects and the Abacus & Sustainability	Corporate Management	Human Resource Development & DE&I	Global Experience	DX (Digital Transformation)	Production & Technology	Sales & Marketing	Finance & Accounting	Legal Affairs & Risk Management
Kazuyuki Inoue	●	●	●			●	●		
Tatsuya Shimmura	●	●		●		●	●		
Kentaro Ikeda	●	●		●	●	●			
Takeshi Sekiguchi	●	●			●	●	●		
Yoshito Tsutsumi	●				●	●	●		●
Yoshiki Higashi	●	●	●					●	●
Noriaki Shimizu	●				●	●	●		
Tamotsu Iwamoto	●	●	●	●					●
Junichi Kawada	●	●	●				●		●
Mayumi Tamura	●		●	●				●	
Yumiko Jozuka	●		●	●					●

\* The Corporation's Credo "The Analects and the Abacus" and "Sustainability" are both philosophies that underlie sustainable management, and we consider these qualities as requirements for directors (common skills).

\* Expertise presents a maximum of four skills particularly expected of skills possessed by each of the candidates for director, with ● marks, and does not represent all the knowledge and expertise possessed by the candidates.

\* Each of these skill categories has been determined by the Board of Directors after deliberation by the Nomination and Compensation Committee.

The definition of each skill is as follows:


Skills		Definition
Common skills	The Analects and the Abacus & Sustainability	• Abilities to formulate policies for sustainability management that fulfills both corporate social responsibility and the pursuit of business opportunities and to supervise business execution, pursuant to the spirit of the Corporation's Credo "The Analects and the Abacus," which should be engraved in mind
	Corporate Management	• Experience of representative director or executive director at a listed company
Expertise	Human Resource Development & DE&I	• Experience in human resource operations, such as human resource development and the formulation of human resource strategies, or in the promotion of measures related to human resources and DE&I
	Global Experience	• Expertise in international situations or overseas working experience
	DX (Digital Transformation)	• Experience in DX promotion in the business areas, such as building construction, civil engineering, and engineering • Experience in the promotion of management and business with data-driven and DX approaches
	Production & Technology	• Expertise in production and technologies based on construction site work experience • Expertise in the development of production technologies
	Sales & Marketing	• Experience in the formulation and implementation of sales and marketing strategies that utilize knowledge and connections based on experience in sales activities
	Finance & Accounting	• Expertise in finance and accounting, or experience of CFO at other companies
	Legal Affairs & Risk Management	• Expertise in laws, or experience in risk management operations


**Proposal 3: Election of Two (2) Audit & Supervisory Board Members**

The term of office of Audit & Supervisory Board Members Hideto Watanabe and Toshie Ikenaga will expire at the conclusion of this meeting. Accordingly, we propose to elect two (2) Audit & Supervisory Board Members.

The Audit & Supervisory Board has given its prior consent to this Proposal 3.

The candidates for Audit & Supervisory Board Members are as follows:

No.	Name (Date of birth)	Career summary (Position and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
1	 Tomohiko Hirayama (August 29, 1965) <New candidate> Attendance at the Board of Directors meetings — Attendance at the Audit & Supervisory Board meetings —	April 1990      Joined the Corporation April 2015      Manager, Accounting Dept., Investment and Development Div. of the Corporation July 2020      Manager, Finance Dept. of the Corporation (up to the present) [Reasons for nomination as a candidate for Audit & Supervisory Board Member] Tomohiko Hirayama has worked in accounting and finance departments for many years since joining the Corporation and possesses abundant experience and a high level of knowledge regarding operations in such departments. He is also currently leading the Shimizu Group's finance strategies in his role as Manager of Finance Dept. We judge that we can utilize his experience and knowledge in the Shimizu Group's auditing, and we have therefore nominated him as Audit & Supervisory Board Member.	8,732

No.	Name (Date of birth)	Career summary (Position and significant concurrent positions outside the Corporation)	Number of the Corporation's shares held
2	 <p>Toshie Ikenaga (January 23, 1961)</p> <p>&lt;Reelection&gt; &lt;Outside Audit &amp; Supervisory Board Member&gt; &lt;Independent Audit &amp; Supervisory Board Member&gt;</p> <p>Attendance at the Board of Directors meetings 100% (16/16)</p> <p>Attendance at the Audit &amp; Supervisory Board meetings 100% (14/14)</p> <p>Term of office served as Outside Audit &amp; Supervisory Board Member (at the conclusion of this meeting) 4 years</p>	<p>April 1983      Joined Westdeutsche Landesbank</p> <p>April 1987      Joined Economic Planning Agency</p> <p>July 2003      Director, Research Division, General Affairs Division, Quality-of-Life Policy Bureau, Cabinet Office</p> <p>July 2004      Counsellor, Economic, Fiscal and Social Structure Management, Cabinet Office</p> <p>August 2007    Associate Professor of Institute of Economic Research, Hitotsubashi University</p> <p>September 2010 Director, Policy Evaluation and Public Relations Division, Minister's Secretariat, Cabinet Office</p> <p>April 2012      Professor of Hosei Graduate School of Regional Policy Design</p> <p>September 2014 Director of General Affairs Division, Gender Equality Bureau, Cabinet Office</p> <p>January 2016    Vice-Governor, Shiga Prefecture</p> <p>July 2018      Director of Gender Equality Bureau, Cabinet Office</p> <p>June 2021      Outside Director of SOHGO SECURITY SERVICES CO., LTD. (up to the present) Audit &amp; Supervisory Board Member of the Corporation</p> <p>July 2022      Director, National Hospital Organization (up to the present)</p> <p>[Significant concurrent positions outside the Corporation] Outside Director of SOHGO SECURITY SERVICES CO., LTD. Director, National Hospital Organization</p> <p>[Reasons for nomination as a candidate for Outside Audit &amp; Supervisory Board Member] Toshie Ikenaga has been active in many fields, including analysis of economic conditions and policy issues in government administration for many years, running a local government organization as Vice-Governor of Shiga Prefecture, and promoting diversity, and she has academic knowledge and wide-ranging experience and insight into economics and management. We believe that by utilizing her experience and knowledge, she can monitor management of the Corporation from an objective and neutral standpoint, and we have therefore nominated her to continue as Outside Audit &amp; Supervisory Board Member.</p> <p>[Independence of the candidate] Toshie Ikenaga meets the standards for independence set out by the Tokyo Stock Exchange, on which the Corporation is listed, and the Standards regarding the Independence of Outside Officers set by the Corporation. The Corporation has therefore designated her as an independent director who will not have a conflict of interests with general shareholders and it submitted notification of this to the Tokyo Stock Exchange. If her reelection is approved, the Corporation will continue her registration as an independent director.</p>	538

## Notes:

- None of the candidates for Audit & Supervisory Board Members have special interests in the Corporation.
- Of the candidates for Audit & Supervisory Board Members, Toshie Ikenaga is a candidate for Outside Audit & Supervisory Board Members.
- The Corporation has entered into a limited liability agreement with Toshie Ikenaga pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and Article 33 of the Articles of Incorporation. The maximum amount of the liability for damage based on said agreement is the minimum amount prescribed in laws and regulations. If her reelection is approved at this meeting, the Corporation plans to renew the agreement.  
In addition, if Tomohiko Hirayama's election is approved, the Corporation plans to enter into a similar limited liability agreement with him.
- The Corporation has entered into a directors and officers liability insurance policy with an insurance company. (For the overview of the content of the insurance policy, please see the note 4 on page 17.) If each candidate is elected and assumes office as Audit & Supervisory Board Member, the candidate will be included as an insured in the insurance policy.

## Attached documents to Notice of the 123rd Annual General Meeting of Shareholders

### Business Report

(for the year ended March 31, 2025)

[Yen amounts have been rounded down to the nearest billion (million)]

#### I Current Conditions of the Corporate Group (Consolidated)

##### 1. Review of Operations and Results

<Consolidated financial results in the current fiscal year>

In fiscal 2024, the Japanese economy continued showing a moderate recovery due to the expansion of inbound demand and other factors, under the improvement of employment and income environment. However, a downward risk in the economy arising from continued price hikes in Japan and international instabilities, had a widespread impact on business activities and people's lives.

In the construction industry, public sector investment remained firm and private-sector capital investment showed signs of recovery. On the supply side, however, the business environment remained challenging due to the higher prices of construction materials, energy and labor.

Under these circumstances, Shimizu Corporation and its subsidiaries (the Shimizu Group) reported net sales of ¥1,944.3 billion, down 3.0% year on year, due to a decrease in completed construction contracts and sales from real estate development and other businesses. Ordinary income was ¥71.6 billion, mainly due to an increase in gross profits from construction contracts on account of a rebound in the profitability of architectural construction in Japan, and despite a decrease in gross profits in the real estate development and other businesses. Net income for the current fiscal year increased 284.6% from the previous year to ¥66.0 billion as a result of profits from sales of investment securities recorded as special gains.

The Shimizu Group proposes to pay a year-end dividend of ¥20.50 per share. This brings the full-year dividend, including the mid-year dividend, to ¥38 per share.

##### Construction business

[Domestic architectural construction, Domestic civil engineering, Overseas construction businesses]

Net sales in the construction business decreased by 3.3% year on year to ¥1,696.0 billion.

Segment profits increased 342.7% to ¥157.8 billion, due to a rebound in the profitability of architectural construction in Japan of the Corporation.

##### Major project orders awarded

Architectural construction	SUBARU CORPORATION	SUBARU CORPORATION Oizumi Plant New Plant Construction Project (Paint Building) main body
	Olympus Corporation	New Building Construction Project for Olympus Nagano Facility Tatsuno (Building B)
	Takara standard Co., Ltd.	Construction Project of new Building C and attached buildings at Takara standard Fukuoka Plant (provisional name)
Civil engineering	Saitama Prefecture	Construction of Advanced Water Treatment Facility at the Okubo Filtration Plant
	Department of Public Works and Highways (DPWH)	Davao City Bypass Construction Project Package I - 2

## Major construction contracts completed

Architectural construction	Nomura Real Estate Development Co., Ltd.	Shibaura 1-Chome Project First Term (S Building) - New Construction Project (provisional name) (Tokyo)
	Mizuho Bank, Ltd.	Harumi 3-Chome Plan (Office Building) (provisional name) - New Construction Project Harumi 3-Chome Plan (Office Building) (provisional name) - Fit Out B and C Construction Project (Tokyo)
	University of the Ryukyus	University of the Ryukyus (West Futenma) New hospital construction and other constructions (Okinawa)
	Sumitomo Heavy Industries, Ltd.	New Yokosuka Building Construction Work of Sumitomo Heavy Industries (provisional name) (Kanagawa)
Civil engineering	Tokyo Metropolitan Government	Part 3 Construction of Rainwater Discharge Pipe under Tachiaigawa River (Tokyo)
	Management Authority for Urban Railways (MAUR)	Ho Chi Minh City Urban Railway Construction Project (Line 1) CONTRACT PACKAGE-1b: CIVIL (UNDERGROUND SECTION) (Socialist Republic of Vietnam)
	Fukushima Fukko Furryoku, LLC.	Construction Project of Abukuma Wind Power Plants (Fukushima)

## Real estate development and other businesses

[Real estate development, Engineering, Green energy development, Emerging frontier, and other businesses]

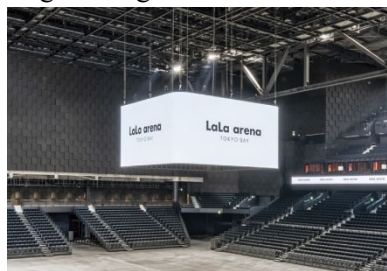
Net sales decreased by 1.6% year on year to ¥248.3 billion, and segment profits decreased by 30.2% to ¥37.5 billion, mainly due to a decrease in sales of real estate for development of the Company.

## Real estate development business



Nagoya Fukoku Seimei Building

## Engineering business

LaLa arena TOKYO-BAY  
Center vision

## Green energy development business

Yamanashi Otsuki Solar Power  
Plant  
Electricity supply to Kogakuin  
University under off-site PPA  
contracts

## Construction orders awarded and contracts, net sales and backlog on non-consolidated basis

(Millions of Yen)

Category		Backlog as at March 31, 2024	Construction orders awarded and contracts	Net sales	Backlog as at March 31, 2025
Construction business	Architectural construction	1,684,589	1,048,314	1,099,290	1,633,614
	Civil engineering	674,183	228,689	282,673	620,200
	Total	2,358,772	1,277,004	1,381,963	2,253,814
Real estate development and other businesses		66,864	127,215	119,556	74,523
Total		2,425,637	1,404,220	1,501,519	2,328,337

## &lt;Consolidated forecasts for the next fiscal year&gt;

In fiscal 2025, the Japanese economy is expected to continue its gradual recovery against the backdrop of an improved employment and income environment, companies' strong earnings and other factors.

However, it may be affected by factors such as the United States' policy trend, including its trade policy, and fluctuations in financial and capital markets.

In the construction industry, public sector investment is expected to remain strong; however, given the impacts of the uncertainty of overseas economies on private-sector capital investment, the continued trend of rising construction costs, the further shortage of workers and other grounds for concern, ongoing monitoring of the supply situation is necessary.

In the Shimizu Group's consolidated earnings forecast for fiscal 2025, under this business environment, net sales, ordinary income, and net income are expected to be ¥1,910.0 billion, down 1.8% year on year; ¥73.0 billion, up 1.9% year on year; and, ¥75.0 billion, up 13.6% year on year, respectively.

Construction orders awarded on a non-consolidated basis are forecasted to increase ¥115.7 billion year on year to ¥1,520.0 billion for fiscal 2025.

## 2. Trends in Assets and Operating Results

## (1) Trends in assets and operating results of the corporate group (Consolidated)

(Millions of Yen)

Category	120th Fiscal Year (Fiscal 2021)	121st Fiscal Year (Fiscal 2022)	122nd Fiscal Year (Fiscal 2023)	123rd Fiscal Year (Current fiscal year) (Fiscal 2024)
Net sales	1,482,961	1,933,814	2,005,518	1,944,360
Ordinary income	50,419	56,546	(19,834)	71,664
Net income	47,761	49,057	17,163	66,015
Net income per share (Yen)	64.09	66.29	23.57	94.80
Return on Equity (ROE)	5.8%	5.9%	2.0%	7.6%
Total assets	2,128,356	2,448,010	2,538,769	2,523,771
Net assets	875,172	907,277	948,059	923,809

Note: Net income per share is calculated by deducting the number of treasury shares from the average total number of issued shares during the period.

## (2) Trends in assets and operating results of the Corporation (Non-consolidated)

(Millions of Yen)

	120th Fiscal Year (Fiscal 2021)	121st Fiscal Year (Fiscal 2022)	122nd Fiscal Year (Fiscal 2023)	123rd Fiscal Year (Current fiscal year) (Fiscal 2024)
Construction orders awarded and contracts	1,543,461	1,515,887	1,852,181	1,404,220
Net sales	1,287,352	1,557,325	1,577,909	1,501,519
Ordinary income	43,926	41,389	(37,467)	51,674
Net income	45,735	41,754	11,606	62,139
Net income per share (Yen)	61.26	56.36	15.94	89.24
Total assets	1,749,528	2,016,732	2,091,072	2,074,174
Net assets	699,210	714,361	725,047	690,629

Note: Net income per share is calculated by deducting the number of treasury shares from the average total number of issued shares during the period.



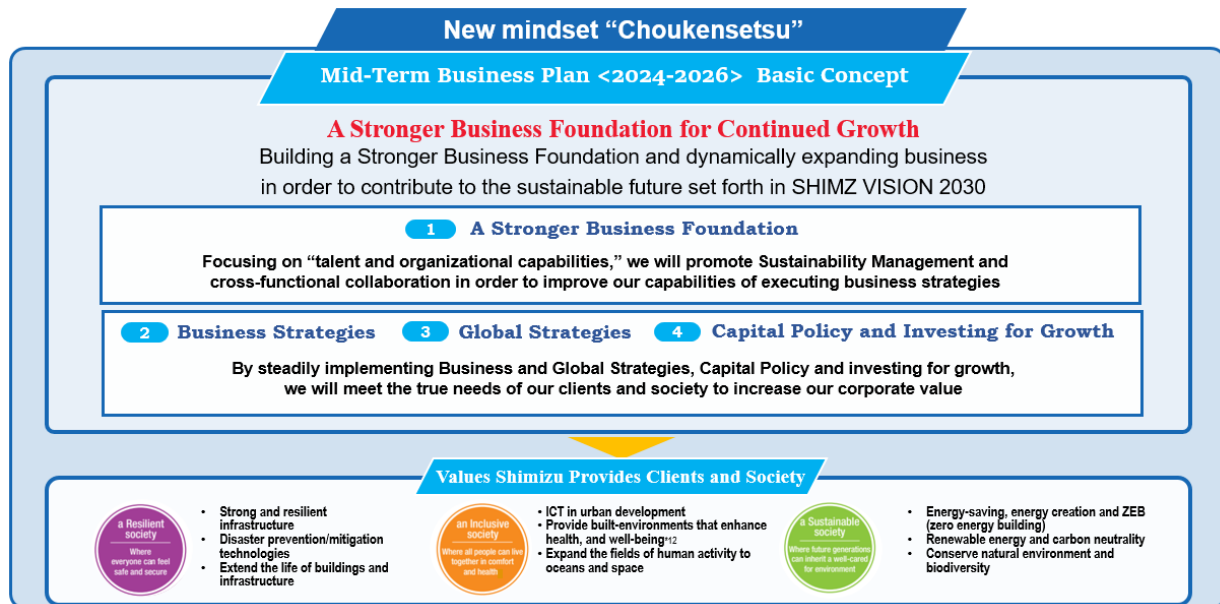
### 3. Issues to Be Addressed

#### Initiatives to achieve the Mid-Term Business Plan <2024-2026>

In May 2024, the Shimizu Group announced its Mid-Term Business Plan <2024-2026>, which will cover the three-year period from fiscal 2024 to fiscal 2026.

In fiscal 2024, which was positioned as “a year of new beginnings toward a stronger business foundation,” the Shimizu Group has made a group-wide effort to tackle management challenges, such as improving profitability and ensuring quality.

From April 2025, under a new management structure, we will continue to steadily implement the four pillars of the Mid-Term Business Plan <2024-2026>: 1) A Strong Business Foundation, 2) Business Strategies, 3) Global Strategies, and 4) Capital Policy and Investing for Growth to enhance the Shimizu Group’s corporate value and achieve sustainable growth.



### 1) A Stronger Business Foundation

In building a Stronger Business Foundation, “the growth of talent and organizational capabilities” aims to rebuild the human resource management structure in alignment with management/business strategies. To that end, we are taking action such as the revision of personnel systems, the visualization of skills and aptitudes, the introduction of unified administration systems, and the improvement of human resource development measures. By providing our employees with growth opportunities and experiences, as well as systems and frameworks for this purpose, we aim to develop “diverse talent willing to take on challenges and co-create,” and gain stronger “competent talent,” “organizational culture,” and “managerial capability,” the core of our business foundation.

Furthermore, as an initiative to enhance the coordination of six functions (Marketing, Technology development and intellectual property, Digitalization, Globalization, Supply chain, and Group management) that we emphasize in the Mid-Term Business Plan, we are promoting cross-functional dialogues and deeper investigations on issues that could not be solved by a single department. We will continue to strive for flexible and agile coordinated functions and to practice our Sustainability Management that balances fulfilling of corporate social responsibility and the exploration of business opportunities.

### 2) Business Strategies

With respect to Business Strategies, we will optimize our business portfolio by addressing and taking action on material issues and matters under priority initiatives.

Business portfolio	Business policies	Major Challenges/Strategic Initiatives for Each Line of Business
Improve profitability <b>Construction</b>	Pursue new technologies and maintain quality Restructure the construction system / processes Enhance ability to engage promising segments / area markets	<b>Construction</b> <ul style="list-style-type: none"> <li>• <b>Focus more on front-loading</b> and execute accurate construction plans.</li> <li>• Concentrate on <b>promising segments, areas or markets</b>, and focus more on <b>higher profit margins on awards</b>.</li> <li>• <b>Establish a collaborative construction system encompassing supply chain</b> to address possible market changes.</li> </ul>
Increase revenue and business stability <b>Real Estate Development</b> <b>Engineering</b>	Expand current business and take on new, promising market segments by developing innovative technologies and obtaining know-how	<b>Real Estate Development</b> <ul style="list-style-type: none"> <li>• <b>Diversify asset portfolio and business methods.</b></li> <li>• <b>Increase added-value through stronger intra-Group collaboration</b> and the introduction of renewable energy to secure more revenue opportunities.</li> <li>• Steadily implement <b>new global investment business strategies</b>.</li> </ul> <b>Engineering</b> <ul style="list-style-type: none"> <li>• <b>Consistently receive orders for large-scale projects such as wind farms and plants</b> and improve profitability. Secure profits for the SEP vessel charter business.</li> <li>• <b>Demonstrate our technologies and expand our business area in growth markets.</b></li> </ul>
Expand business scale <b>Green Energy Development</b> <b>Building Life Cycle</b>	Continue investment to expand business scale Become a DX/GX solution partner	<b>Green Energy Development</b> <ul style="list-style-type: none"> <li>• <b>Accurately understand growth markets</b> for further business expansion.</li> <li>• <b>Expand the electricity retail business and ensure stable revenues</b> by actions including adding new clients from outside the Group.</li> </ul> <b>Building Life Cycle</b> <ul style="list-style-type: none"> <li>• <b>Develop and implement long-term, group-optimized business policies and strategies</b> under the new organization.</li> </ul>
Establish sustainable business models <b>Frontier</b>	Continue to invest for growth Establish firm, sustainable business models	<b>Frontier</b> <ul style="list-style-type: none"> <li>• <b>Steadily promote commercialization</b> of our space and ocean programs.</li> </ul>

### 3) Global Strategies

In Global Strategies, with the aim of achieving sustainable and stable business operations that are rooted in the countries where we operate, the Shimizu Group has introduced an internal company system for overseas branch offices. By enhancing the governance of our overseas offices and transferring authority in accordance with their capabilities, we will promote the evolution of global operational platforms that support the management of our offices.

In November 2024, the Shimizu Group made Grandwork Interior Pte Ltd, an interior fit-out company in Singapore, a subsidiary. In February 2025, the Group made Cross Management Corp., a U.S. renovation and interior fit-out company, a group company. Our policy is to promote alliances and M&As that contribute to business reinforcement and expansion, as part of our growth strategy of the Global Business.

### 4) Capital Policy and Investing for Growth

Fiscal 2024 results for the targets of performance, financial KPIs, and non-financial KPIs are as follows.

#### ■ Results (Consolidated)

(billion yen)	FY2024 Results	FY2025 Forecast	FY2026 Target
Total Net Sales	1,944.3	1,910	1,890
Construction Business	1,696	1,710	1,600
Development Business & others	248.3	200	290
Gross Profit	10.1% 195.4	11.1% 212	12.2% 230
Construction Business	9.3% 157.8	10.4% 177	10.3% 165
Development Business & others	15.1% 37.5	17.5% 35	22.4% 65
Operating Income	71	78	100
Ordinary Income	71.6	73	95
Net Income	66	75	70

#### ■ Financial KPI

	FY2024 Results	FY2026 Target	Mid- to long-term*
ROE	7.6%	≥ 8%	≥ 10%
Equity ratio	34.1%	≥ 35%	≥ 40%
Debt-to-equity ratio(D/E ratio)	0.69 X	Within 1.0	≤ Approx. 0.7 X
Dividend payout ratio	40.1%	Approx. 40%	—

\*Period of the next Mid-Term Business Plan

#### ■ Non-Financial KPI

Indicator	FY2024 Results	FY2026 Target
Reduction rate of CO <sub>2</sub> emissions in the Construction Business (compared with FY2023)	Calculation in progress	-12% or more
Environment analysis rate using the Environmental KY *1	App development and awareness promotion for relevant staff	100%
Employee engagement score	3.6	≥ 4.0
Percentage of industry-qualified engineers	81.6%	Maintain 80% or more
Percentage of women in managerial positions	5.6%*2	≥ 6%
Percentage of employees with disabilities	2.5%	≥ 2.7%
Number of people enrolling in the Shimizu Takumi Training Center	2,484	≥ 1,800 per year
Nurturing DX Specialists	47	120 specialists trained and assigned to all divisions
Dialogues between stakeholders (especially shareholders, investors, and employees) and our top management	115 times	≥ 50 times per year

\*1 A tool to visualize the natural environment surrounding the project site on the map and understand/assess it

\*2 Percentage of women in managerial positions as of April 1, 2025

The result of Investing for Growth is ¥69.8 billion as of the end of March 2025, compared to a planned amount of ¥360.0 billion during the period of the Mid-Term Business Plan <2024-2026>. We will increase operating cash flow by steadily increasing our business activities while continuing to sell real estate under lease and gradually reducing securities holdings (see page 29), and allocate the cash generated to investments for sustainable growth and returns to shareholders.

## ■ Investing for Growth

### Cash-out

	Investment Amount (3 years)	Description	Progress FY2024
Human resources	¥ 40 billion	<ul style="list-style-type: none"> <li>Acquire and nurture highly capable talent</li> <li>Implement DE&amp;I initiatives. Promote employees' well-being</li> </ul>	¥ 7.4 billion
Productivity improvement & R&D	¥ 85 billion	<ul style="list-style-type: none"> <li>Develop cutting-edge technologies and machinery</li> <li>Invest in digital-related fields</li> </ul>	¥ 20.7 billion
Real estate development	¥ 200 billion	<ul style="list-style-type: none"> <li>In Japan: Diversify assets</li> <li>Overseas: Shift to real estate development-and-sales/development business model</li> </ul>	¥ 39.0 billion
Green energy development	¥ 30 billion	<ul style="list-style-type: none"> <li>Expand renewable energy generation business</li> <li>Develop new energy sources such as hydrogen utilization</li> </ul>	¥ 1.8 billion
New business & others	¥ 5 billion	<ul style="list-style-type: none"> <li>Invest in new business and ventures</li> <li>Invest in space and ocean programs, and sustainable green business</li> </ul>	¥ 0.9 billion
<b>Total</b>	<b>¥ 360 billion</b>		<b>¥ 69.8 billion</b>
<Not included> Investment to further increase corporate value (M&A, etc.)			¥ 18.0 billion

To realize management with an awareness of capital cost and stock price, we will continue to strive to increase corporate value and improve PBR by promoting the creation of sustainable growth expectations in addition to securing and maintaining profitability that exceeds the cost of shareholders' equity, with our growth strategy, capital policy, and shareholder returns as the pillars of our management.

## Policies related to securities holdings and the status of their divestment

### (1) Policies related to securities holdings

When there is a necessity from the viewpoint of business development, the Corporation holds shares of clients and business partners to “strengthen and maintain relationships.” Holding of major securities is determined by the Board of Directors, taking comprehensive consideration of benefits to the Corporation, acquisition cost, risk of share price changes and other factors. The Board of Directors examines the necessity of securities holdings for individual stocks each year, taking into consideration its economic rationality, including cost, risk, and sales benefits, and for shares that have decreased in significance of shareholding, we sell them while confirming relationships with business partners.

### (2) Status of divestment from securities holdings

At a Board of Directors meeting held on November 12, 2024, for the purpose of further promoting “management with an awareness of capital cost and stock price,” the Corporation decided to move the existing goal of reducing the balance of securities holdings (to 20% or less of consolidated net assets by the end of March 2027) forward by one year to the end of March 2026, with a new goal of 10% or less of consolidated net assets by the end of March 2027.

The Corporation sold shares of 31 listed companies during fiscal 2024 (including shares of which part of the holdings were sold). The proceeds were ¥58.6 billion. From fiscal 2018 to fiscal 2024, the total number of listed companies of which the Corporation sold its holdings was 91 (including shares of which part of the holdings were sold). The proceeds were ¥208.6 billion. As a result, the number of listed companies the Corporation held shares in decreased from 187 as of the end of March 2018 to 123 as of the end of March 2025.

As of March 31, 2025, the ratio of securities holdings balance to consolidated net assets was 27.0%.

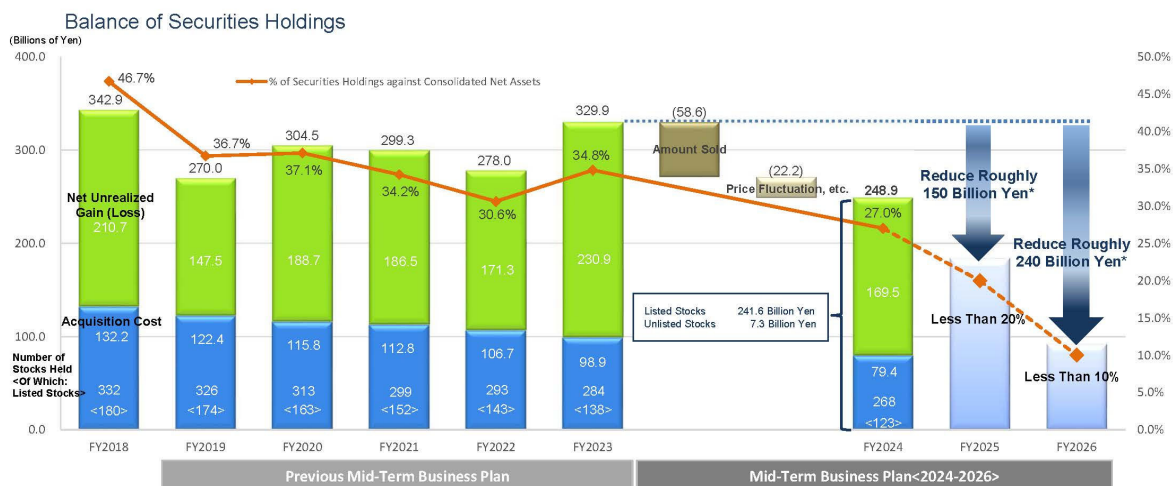
## [Nonconsolidated] Reduction of Securities Holdings

### Reduction Target

Ratio of securities holdings against consolidated net assets

Less than 20% by the end of FY2025

Less than 10% by the end of FY2026, and continue the reduction after achieving the target ratio



\*The actual disposal price will differ since the calculation is based on the stock prices as of the beginning of FY2024.

### Disposal of Listed Stocks

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Agreed Disposals (Expected) [expected in FY2025]
Number of Listed Stocks Sold	10	10	18	18	21	16	31	41
Amount Sold (Billions of Yen)	12.2	16.8	19.7	12.8	26.3	62.1	58.6	[27]
								130.0
								[70.0]

\*The number of sold stocks includes partial sales and sales of the same stock over several years.



## Sustainability management initiatives

Global social issues such as climate change and human rights have become more complicated and visible than ever. In a time of such severe change, companies must take action on sustainability to continue growth from a long-term perspective. The Corporation considers sustainability as an important aspect of our management strategy and aims for medium- to long-term corporate value enhancement and sustainable growth through contributing to solving social issues.

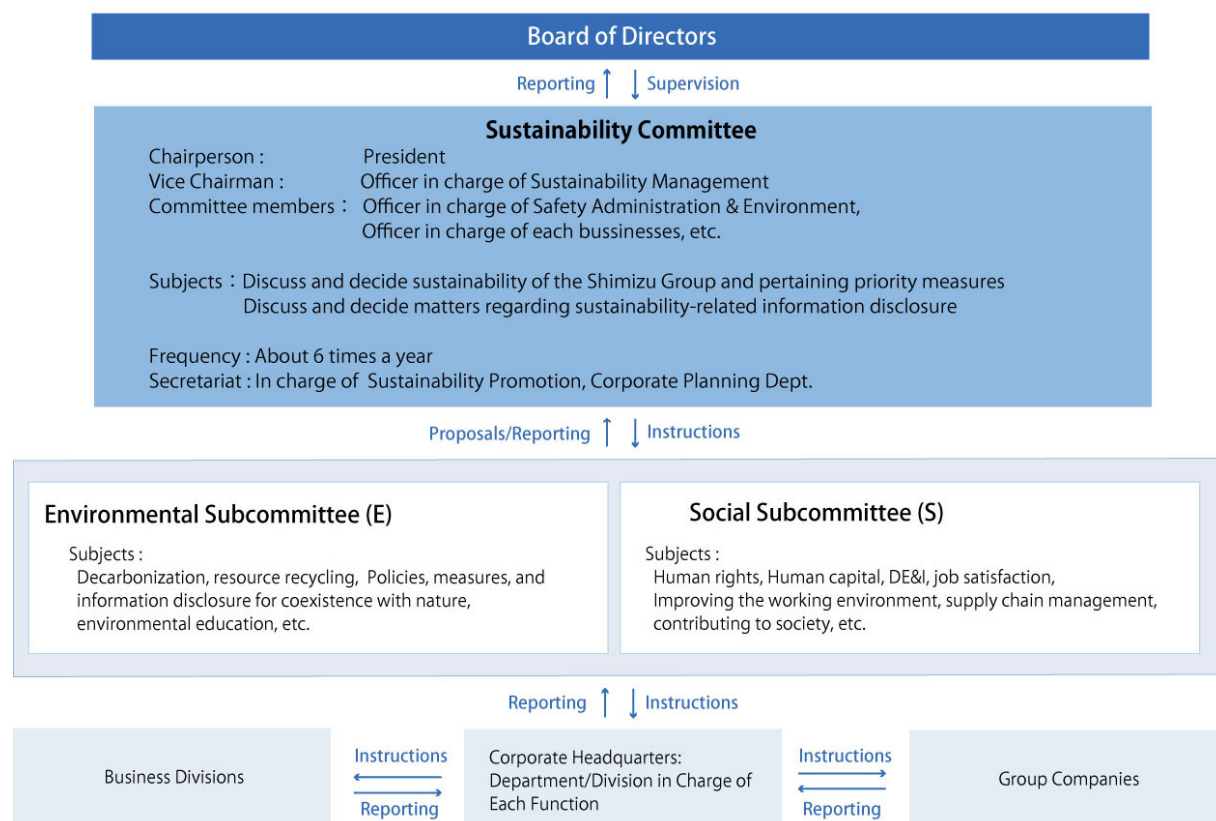
### Sustainability promotion

At Shimizu, we have established a Sustainability Committee, chaired by the President, to deliberate and decide on the Group's sustainability policies, key measures, and disclosure of sustainability-related information. Under our governance structure, matters of particular importance are reported to and monitored by the Board of Directors.

We have also established the Environmental Subcommittee and the Social Subcommittee under the Sustainability Committee. Additionally, a system is in place to provide instructions to, and receive reports from, related functional departments and divisions.

<Main matters deliberated and reported during the second half of Fiscal 2024>

- Implementation of renewable energy for electricity used for construction, decarbonization measures at work sites
- Recycling of old uniforms in conjunction with the introduction of new uniform design
- Measures to improve employee engagement
- General Employer Action Plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children
- Traceability investigation (granite, wood formwork)
- CSR procurement guidelines



### Began initiatives to use a 100% green electricity at all of our work sites in Japan

The Corporation implements green electricity to our construction sites in Japan that start work in and after April 2025 and reduces CO<sub>2</sub> emissions from electricity relating to construction work. Although we have previously implemented green electricity at construction sites through approaches such as the application of Renewable Energy Certificates\*, green electricity will be employed at all new construction sites from April 2025, in principle. We aim to achieve zero CO<sub>2</sub> emissions from electricity relating to construction work by fiscal 2030. In the future, we will spread the initiative to construction sites at overseas locations and of group companies to achieve a sustainable society.

\* Renewable Energy Certificates: environmental value included in the electricity generated from renewable energy is exchanged to bills available for market transactions.



Appearance of a work site that uses green electricity

### Development and commercialization of biochar Ascon

The Corporation, jointly with THE NIPPON ROAD CO., LTD., developed and commercialized “biochar Ascon,” which is an environment-friendly asphalt mixture with biochar\* added in place of sand. Biochar Ascon is expected to have the effect of reducing CO<sub>2</sub> emissions commensurate to the amount added because of biochar’s characteristic to retain carbon, while maintaining workability and quality equivalent to general asphalt mixture. This technology development was enabled by combining the Corporation’s know-how of mixing biochar into construction materials, which we have developed in the area of concrete, and the technology of producing asphalt mixture possessed by THE NIPPON ROAD. Both of the companies will apply biochar Ascon to road paving and contribute to achieving a carbon neutral society.

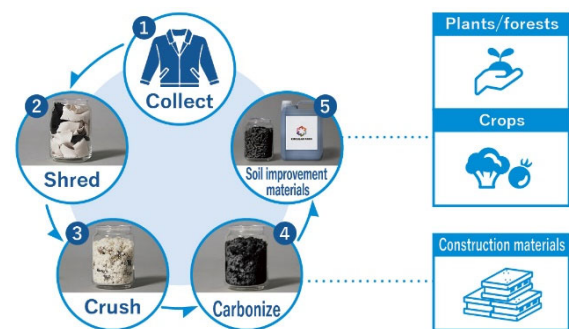
\* Biochar: carbide that are made from biological resources such as charcoal and bamboo charcoal, effective for soil improvement and greenhouse gas emissions reduction.



Construction case that uses biochar Ascon

### Disused uniforms are recycled into soil improvement materials

The Corporation began an initiative to recycle disused uniforms into soil improvement materials. Since November 2024, we are proceeding with a uniform change and collected disused uniforms, which amounted to approximately 60 tons and 140 thousand uniforms as of the end of March 2025. Collected uniforms are transformed to soil improvement materials which can be scattered on farmlands and woods through carbonization treatment. An 80% of CO<sub>2</sub> reduction is expected by implementing the carbonization treatment, compared to incineration disposal. We will continue to promote the collection and recycling of uniforms and make efforts to apply them to construction materials, in addition to utilization as soil improvement materials in woods and other lands where the Corporation is proceeding with tree planting.



Recycle flow of collected uniforms

Awarded a Gold Prize, the top rank of PRIDE INDEX 2024

In November 2024, the Corporation was awarded Gold Prize, the top rank of PRIDE INDEX 2024, which evaluates initiatives for LGBTQ+ of corporate and organizational bodies. The award is due mainly to the expanded scope of various plans such as company housing, childcare and nursing care that cover spouses, as a result of revisions made to personnel frameworks to include a same-sex partner and a common-law partner as a spouse of an employee, in addition to the installation of all-gender restrooms, and initiatives such as education to promote understanding of LGBTQ+. The Corporation will continue to promote the improvement of work environment that appeals to diverse human resources and brings fulfilling life and a feeling of happiness to each and every employee.





#### 4. Status of Financing

The Corporation issued straight bonds by public offering as follows, and used the money raised to refinance construction funds for facilities of the Smart Innovation Ecosystem NOVARE, which is owned by the Corporation, and to provide for redemption of straight bonds.

July 2024:           Unsecured Straight Bonds No. 35      ¥11.0 billion  
                          (Green bonds)

February 2025:    Unsecured Straight Bonds No. 36      ¥20.0 billion

#### 5. Status of Capital Investment

The amount of capital investment made in the current fiscal year is ¥32.8 billion. Most of this consisted of the acquisition of fixed assets for the rental business, and other business operations. Of this capital investment, ¥19.8 billion was investment by the Corporation (non-consolidated).

#### 6. Major Businesses (As at March 31, 2025)

The Shimizu Group's main business areas are construction and development. It is also engaged in operations that are incidental to each of its business areas including the sale and leasing of construction materials and equipment as well as financing.

The Corporation, which is the main business corporation in the Shimizu Group, has obtained a Special Construction Business License (special-6 no. 3200) and an Ordinary Construction Business License (ordinary-6 no. 3200) from the relevant minister in accordance with the Construction Business Act, and carries out construction, civil engineering, and related businesses accordingly.

The Corporation has also obtained a license from the relevant minister as a Real Estate Broker (15 no. 1081) in accordance with the Real Estate Brokerage Act, and carries out businesses related to real estate accordingly.

## 7. Status of Major Subsidiaries (As at March 31, 2025)

Name	Capital (Millions of Yen)	Ratio of ownership by the Corporation (%)	Major business
THE NIPPON ROAD Co., Ltd.	12,290	50.1 <sup>*</sup>	Contracted road construction and paving work
Shimizu Comprehensive Development Corporation	3,000	100	Purchase, sale, letting and management in connection with real estate
FaB-Tec Japan Corporation	2,437	84.6	Contracted construction of bridges and frames
MARUHIKO WATANABE CONSTRUCTION.inc	476	57.6	Contracted construction and civil engineering
Daiichi Setsubi Engineering Corporation	400	100	Contracted construction of building facilities
Milx Corporation	372	100	Sale and leasing of construction materials and equipment in addition to insurance agency business
SC Machinery Corp.	200	100	Leasing of construction machinery
SHIMIZU BLC Co., Ltd.	100	100	Contracted renewal of buildings and building management business

## \* Reference

To make the Corporation's consolidated subsidiary THE NIPPON ROAD Co., Ltd. a wholly owned subsidiary, the Corporation resolved, at a Board of Directors meeting held on May 14, 2025, to acquire common stock of the company through a tender offer, and began the tender offer on May 15, the following day. The outline of the tender offer is as follows:

(1) Tender offer period	From May 15, 2025 (Thursday) to June 25, 2025 (Wednesday) (30 business days)
(2) Tender offer price	¥2,520 per share of common stock
(3) Number of shares planned to be purchased	21,924,514 shares (49.89% of total number of issued shares excluding treasury stock) Minimum number of shares planned to be purchased: 7,277,000 shares If the total number of tendered shares, etc. does not meet the minimum number of shares planned to be purchased (7,277,000 shares), the Corporation will not purchase any of the tendered shares, etc.
(4) Purchase price	¥55,249,775,280 (planned)
(5) Policy on post-tender offer reorganization, etc. (matters concerning a so-called two-step acquisition)	In the event the Corporation is unable to acquire all of the target shares through the tender offer, it plans to implement squeeze-out procedures through either a demand for share cash-out or a consolidation of shares.

## 8. Major Branches (As at March 31, 2025)

## (1) The Corporation

Head Office	
2-16-1 Kyobashi, Chuo-ku, Tokyo	
Branches	
HOKKAIDO Branch (Sapporo)	TOHOKU Branch (Sendai)
HOKURIKU Branch (Kanazawa)	TOKYO Branch (Chuo-ku, Tokyo)
YOKOHAMA Branch (Yokohama)	CHIBA Branch (Chiba)
NAGOYA Branch (Nagoya)	KANSAI Branch (Osaka)
SHIKOKU Branch (Takamatsu)	HIROSHIMA Branch (Hiroshima)
KYUSHU Branch (Fukuoka)	TOKYO Civil Engineering Branch (Chuo-ku, Tokyo)
Global Business Headquarters (Chuo-ku, Tokyo)	International Div. (Chuo-ku, Tokyo)
International Civil Engineering Division (Chuo-ku, Tokyo)	Investment and Development Div. (Chuo-ku, Tokyo)
Engineering Headquarters (Chuo-ku, Tokyo)	Green Energy Headquarters (Chuo-ku, Tokyo)
NOVARE (Koto-ku, Tokyo)	Institute of Technology (Koto-ku, Tokyo)
International business network	
Dalian, Shanghai, Suzhou, Guangzhou, Hong Kong, Taipei, Manila, Guam, Singapore, Kuala Lumpur, Jakarta, Bangkok, Dhaka, Tashkent, Bengaluru, Hanoi, Ho Chi Minh City, Nairobi, Copperbelt, Atlanta, New York, Charlotte, Queretaro, London	

## (2) Major subsidiaries

THE NIPPON ROAD Co., Ltd.	(Minato-ku, Tokyo)
Shimizu Comprehensive Development Corporation	(Chuo-ku, Tokyo)
FaB-Tec Japan Corporation	(Minato-ku, Tokyo)
MARUHIKO WATANABE CONSTRUCTION.inc	(Sapporo)
Daiichi Setsubi Engineering Corporation	(Minato-ku, Tokyo)
Milx Corporation	(Chuo-ku, Tokyo)
SC Machinery Corp.	(Yokohama)
SHIMIZU BLC Co., Ltd.	(Chuo-ku, Tokyo)

## 9. Status of Employees (As at March 31, 2025)

## (1) Employees of the corporate group (Consolidated)

Category	Number of employees (including contract workers)	Change from March 31, 2024
Construction business	17,656	+ 730
Real estate development and other businesses	2,587	- 3
Other	1,043	+ 44
Total	21,286	+ 771

Note:

“Other” shows the number of employees in administration division, etc. (non-consolidated), who are unable to be classified in any specific business line.

## (2) Status of employees of the Corporation (Non-consolidated)

Number of employees (including contract workers)	
11,163	

## \* Employees of the Corporation excluding contract workers

Number of employees	10,834	Change from March 31, 2024	Increase of 344
Average age	43.7	Average years of continuous service	16.0 years

## 10. Status of Major Creditors (As at March 31, 2025)

Creditor	Amount borrowed (Millions of Yen)
Mizuho Bank, Ltd.	124,015
MUFG Bank, Ltd.	75,469
The Norinchukin Bank	29,163
The Chiba Bank, Ltd.	19,364
Sumitomo Mitsui Banking Corporation	17,231
The Hachijuni Bank, Ltd.	13,214
Sumitomo Mitsui Trust Bank, Limited	9,666
The Dai-ichi Life Insurance Company, Limited	8,445
The Hyakugo Bank, Ltd.	8,230
The Yamaguchi Bank, Ltd.	7,632

## II Current Conditions of the Corporation (Non-consolidated)

### 1. Status of Shares of the Corporation (As at March 31, 2025)

- (1) Total number of authorized shares 1,500,000,000 shares
- (2) Total number of issued shares 716,689,413 shares
- (3) Number of shareholders 58,084 (decrease of 5,767 from March 31, 2024)
- (4) Major shareholders (Top ten)

Shareholder	Number of shares held (Thousands of Shares)	Percentage of total (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	98,295	14.41
SHIMIZU & CO., LTD.	82,730	12.12
The SHIMIZU FOUNDATION	38,767	5.68
Custody Bank of Japan, Ltd. (Trust Account)	34,873	5.11
Employee's Stock Ownership Plan	17,463	2.56
HOUSING RESEARCH FOUNDATION JYUSO-KEN	17,420	2.55
Fukoku Mutual Life Insurance Company	13,552	1.99
STATE STREET BANK AND TRUST COMPANY 505001	13,016	1.91
JP MORGAN CHASE BANK 385632	10,058	1.47
Sumitomo Realty & Development Co., Ltd.	10,000	1.47

Note: Percentage of total is calculated excluding treasury stocks (34,346,010 shares).

#### (5) Other important matters related to shares

In an effort to further improve corporate value by improving capital efficiency, the Corporation purchased treasury stock as follows in accordance with resolutions passed at the Board of Directors meetings held on May 13, 2024, and November 12, 2024, and retired all 26,986,900 shares of treasury stock purchased from the market in fiscal 2023 on November 29, 2024, in accordance with the resolution passed at the Board of Directors meetings held on November 12, 2024. Notably, the total number of issued shares after the retirement is 716,689,413.

#### ■ Acquired by resolution of the Board of Directors on May 13, 2024.

Total number of shares purchased	Common stock 11,403,800 shares
Total cost of shares purchased	¥9,999,941,502
Acquisition period	May 14, 2024-September 6, 2024

#### ■ Acquired by resolution of the Board of Directors on November 12, 2024.

Total number of shares purchased	Common stock 15,570,800 shares
Total cost of shares purchased	¥19,999,871,508
Acquisition period	November 13, 2024-March 26, 2025

In addition, at the meeting held on May 14, 2025, the Board of Directors resolved to purchase treasury stock as follows:

#### ■ Acquisition by resolution of the Board of Directors on May 14, 2025.

Total number of shares to be purchased	Common stock 9,000,000 shares (maximum)
Total cost of shares to be purchased	¥10,000,000,000 (maximum)
Acquisition period	May 15, 2025-September 30, 2025

## 2. Officers of the Corporation

## (1) Status of directors and audit &amp; supervisory board members (As at March 31, 2025)

Position in the Corporation	Name	Areas of responsibility in the Corporation	Significant concurrent positions outside the Corporation
Chairman of the Board and Representative Director	Yoichi Miyamoto		Chairman of Japan Federation of Construction Contractors
President and Representative Director, President and Executive Officer	Kazuyuki Inoue		Vice Chair of the Board of Councilors of KEIDANREN (Japan Business Federation)
Executive Vice President and Representative Director, Executive Vice President and Executive Officer	Kentaro Ikeda	Director, Civil Engineering Headquarters, In charge of Safety and Environment	
Executive Vice President and Director, Executive Vice President and Executive Officer	Takeshi Sekiguchi	In charge of Engineering Business, Director, Green Energy Headquarters, In charge of Information Management Director, DX Management Office	
Executive Vice President and Representative Director, Executive Vice President and Executive Officer	Tatsuya Shimmura	Director, Building Construction Headquarters, In charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters and Smart City	
Senior Managing Officer and Representative Director	Yoshiki Higashi	In charge of Administrative Functions, Director, Corporate Planning Div., In charge of SDGs & ESG Promotion	
Director [Non-executive]	Noriaki Shimizu		President and Representative Director of SHIMIZU & CO., LTD.
Director [Independent] [Outside] [Non-executive]	Tamotsu Iwamoto		Outside Director of XEBIO HOLDINGS CO., LTD.
Director [Independent] [Outside] [Non-executive]	Junichi Kawada		
Director [Independent] [Outside] [Non-executive]	Mayumi Tamura		Outside Audit & Supervisory Board Member of Kyowa Kirin Co., Ltd. Outside Director of LIXIL Corporation
Director [Independent] [Outside] [Non-executive]	Yumiko Jozuka		Outside Director of Tokyu Fudosan Holdings Corporation Director, Japan Legal Support Center Chairman of Japan Institute for Women's Empowerment & Diversity Management
Audit & Supervisory Board Member (standing)	Hideto Watanabe		
Audit & Supervisory Board Member (standing)	Hiroshi Kobayashi		
Audit & Supervisory Board Member [Independent] [Outside]	Kaoru Ishikawa		Director, Kawamura Gakuen Director, The Society for Promotion of Japanese Diplomacy Outside Director of SMK Corporation Director, Mitsubishi UFJ Foundation
Audit & Supervisory Board Member [Independent] [Outside]	Toshie Ikenaga		Outside Director of SOHGO SECURITY SERVICES CO., LTD. Director, National Hospital Organization
Audit & Supervisory Board Member [Independent] [Outside]	Ko Shikata		Faculty of Law Professor, Chuo University

- Notes: 1. Directors Tamotsu Iwamoto, Junichi Kawada, Mayumi Tamura, and Yumiko Jozuka are outside directors.
2. Audit & Supervisory Board Members Kaoru Ishikawa, Toshie Ikenaga, and Ko Shikata are outside audit & supervisory board members.
3. The Corporation has designated outside directors Tamotsu Iwamoto, Junichi Kawada, Mayumi Tamura, and Yumiko Jozuka, and outside audit & supervisory board members Kaoru Ishikawa, Toshie Ikenaga, and Ko Shikata as independent director/audit & supervisory board member, who will have no conflicting interests with general shareholders, and it submitted notification of this to the Tokyo Stock Exchange, Inc.
4. The Corporation has transactional relationships for construction contracting with the following organizations at which outside officers hold significant concurrent positions: Kyowa Kirin Co., Ltd., LIXIL Corporation, Kawamura Gakuen, SOHGO SECURITY SERVICES CO., LTD., National Hospital Organization, and Chuo University. However, all these transactions are based on general

transaction conditions, and the transaction amounts in the most recent fiscal year with each organization make up less than 0.3% of the Corporation's total consolidated net sales for the fiscal year in question, meaning there is no special relationship with any of these organizations. There are no other relationships between concurrent places of work of outside officers and the Corporation that should be noted.

5. Audit & Supervisory Board Member Hideto Watanabe has provided services related to finance and accounting for many years, and has acquired a considerable degree of knowledge related to finance and accounting.
6. On April 1, 2025, the following changes were made in the position and areas of responsibilities in the Corporation of directors.

Position in the Corporation	Name	Areas of responsibility in the Corporation
Chairman of the Board and Representative Director	Kazuyuki Inoue	
President and Representative Director President and Executive Officer	Tatsuya Shimmura	
Senior Managing Officer and Representative Director	Yoshiki Higashi	In charge of Administrative Functions, Director, Corporate Planning Div., in charge of Sustainability and Human Resources
Director and Senior Advisor	Yoichi Miyamoto	

7. Retired directors and audit & supervisory board members in the current fiscal year

Position at time of retirement	Name	Date of retirement	Reason for retirement
Executive Vice President and Director Executive Vice President and Executive Officer	Hiroshi Fujimura	June 27, 2024	Expiration of term of office
Audit & Supervisory Board Member (standing)	Koichi Matsuoka	June 27, 2024	Expiration of term of office

## (2) Outline of limited liability agreement

The Corporation entered into a limited liability agreement with all of the outside directors and audit & supervisory board members pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and Articles 26 and 33 of the Articles of Incorporation, to the effect that if an outside director or an outside audit & supervisory board member causes damage to the Corporation by neglecting to perform his or her duties, provided such outside director or outside audit & supervisory board member has acted in good faith and without gross negligence, his or her liability shall be limited to the minimum amount of liability stipulated in Article 425, Paragraph 1 of the Companies Act.

## (3) Outline of directors and officers liability insurance

The Corporation has entered into directors and officers liability insurance with an insurance company pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act. The scope of the insured under the insurance covers Directors, Audit & Supervisory Board Members, Executive Officers, and important employees of the Corporation. This insurance policy covers compensation for damages, claimed legally against the insured, and ensuing litigation expenses. However, events, such as one that arises from the insured having obtained personal profits or convenience illegally, will not be covered by the insurance with the aim of avoiding damage to the appropriateness of the execution of duties by the insured.

## (4) Amounts of remuneration, etc. to directors and audit &amp; supervisory board members

## (i) Matters related to policy on determining the contents of officer remuneration, etc.

The remuneration of each Director of the Corporation, which consists of a base salary that is paid monthly at a fixed amount and performance-based compensation that comprises bonuses and compensation exclusively for purchasing shares of the Corporation, is decided through deliberations of the Nomination and Compensation Committee, which is made up of a majority of Outside Directors and is chaired by a Non-executive Director, and which was established to evaluate the performance of Directors and decide on their remuneration in a fair and transparent manner, based on a resolution passed at a meeting of the Board of Directors.

Non-Executive Directors including Outside Directors and Audit & Supervisory Board Members are paid only fixed-amount monthly salary for the purpose of enhancing the supervisory functions of management.

The Corporation, at a Board of Directors meeting held on February 24, 2021, resolved regulations for officer compensation that set forth the policy for determining the remuneration of each Director. An outline of the contents is as follows:

## a. Policy on base salary

Of the remuneration, etc. of Directors of the Corporation, the fixed-amount monthly salary that is the base salary is a maximum total of ¥90 million a month (including a maximum of ¥10 million for Outside Directors) pursuant to a resolution passed at the 117th Annual General Meeting of Shareholders held on June 27, 2019. The number of Directors was 12 (including three Outside Directors) at the close of the 117th Annual General Meeting of Shareholders.

Remuneration for Audit & Supervisory Board Members is a maximum total of ¥13 million a month pursuant to a resolution passed at the 89th Annual General Meeting of Shareholders held on June 27, 1991 and is decided through discussions at Audit & Supervisory Board Members meetings. The number of Audit & Supervisory Board Members was four at the close of the 89th Annual General Meeting of Shareholders.

## b. Policy on performance-based compensation

Of the remuneration, etc. of Directors of the Corporation, bonuses that are performance-based compensation is a maximum total of ¥500 million a year pursuant to a resolution at the 118th Annual General Meeting of Shareholders held on June 26, 2020, and the Nomination and Compensation Committee deliberates on whether or not a bonus shall be paid and on what amount shall be paid. Based on consolidated net income for the current fiscal year, being the final results of the Group's business activities for a business year, the amounts of bonus are calculated by the calculation method below. The number of Directors (executive directors) was seven at the close of the 118th Annual General Meeting of Shareholders.



The target for consolidated net income for the current fiscal year, which is employed as the performance indicator for calculating bonuses, is set at ¥40,000 million, and the result was ¥66,015 million. The target for consolidated ordinary income for the current fiscal year is set at ¥41,000 million, and the result was ¥71,664 million.

(Method of calculating individual performance-based remuneration (bonuses))

Consolidated earnings<sup>\*1</sup> × Earnings coefficient<sup>\*2</sup> × Positional index<sup>\*3</sup> × Individual evaluation index<sup>\*4</sup> = Individual bonus<sup>\*5</sup>

\*1 Consolidated net income for the current fiscal year

\*2 The Nomination and Compensation Committee determines the earnings coefficient after comparing actual consolidated ordinary income and consolidated net income for the current fiscal year to the projections from the beginning of the year in addition to considering orders profitability, the achievement of financial and non-financial KPIs from the Mid-Term Management Plan, earnings forecasts for the next fiscal year onwards, and other factors.

- Financial KPIs (ROE, equity ratio, debt-to-equity (D/E) ratio, dividend payout ratio)
- Non-financial KPIs (engagement score and other human resource management indices, CO<sub>2</sub> total emissions reduction rate in the construction business, and other sustainability management indices)

At a meeting of the Board of Directors held on January 31, 2025, taking account of the deliberated recommendations from the Nomination and Compensation Committee, the Corporation decided to change the calculation method for earnings coefficients for the fiscal year beginning on and after April 1, 2025 as below, in order to make them more clearly to contribute to further incentivizing management executives.

In determining earnings coefficients after the change, as key items for evaluation, we employ ordinary income, which indicates basic corporate business results, and the achievement rate of orders profitability in the construction business, which is a leading indicator for business results for the next fiscal year onward, compared to a target set at the beginning of a fiscal year. In addition to them, we also use evaluation items that are selected from non-financial KPIs of the Mid-Term Management Plan by the Nomination and Compensation Committee, considering priority for a medium- to long-term corporate value enhancement, and objectivity in measurement. Based on an evaluation figure calculated from the weighted average of each item, the Nomination and Compensation Committee determines earnings coefficients, taking account of presence of material violation of laws and regulations.

\*3 An index determined for each Director's position

\*4 The Nomination and Compensation Committee determines individual evaluation indices based on the results of evaluations of the level of achievement of targets set for each director based on interviews with Executive Directors at the beginning and end of the fiscal year. (Evaluation indices range from 65% to 135%)

The multifaceted evaluations cover the short-term performance of each director in addition to their level of contribution to achieving the targets of the Mid-Term Management Plan, their efforts to strengthen the management base, their contributions to sustainability, and their performance as employees.

Notably, only the non-executive directors of the Nomination and Compensation Committee Members make decisions regarding Director evaluations.

\*5 To encourage the further sharing of values with shareholders and increase corporate value over the medium to long term, an amount corresponding to 20% of the bonus as performance-based compensation, shall be deemed to be compensation for purchasing the Corporation's shares, and each Director shall contribute this remuneration to the Directors' Shareholding Association, which shall acquire the Corporation's shares. The Corporation's shares that are acquired in this way shall continue to be held for the duration of the Director's tenure and for a fixed period of time after resignation.

c. Matters related to delegating the determination of remuneration, etc.

To evaluate the performance of each Director of the Corporation and decide on their remuneration in a fair and transparent manner, the remuneration, etc. of each Director is determined by the

Nomination and Compensation Committee, which has a majority of Outside Directors and is chaired by a Non-executive Director (see page 46 for the names and positions of committee members).

Regarding directors' remuneration for the current fiscal year, pursuant to the regulations for officers' compensation resolved at the Board of Directors meeting, the Nomination and Compensation Committee deliberated at meetings (a total of 12 meetings were held during the current fiscal year) upon the individual monthly remuneration amount and the bonus amount, and determined the amount to be granted. Therefore, the Corporation believes that the contents are in line with the policy decided at the Board of Directors meeting.

Considering that the regulations for officers' compensation may have a significant impact on the incentive for management executives, for the purposes of ensuring an appropriate remuneration framework based on business environment, the Nomination and Compensation Committee regularly holds deliberations and proposes reviews to the Board of Directors as necessary.

(ii) Total amount of remuneration, etc. for the current fiscal year

Officer Category	Total Compensation (Millions of Yen)	Total Compensation by Compensation Type (Millions of Yen)			Number of Eligible Officers
		Monthly Salary	Bonus	Of Which, Compensation for Purchasing the Corporation’s Shares	
Directors	903	686	217	41	12
Audit & Supervisory Board Members	100	100	–	–	6
Total	1,004	786	217	41	18
[Of Which, Outside Officers]	[102]	[102]	[–]	[–]	[7]

(Note) The amounts of remunerations, etc., given above include those for one Director and one Audit & Supervisory Board Member who retired at the conclusion of the 122nd Annual General Meeting of Shareholders held on June 27, 2024.

## (5) Status of outside officers

Major activities of outside officers during the current fiscal year

## 1) Outside Directors

Officer Category	Name	Outline of duties executed related to the roles expected of Outside Directors	Attendance at the Board of Directors meetings	Attendance at Nomination and Compensation Committee meetings
Outside Director	Tamotsu Iwamoto	Using his extensive experience and great insights gained through involvement in corporate management as a director of listed companies and overseas subsidiaries, he has provided advice and recommendations at Board of Directors meetings and oversight of the Corporation's management from an objective, neutral standpoint. He has also contributed from an independent standpoint to the fair and transparent evaluation of issues as a member of the Nomination and Compensation Committee, appropriately fulfilling his expected role as an Outside Director.	16/16 (100%)	12/12 (100%)
Outside Director	Junichi Kawada	Using his extensive experience and great insights in corporate management and especially in the compliance, legal affairs, and corporate governance fields in corporate group management as a director at listed companies, he has provided advice and recommendations at Board of Directors meetings and oversight of the Corporation's management from an objective, neutral standpoint. He has also contributed from an independent standpoint to the fair and transparent evaluation of issues as a member of the Nomination and Compensation Committee, appropriately fulfilling his expected role as an Outside Director.	15/16 (93.8%)	11/12 (91.7%)
Outside Director	Mayumi Tamura	Using her management experience at global companies and especially her great insights in the fields of finance, accounting, and sustainability, she has provided advice and recommendations at Board of Directors meetings and oversight of the Corporation's management from an objective, neutral standpoint. She has also contributed from an independent standpoint to the fair and transparent evaluation of issues as a member of the Nomination and Compensation Committee, appropriately fulfilling her expected role as an Outside Director.	16/16 (100%)	12/12 (100%)

Officer Category	Name	Outline of duties executed related to the roles expected of Outside Directors	Attendance at the Board of Directors meetings	Attendance at Nomination and Compensation Committee meetings
Outside Director	Yumiko Jozuka	Using her extensive experience from many years in the public labor and welfare administration and particularly her great insights in diversity promotion, human resources development, and workstyle reforms, she has provided advice and recommendations at Board of Directors meetings and oversight of the Corporation's management from an objective, neutral standpoint. She has also contributed from an independent standpoint to the fair and transparent evaluation of issues as a member of the Nomination and Compensation Committee, appropriately fulfilling her expected role as an Outside Director.	16/16 (100%)	12/12 (100%)

## 2) Outside Audit &amp; Supervisory Board Members

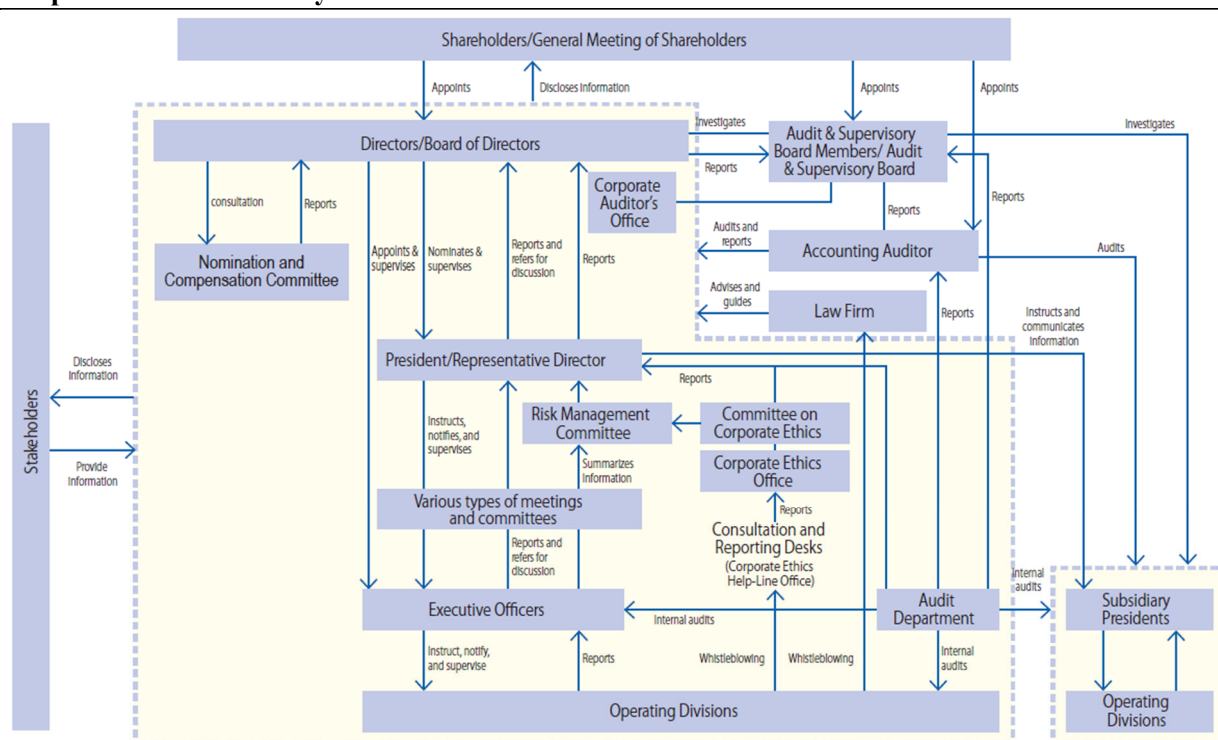
Title	Name	Statements, etc. at the Board of Directors meetings	Attendance at the Board of Directors meetings	Attendance at the Audit & Supervisory Board meetings
Outside Audit & Supervisory Board Member	Kaoru Ishikawa	Made appropriate statements based on the experience and insight he has gained through his involvement in diplomacy and specialized knowledge about the international situation and sustainability fields.	16/16 (100%)	14/14 (100%)
Outside Audit & Supervisory Board Member	Toshie Ikenaga	Made appropriate statements based on her experience and insight in public administration and specialized knowledge about the economics and management fields and diversity.	16/16 (100%)	14/14 (100%)
Outside Audit & Supervisory Board Member	Ko Shikata	Made appropriate statements based on the experience and insight he has accumulated in police-related administrative duties, and specialist knowledge as a university professor of law and policy.	16/16 (100%)	14/14 (100%)

## (Reference) Corporate Governance Structure of Shimizu Corporation

## ■ Basic Views on Corporate Governance

Based on the corporate principles contained in The Analects and the Abacus (Ethics and Economics), Shimizu strives to manage the corporation in an expeditious, efficient, transparent, and lawful manner to achieve sustainable growth and increase corporate value over the medium to long term, while also earning a greater degree of trust from our shareholders and investors, and all other stakeholders, including customers, employees, and local communities. We do so by fulfilling our social responsibilities through business activities.

To achieve this Shimizu has established a structure that enables the Board of Directors and Audit & Supervisory Board to appropriately supervise and audit the performance of duties, based on separation of the management strategy decision-making function from the execution of duties function. Our basic policy on corporate governance is for our Directors, Executive officers, audit & supervisory board members, and employees to implement compliance management based on high ethical standards.

**Corporate Governance System**

## ■ Nomination and Compensation Committee

The Corporation has established a Nomination and Compensation Committee, which has a majority of Independent Outside Directors and is chaired by a Non-Executive Director, to ensure fair and transparent decision-making on the appointment and dismissal of Directors, Audit & Supervisory Board Members and Executive Officers, and on evaluation and remuneration of Directors and Executive Officers. The committee is made up of all Independent Outside Directors, the Non-executive Internal Director (one), and the President and Representative Director, and the Chairman is elected each year by a mutual vote from the Non-executive Directors.

### Nomination and Compensation Committee's composition (As at March 31, 2025)

Non-executive Directors (five)	Executive Directors (one)
Noriaki Shimizu (Director) *Chairman Tamotsu Iwamoto (Independent Outside Director) Junichi Kawada (Independent Outside Director) Mayumi Tamura (Independent Outside Director) Yumiko Jozuka (Independent Outside Director)	Kazuyuki Inoue (President and Representative Director)

### Meetings and activities of the Nomination and Compensation Committee

Meeting date	Agenda
First: May 13, 2024 Second: May 31, 2024 Third: June 27, 2024 Fourth: September 27, 2024 Fifth: October 24, 2024 Sixth: November 12, 2024 Seventh: November 27, 2024 Eighth: January 31, 2025 Ninth: February 21, 2025 Tenth: February 27, 2025 Eleventh: March 7, 2025 Twelfth: March 26, 2025	<ul style="list-style-type: none"> <li>• Chairperson appointment</li> <li>• Verifying and revising the regulations for officers' compensation</li> <li>• Succession plan</li> <li>• Individual evaluations of Directors and Executive Officers</li> <li>• Total and individual bonuses for officers</li> <li>• Individual monthly compensation for the following fiscal year</li> <li>• Personnel affairs for Directors, Audit &amp; Supervisory Board Members, and Executive Officers</li> </ul>

### Member attendance:

- Non-executive Directors
  - Director: Noriaki Shimizu (Chairman), 12/12 (100%)
  - Outside Director: Tamotsu Iwamoto, 12/12 (100%)
  - Outside Director: Junichi Kawada, 11/12 (91.7%)
  - Outside Director: Mayumi Tamura, 12/12 (100%)
  - Outside Director: Yumiko Jozuka, 12/12 (100%)
- Executive Directors
  - President and Representative Director: Kazuyuki Inoue, 12/12 (100%)

## ■ Evaluation of the effectiveness of the Board of Directors

The Corporation's Board of Directors conducts the analysis and evaluation of effectiveness of the Board of Directors as a whole once a year. The outline of the method of evaluation and the results thereof in fiscal 2024 are as follows:

### 1. Evaluation method

An anonymous questionnaire with open-ended questions was sent to all Directors and Audit & Supervisory Board Members. Based on an analysis by a third party (a lawyer), all Directors and Audit & Supervisory Board Members have discussions (self-evaluation) at Board of Directors meetings.

- Report period: April 2024–March 2025
- Dates of evaluation: Board of Directors meetings held on March 7, March 26, and April 25, 2025
- Main evaluation items: The Board of Directors' structure, operation, management strategy and supervision functions, corporate ethics and risk management, solutions to sustainability-related issues, process of determining nominations and remuneration, human development, communication with Outside Directors and management personnel, dialogue with shareholders and investors, and more

### 2. Outline of the evaluation results

Conclusion: The effectiveness of the Board of Directors of the Corporation as a whole is ensured.

#### (1) Response to issues identified in the previous effectiveness evaluation in fiscal 2023 (Report period: April 2023–March 2024)

The Board of Directors has made consistent efforts to resolve issues and make improvements as follows. The Board of Directors will continue to strive for further improvement.

1. Supervise the progress of the Mid-Term Management Plan at Board of Directors meetings
  - Link the Mid-Term Management Plan and the Annual Management Plan and further enhance monitoring of progress and status of deployment throughout the Corporation
    - Held internal meetings for briefing and dialogue to raise awareness of and to achieve the Mid-Term Management Plan. Opinions from participants were shared by the Board of Directors to follow up on encouraging further understanding of the Mid-Term Management Plan and deployment to the Annual Management Plan.
2. Confirm efforts for the appropriate allocation of management resources at Board of Directors meetings
  - Discuss and expand the business portfolio with a focus on medium- to long-term growth
    - Held discussions based on advanced cases of business portfolio optimization at off-site meetings in which all the Directors participated. Discussions on growth strategies for each business at the Board of Directors meetings were improved.
3. Share the deliberations of the Nomination and Compensation Committee and other information with the Board of Directors
  - Confirm the results of deliberations by the Nomination and Compensation Committee as well as the deliberation process with the Board of Directors
    - Shared the process and contents of deliberations of the Nomination and Compensation Committee, the outline and practiced matters of succession plans at the Board of Directors meetings.
4. Expand the disclosure of non-financial information
  - Expand the disclosure regarding risk management and sustainability
    - Reviewed risk management processes and items, with continued discussions to enhance disclosure contents. Early implementation of information disclosure based on TCFD recommendations and TNFD recommendations.

#### (2) Major issues to be considered identified in the effectiveness evaluation

1. Further improve discussions on business portfolio optimization to enhance corporate value
  - Deepen discussions on growth strategies with an awareness of capital cost for each business at the Board of Directors meetings and define roles expected from each business division on company-wide initiatives to enhance corporate value
2. Further strengthen internal control and risk management structures to embody corporate principles of The Analects and the Abacus

- Establish a more agile report framework on risk-related matters and systematize report on the progress and completion of actions
- 3. Further improve communications between internal management executives and outside officers
  - Increase opportunities for direct dialogues between internal management executives and outside officers at places other than the Board of Directors meetings

### 3. Future initiatives

Based on the results of the evaluation of the effectiveness of the Board of Directors, the Corporation aims to enhance the effectiveness of the Board of Directors and further expand and reinforce corporate governance through the PDCA cycle for improvement.



(Reference) Executive officers and their positions and areas of responsibility in the Corporation as at April 1, 2025 are as follows.

Position	Name	Areas of responsibility
President and Executive Officer	Tatsuya Shimmura *	
Executive Vice President and Executive Officer	Kentaro Ikeda*	Director, Civil Engineering Headquarters, In charge of Safety and Environment
Executive Vice President and Executive Officer	Takeshi Sekiguchi*	In charge of Engineering Business, Director, Green Energy Headquarters, In charge of Information Management, Director, DX Management Office
Executive Vice President and Executive Officer	Yoshito Tsutsumi	Director, Building Construction Headquarters, In charge of Productivity Improvement, Nuclear Business, Building Construction Headquarters and Smart City, Executive Project Director, TOKIWABASHI PROJECT
Executive Vice President and Executive Officer	Masanobu Onishi	Executive Conductor, NOVARE, In charge of Business Innovation, Director, Emerging Frontiers Div.
Executive Vice President and Executive Officer	Takao Haneda	Director, Corporate Ethics Office, In charge of General Affairs, Legal Affairs, Risk Management and Group Companies
Senior Managing Officer	Yoshiki Higashi*	In charge of Administrative Functions, Director, Corporate Planning Div., In charge of Sustainability and Human Resources
Senior Managing Officer	Kouichi Yamashita	In charge of Kansai Area, Director, Kansai Branch, Director, Yumeshima (Osaka) Project
Senior Managing Officer	Kojiro Shimizu	Director, Tokyo Branch
Senior Managing Officer	Takefumi Saito	Deputy Director, Civil Engineering Headquarters, Director, Tokyo Civil Engineering Branch
Senior Managing Officer	Hideo Yokoyama	Director, Business Development & Marketing Headquarters
Senior Managing Officer	Toshihide Suenaga	In charge of Building Construction Sales & Marketing, Kansai Area, Business Development & Marketing Headquarters and Sales & Marketing, Yumeshima (Osaka) Project
Senior Managing Officer	Hitoshi Fujita	Director, Global Business Headquarters
Managing Officer	Tomoaki Harada	Director, Construction Technology Div., Building Construction Headquarters, In charge of Procurement, Building Construction Headquarters, Technology and Intellectual Property
Managing Officer	Akinobu Sakao	Director, Nagoya Branch
Managing Officer	Mitsuo Morii	Assistant Director, Tokyo Branch
Managing Officer	Hiroyuki Fujimoto	Director, Design Div., Building Construction Headquarters
Managing Officer	Mika Kaneko	Director, Environmental Strategy Office, Deputy Director, Corporate Planning Div.
Managing Officer	Toshiyuki Nakahara	Director, Business Development & Marketing Div. - Civil Engineering, Business Development & Marketing Headquarters

Position	Name	Areas of responsibility
Managing Officer	Kazuya Osako	Director, International Civil Engineering Div., Global Business Headquarters
Managing Officer	Haruhiko Washimi	In charge of Investment and Development, Deputy Director, Global Business Headquarters
Managing Officer	Takuya Ito	In charge of Sales & Marketing, Business Development & Marketing Headquarters, Deputy Director, Global Business Headquarters,
Managing Officer	Toru Noda	In charge of Technology, Civil Engineering Headquarters
Managing Officer	Naruki Ohashi	Director, Tohoku Branch
Managing Officer	Shuji Kakegawa	Director, Institute of Technology
Executive Officer	Kazuyuki Oki	Director, International Div., Global Business Headquarters
Executive Officer	Katsuyoshi Yuhara	Director, Kyushu Branch
Executive Officer	Yasuhiro Takenaka	Director, Hokkaido Branch
Executive Officer	Michiho Yamaguchi	In charge of Finance & Accounting and Investor Relations
Executive Officer	Shigeru Matsumoto	Director, Building Construction Planning Div., Building Construction Headquarters, General Conductor, NOVARE Academy
Executive Officer	Junichiro Kakuno	Director, Hokuriku Branch
Executive Officer	Mohi U.Ahmed	Director, Business Innovation Unit
Executive Officer	Shunsuke Oka	Director, Business Development & Marketing Div. 1 - Building Construction, Business Development & Marketing Headquarters
Executive Officer	Yutaka Shimizu	Director, Engineering Headquarters
Executive Officer	Hideyuki Tominaga	Director, Yokohama Branch
Executive Officer	Naoki Iwagaki	Director, Hiroshima Branch
Executive Officer	Nobuyoshi Kikuchi	Deputy Director, Corporate Planning Div.
Executive Officer	Kazumi Sato	Vice Executive Conductor, NOVARE, Director, HR Strategy Dept., Corporate Planning Div.,
Executive Officer	Toru Aoki	Director, Mechanical & Electrical Div., Building Construction Headquarters
Executive Officer	Osamu Nakagawa	Senior Project Director of Nihonbashi 1-Chome Central District Project, Tokyo Branch
Executive Officer	Kazu Miyata	Director, Civil Engineering Technology Div., Civil Engineering Headquarters
Executive Officer	Takayuki Kawasaki	In charge of Civil Engineering Kansai Area and Civil Engineering, Yumeshima (Osaka) Project
Executive Officer	Yasuhide Yamada	In charge of Environment & Energy, Corporate Planning Div.
Executive Officer	Kounari Yotsumoto	Director, Investment and Development Div.
Executive Officer	Yoshiro Kobayashi	Director, Business Development & Marketing Div. 2 - Building Construction, Business Development & Marketing Headquarters, Director, Chubu Business Development & Marketing Div., Business Development & Marketing Headquarters
Executive Officer	Kentaro Nakagawa	Deputy Director, Design Div., Building Construction Headquarters, In charge of Structure
Executive Officer	Eiichi Shinma	Deputy Director, Design Div., Building Construction Headquarters
Executive Officer	Yoshihisa Sonoki	Director, Shikoku Branch

Position	Name	Areas of responsibility
Executive Officer	Osamu Shibato	Assistant Director, Tokyo Branch
Executive Officer	Takayuki Himono	Director, Chiba Branch
Executive Officer	Ichiro Nokubo	Deputy Director, Global Business Headquarters
Executive Officer	Hiroaki Oda	Deputy Director, Business Development & Marketing Div. - Civil Engineering, Business Development & Marketing Headquarters
Executive Officer	Taizo Tsukada	Director, Safety & Environment Div.

Note: \* indicates those who serve as Director concurrently.

### 3. Accounting Auditor

#### (1) Name of accounting auditor

Ernst & Young ShinNihon LLC

#### (2) Amount of remuneration, etc. in the current fiscal year

Name	Amount of remuneration, etc. for the services provided as accounting auditor for the Corporation in the current fiscal year	Total cash and other economic benefits to be paid by the Corporation and its subsidiaries
Ernst & Young ShinNihon LLC	¥100 million	¥245 million

Notes: 1. For the amount of remuneration, etc. to the accounting auditor in the current fiscal year mentioned above, no distinction is made between the amount of remuneration for auditing based on the Companies Act and the amount of remuneration for auditing based on the Financial Instruments and Exchange Act of Japan in the audit agreement between the Corporation and the accounting auditor. Also, it is not possible to effectively distinguish these two amounts. Accordingly, the total of these amounts is provided.

2. The Audit & Supervisory Board checks the content of the audit plan by the accounting auditor, amount of audit time by individual audit item and changes in audit fee, and the audit record for past years by obtaining necessary materials and reports from the related internal departments and the accounting auditor and examines the properness of the amount of audit time and the amount of fees for the current, and as a result gave consent under Article 399, Paragraph 1 of the Companies Act as to fees for the accounting auditor.

#### (3) Non-audit services

Ernst & Young ShinNihon LLC provides advisory service to the Corporation regarding the implementation of sustainability management.

#### (4) Policy for decisions on dismissal or non-reappointment of accounting auditor

If the Audit & Supervisory Board recognizes that the any of the items set forth in Article 340, Paragraph 1 of the Companies Act apply to the accounting auditor, the Audit & Supervisory Board shall dismiss the accounting auditor based on the agreement of all of the audit & supervisory board members. In addition, if it is determined necessary to dismiss or not reappoint the accounting auditor for any of various reasons, such as there being an impediment that prevents the accounting auditor from performing its duties, the Audit & Supervisory Board shall make the issue regarding dismissing or non-reappointment of the accounting auditor purpose of the general meeting of shareholders.

### III Propriety Assurance Program for Business Operations and the Status of its Implementation

#### Overview of Resolutions regarding the Propriety Assurance Program for Business Operations

In order to develop a system that ensures the propriety of business operations, the Corporation's "Basic Policy on Developing an Internal Control System," was approved by a resolution of the Board of Directors

The outline of this policy is as follows.

#### 1. Legal and Ethical Compliance System

- 1) In order to ensure that officers and employees perform their duties in compliance with laws and regulations and the Articles of Incorporation, the Corporation shall implement its "Corporate Code of Conduct" and work to thoroughly promote corporate ethics including legal compliance.
- 2) In order to thoroughly promote its "Corporate Code of Conduct" and put it into practice by officers and employees, the Corporation shall educate and train its workforce and develop an internal structure by such means as appointing officers responsible for corporate ethics, putting in place a Corporate Ethics Committee, a Corporate Ethics Office and a Corporate Ethics Help-Line Office, and establishing a whistle-blowing system.
- 3) In order to further promote thorough compliance with the Construction Business Act, the Corporation shall introduce and thoroughly promote measures to secure proper contracts and payments when dealing with subcontractors, and shall develop an internal structure for establishing systems to maintain construction system ledgers.
- 4) In order to eliminate violations of the Antimonopoly Act, the Corporation shall undertake an appropriate review of its program for compliance with the Antimonopoly Act, and shall develop and thoroughly promote internal systems by such means as carrying out periodic transfers of sales personnel, thoroughly implementing education and training, establishing an internal check system and a system for whistle blowing to outside law offices, formulating a code of conduct, and implementing strict internal punishments for offenders.
- 5) In order to completely sever relations with anti-social forces or groups, the Corporation shall clearly indicate a policy of "eradication of anti-social activity" in its Corporate Code of Conduct, and shall develop and thoroughly promote internal systems to put this into practice by such means as carrying out education and training, selecting employees to be in charge of preventing unfair demands, developing a reporting system for cases where unfair demands are received, and having clauses clearly indicating zero tolerance for relations with organized crime groups, etc. in contracts with subcontractors/suppliers.
- 6) In order to prevent bribery globally, the Corporation shall clearly indicate prohibition of bribery in its "Corporate Code of Conduct," establish "Anti-Bribery Rules," and develop an internal system, which includes an implementation system, undertaking education and training activities, and strict punishments for offenders.

#### 2. Internal Audit System

The Corporation will put in place the Audit Department to function in an internal control and checking role. It shall perform comprehensive audits of the activities of business execution sections based on audit plans approved by the Board of Directors. The audit results shall be reported to the directors and also to the audit & supervisory board members.

### 3. Risk Management System

- 1) The Corporation shall formulate rules concerning general risk management. It will also develop a system enabling the management of all risks with the potential to have a serious impact on the corporate group, composed of the Corporation and its subsidiaries, as well as providing accurate responses when risks are manifested.
- 2) For various types of risk, quality, safety, environment, natural disasters and information, etc., the Corporation shall develop a system enabling prevention of occurrences and reoccurrences accurately by putting in place bodies such as divisions, departments and committees that correspond to the function of each risk.

### 4. Structure for Efficient Execution of Business Operations

- 1) The Corporation shall have a small number of directors and shall utilize the executive officer system to ensure efficient business management by distinguishing between strategy/management supervision and the execution of business operations.
- 2) In order to further invigorate deliberation by the Board of Directors and enhance the function of the supervision of management, the Corporation shall appoint outside directors.
- 3) The Corporation shall structure meetings to efficiently carry out the functions necessary for business operations, including the approval of important matters relating to the execution of operations and the determination of strategy. Matters shall be deliberated on, decided and implemented based on the “Authority List for Important Matters” appended to the rules of the Board of Directors specified by the Board of Directors.
- 4) The Corporation shall establish a Nomination and Compensation Committee, with a majority of outside directors, to ensure fair and transparent decision-making on the appointment and dismissal, evaluation, and remuneration of Directors and Executive Officers.
- 5) Executive Officers shall execute operations in accordance with the rules on office organization, division of operations, and delegation of authority, as specified by the Board of Directors.

### 5. Retention and Management of Information on the Execution of Business Operations

The Corporation shall specify rules on documents and an information security policy, and shall appropriately retain and manage minutes of meetings of the Board of Directors, internal circulars for managerial decisions, various contract documents, and other important information showing the status of the execution of operations. In addition, the Corporation shall develop an internal system for the safe and effective use of electronic information.

### 6. Systems for Appropriate Business Operations at the Corporate Group

- 1) The Corporation shall hold regular meetings to share information with its subsidiaries, manage material matters related to subsidiaries’ conduct of operations, and require that subsidiaries report on and obtain the approval of the Corporation for these matters as stipulated in the “Subsidiary Management Rules.”
- 2) The Corporation shall perform internal audits through its Audit Department and monitor the proper execution of business operations of subsidiaries as necessary by such means as seconding audit & supervisory board members.
- 3) In order to ensure the appropriateness of business operations, subsidiaries shall develop internal rules appropriate for their particular business and develop internal systems, including establishing a whistle-blowing system.
- 4) The Corporation shall develop and operate an internal control system necessary to ensure the reliability of financial reporting and to help maintain and enhance societal trust.

## 7. Systems for Audit & Supervisory Board Members

- 1) The Corporation shall put in place the “Auditors Office (Full-time Staff)” of full-time employees to assist the audit & supervisory board members to exercise their authority as specified in relevant laws and regulations and to efficiently perform their audits.
- 2) The employees at the Auditors Office shall perform their duties under the direction of the audit & supervisory board members and shall have the authority to collect information necessary for auditing. Transfers, etc. of employees of the Auditors Office shall be with the advance consent of the Audit & Supervisory Board.

## 8. System for Making Reports to the Audit & Supervisory Board Members Regarding the Execution of Business Operations

- 1) Officers and employees shall make reports to the audit & supervisory board members without delay in cases of occurrences of matters relating to the Corporation and its subsidiaries, including statutory matters, events with the potential to cause serious loss of trust in or damage to the Corporation or its subsidiaries, and major wrongful activity such as internal misconduct or offences against laws and regulations. They shall also make reports on the results of internal audits performed by the Audit Department of the Corporation and the status of reporting through the whistle-blowing system.
- 2) The Corporation shall develop a system to ensure that officers and employees of the Corporation and its subsidiaries are not treated disadvantageously due to their making reports to the audit & supervisory board members.

## 9. Matters Regarding Expenses and Liabilities that Arise as a Result of Audit & Supervisory Board Members Performing Their Duties

Expenses and liabilities that arise as a result of audit & supervisory board members performing their duties shall be promptly handled by the Corporation based on claims submitted by audit & supervisory board members.

## 10. Ensuring the Authority of Audit & Supervisory Board Members to Attend Important Meetings

In order to ensure that audits of business operations by audit & supervisory board members are performed effectively, the Representative Director and the audit & supervisory board members shall have regular opportunities to share management information, and audit & supervisory board members nominated by the Audit & Supervisory Board shall attend “Meetings of the President Office” and “Meetings of the Division Heads” and other important meetings.

## 11. Matters Regarding Audits of the Consolidated Financial Statements and Non-Consolidated Financial Statements, etc. by the Audit & Supervisory Board Members

- 1) In order for the audit & supervisory board members to judge the appropriateness of the audit methods and results of audits by the accounting auditor, and to ensure the independence of the accounting auditor from the directors, the audit & supervisory board members shall confirm the annual audit plan of the accounting auditor in advance and receive successive reports on the audit results.
- 2) The audit & supervisory board members and the accounting auditor shall be in coordination with each other, thus ensuring a system that enables effective auditing.

**Status of the Propriety Assurance Program for Business Operations**

The following is an overview of the status of the Program for this fiscal year:

**1. Legal and Ethical Compliance System**

- 1) In order to thoroughly promote legal compliance, the Corporation has provided education and training to its officers and employees.
- 2) Based on the whistle-blowing system, the Corporation has established three compliance hotlines, namely, the Corporate Ethics Help-Line Office, the Harassment Consultation Desk, and the Outside Help-Line, and has thoroughly familiarized employees with these. Furthermore, the operational status thereof is reported to the Corporate Ethics Committee, the Risk Management Committee, audit & supervisory board members, and the Board of Directors.
- 3) Corporate Ethics Committee meetings are held biannually for companywide implementation and follow-up on measures for corporate ethics and thorough legal compliance.

**2. Risk Management System**

- 1) Risk Management Committee meetings are held biannually to understand and analyze risks that will have a major impact on the corporate group composed of the Corporation and its subsidiaries, and to set key risk management items for tracking these risks and to report to the Board of Directors.
- 2) To check the communications and initial response systems to be used in case of massive earthquakes, etc., the Corporation implements earthquake disaster drills on a regular basis (biannually), extensively inviting relevant third parties such as subcontractors/suppliers and local residents to participate in them.
- 3) As overseas safety measures, the Corporation gathers risk information in accordance with the International Emergency Response Guidelines, and strengthens its security systems as necessary, while alerting relevant persons and imposing overseas travel restrictions.
- 4) In order to make sure that information security measures permeate and take hold, the Corporation continues to implement education and training programs for our officers and employees. In the event of a problem, relevant departments take action swiftly by sharing information with each other.

**3. Systems for Appropriate Business Operations at the Corporate Group**

- 1) The President of the Corporation has held biannual meetings to share information with the presidents of subsidiaries, and to manage important matters relating to execution of operations at subsidiaries as stipulated in the "Subsidiary Management Rules."
- 2) The Corporation has conducted internal audits through its Audit Dept. according to the audit plan and monitored the proper execution of business operations of subsidiaries as necessary by such means as seconding audit & supervisory board members.

**4. Systems for Audit & Supervisory Board Members**

- 1) The Corporation has assigned three full-time employees to the Auditors Office as Full-time Staff assisting audit & supervisory board members.
- 2) Audit & Supervisory Board Members designated by the Audit & Supervisory Board have attended important meetings such as the "Meeting of the President Office," "Meeting of the Division Head," "Meeting of the Risk Management Committee" and "Meeting of the Corporate Ethics Committee."

**Consolidated Balance Sheet**

(As at March 31, 2025)

(Millions of Yen)

Account	Amount	Account	Amount
<b>ASSETS</b>		<b>LIABILITIES</b>	
<b>Current assets:</b>	<b>1,517,057</b>	<b>Current liabilities:</b>	<b>1,208,382</b>
Cash	294,162	Notes and accounts payable-trade	399,883
Notes and accounts receivable-trade	832,043	Short-term borrowings	243,576
Marketable securities	144,000	Current portion of non-recourse borrowings	28,815
Real estate for sale	9,149	Current portion of bonds payable	30,000
Costs on uncompleted construction contracts	41,405	Advances received on uncompleted construction contracts	165,457
Costs on uncompleted real estate development projects	31,875	Deposits received	148,586
Other inventories	3,819	Warranty reserve	4,140
Other current assets	162,877	Reserve for expected losses on construction contracts in process	103,999
Less: Allowance for doubtful accounts	(2,275)	Other current liabilities	83,923
<b>Non-current assets:</b>	<b>1,006,714</b>	<b>Non-current liabilities:</b>	<b>391,579</b>
<b>Tangible fixed assets:</b>	<b>628,702</b>	Bonds payable	126,000
Buildings and structures	250,903	Long-term borrowings	132,362
Machinery, vehicles, tools, furniture and fixtures	79,895	Non-recourse borrowings	30,597
Land	284,728	Deferred tax liabilities	2,027
Construction in progress	13,175	Deferred tax liabilities for revaluation reserve for land	17,011
<b>Intangible fixed assets</b>	<b>34,041</b>	Net defined benefit liability	42,424
<b>Investments and other assets:</b>	<b>343,969</b>	Other non-current liabilities	41,156
Investment securities	299,507	<b>Total liabilities</b>	<b>1,599,962</b>
Deferred tax assets	22,427	<b>NET ASSETS</b>	
Other investments	23,996	<b>Shareholders' equity</b>	<b>693,234</b>
Less: Allowance for doubtful accounts	(1,961)	<b>Common stock, no par value</b>	<b>74,365</b>
		<b>Additional paid-in capital</b>	<b>43,586</b>
		<b>Retained earnings:</b>	<b>612,186</b>
		<b>Less: Treasury stock, at cost</b>	<b>(36,903)</b>
		<b>Accumulated other comprehensive income</b>	<b>166,842</b>
		<b>Net unrealized gain (loss) on other securities, net of taxes</b>	<b>119,404</b>
		<b>Deferred gain (loss) on hedging, net of taxes</b>	<b>67</b>
		<b>Revaluation reserve for land, net of taxes</b>	<b>22,868</b>
		<b>Foreign currency translation adjustments</b>	<b>10,077</b>
		<b>Remeasurements of defined benefit plans</b>	<b>14,423</b>
		<b>Non-controlling interests</b>	<b>63,732</b>
		<b>Total net assets</b>	<b>923,809</b>
<b>Total assets</b>	<b>2,523,771</b>	<b>Total liabilities and net assets</b>	<b>2,523,771</b>



**Consolidated Statement of Income**

(For the year ended March 31, 2025)

(Millions of Yen)

Account	Amount	
Net sales:		
Construction contracts	1,696,021	
Real estate development and other	248,339	1,944,360
Cost of sales:		
Construction contracts	1,538,157	
Real estate development and other	210,749	1,748,906
Gross profit:		
Construction contracts	157,864	
Real estate development and other	37,590	195,454
Selling, general and administrative expenses		124,423
<b>Operating income</b>		<b>71,030</b>
Non-operating income:		
Interest and dividend income	9,565	
Other non-operating income	2,147	11,712
Non-operating expenses:		
Interest expenses	6,016	
Foreign exchange loss	2,664	
Other non-operating expenses	2,397	11,079
<b>Ordinary income</b>		<b>71,664</b>
Special gains:		
Gain on sales of investment securities	39,382	
Other special gains	1,153	40,535
Special losses:		
Loss on devaluation of investment securities	327	
Loss on sales of investment securities	98	
Impairment loss on fixed assets	3,208	
Other special losses	208	3,843
<b>Income before income taxes</b>		<b>108,356</b>
Income taxes current	31,274	
Income taxes deferred	6,696	37,971
<b>Net income</b>		<b>70,385</b>
Net income attributable to non-controlling interests		4,370
<b>Net income attributable to shareholders of the Corporation</b>		<b>66,015</b>

## Consolidated Statement of Changes in Net Assets

(For the year ended March 31, 2025)

(Millions of Yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance as at April 1, 2024	74,365	43,586	586,761	(27,506)	677,206
Changes during period					
Cash dividends paid			(16,856)		(16,856)
Net income attributable to shareholders of the Corporation			66,015		66,015
Reversal of revaluation reserve for land, net of taxes			1,390		1,390
Purchase of treasury stock				(34,520)	(34,520)
Disposal of treasury stock		0		0	0
Cancellation of treasury stock		(25,123)		25,123	—
Transfer from retained earnings to additional paid-in capital		25,123	(25,123)		—
Change in ownership interest of parent due to transactions with non-controlling interests		(0)			(0)
Net changes other than shareholders' equity					
Total changes during period	—	(0)	25,425	(9,396)	16,027
Balance as at March 31, 2025	74,365	43,586	612,186	(36,903)	693,234

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Net unrealized gain (loss) on other securities, net of taxes	Deferred gain (loss) on hedging, net of taxes	Revaluation reserve for land, net of taxes	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance as at April 1, 2024	164,048	(178)	24,746	5,855	16,861	211,332	59,520	948,059
Changes during period								
Cash dividends paid								(16,856)
Net income attributable to shareholders of the Corporation								66,015
Reversal of revaluation reserve for land, net of taxes								1,390
Purchase of treasury stock								(34,520)
Disposal of treasury stock								0
Cancellation of treasury stock								—
Transfer from retained earnings to additional paid-in capital								—
Change in ownership interest of parent due to transactions with non-controlling interests								(0)
Net changes other than shareholders' equity	(44,643)	246	(1,877)	4,222	(2,437)	(44,489)	4,211	(40,278)
Total changes during period	(44,643)	246	(1,877)	4,222	(2,437)	(44,489)	4,211	(24,250)
Balance as at March 31, 2025	119,404	67	22,868	10,077	14,423	166,842	63,732	923,809

## Notes to Consolidated Financial Statements

### 1. Basis of Presentation of Consolidated Financial Statements

#### (1) Scope of consolidation

##### 1) Number of consolidated subsidiaries: 129

Major consolidated subsidiaries:

Nippon Road Co., Ltd., Shimizu Comprehensive Development Corporation, FaB-Tec Japan Corporation, MARUHIKO WATANABE CONSTRUCTION, inc, Daiichi Setsubi Engineering Corporation, Milx Corporation, SC Machinery Corp. and SHIMIZU BLC Co., Ltd.

Notably, eight companies that became subsidiaries of the Corporation in the year ended March 31, 2025 are included in the scope of consolidation, and the two companies that ceased to be a subsidiary of the Corporation are excluded from the scope of consolidation.

##### 2) Unconsolidated subsidiary(ies)

Major subsidiary(ies): MARUHIKO SHOJI Co., Ltd.

Reasons for exclusion from scope of consolidation:

The Corporation's non-consolidated subsidiaries are excluded from the scope of consolidation because these companies are small companies and the sum of each of the combined total assets, net sales, net income (as calculated by the equity method) and retained earnings (as calculated by the equity method) has a minimal effect on the consolidated financial statements.

#### (2) Application of equity method

##### 1) Number of equity method affiliates: 10

Major affiliate: Property Data Bank, Inc.

##### 2) Non-equity method unconsolidated subsidiary(ies) and affiliate(s)

Major subsidiary(ies): As stated in "(1) Scope of consolidation 2) Unconsolidated subsidiary(ies)"

Reason for not applying the equity method:

Profit or loss (as calculated by the equity method) and retained earnings (as calculated by the equity method) have a minimal effect on the consolidated financial statements and have no significance as a whole, and are thereby excluded from the scope of application of equity method.

#### (3) Financial statements of subsidiaries

31 of the Corporation's consolidated subsidiaries have their financial year-end on December 31. Consolidation of these subsidiaries is therefore performed by using their financial statements as at their fiscal year-end, and certain adjustments are made to reflect any significant transactions during the period from the year-end balance sheet dates for these subsidiaries to March 31, the consolidated balance sheet date. In addition, there are two consolidated subsidiaries whose financial year-ends is on August 31. For these subsidiaries, we have used financial statements based on a provisional closing of accounts as of the consolidated balance sheet date prepared in the same way as the full-year accounts. The financial period of other consolidated subsidiaries is the same as the Corporation.

#### (4) Accounting policies

##### 1) Valuation basis and method for significant assets

###### a. Valuation of securities

The Group classifies securities into two different categories, held-to-maturity debt securities and other securities. The Group holds no trading securities. Held-to-maturity debt securities are valued at amortized cost. Other securities with market quotations are valued at the prevailing market price as at the balance sheet date. Other securities without market quotations are stated at cost, cost being determined by the moving average method. Net unrealized gains on other securities with market quotations are reported net of taxes as a separated component of "Net Assets" and the cost of sales is determined by the moving average method.

###### b. Valuation of inventories

Real estate for sale: At cost on an individual basis (the carrying value of inventories on the balance sheet is presented at book value after write-down for decline in earnings)

Costs on uncompleted construction contracts: At cost on an individual basis

Costs on uncompleted real estate development projects: At cost on an individual basis (the carrying value of inventories on the balance sheet is presented at book value after write-down for decline in earnings)

2) Depreciation methods for significant depreciable assets

Depreciation of buildings and structures is principally computed by the straight-line method.

Depreciation of other tangible fixed assets is principally computed by the declining balance method.

However, depreciation of vessels is by the straight-line method.

3) Recognizing provision of significant reserves

a. Allowance for doubtful accounts

For receivables classified as “normal,” the allowance for doubtful accounts is provided based on a historical default ratio. For receivables classified as “doubtful” or “bankrupt,” the allowance for doubtful accounts is provided based on individual assessment on the probability of collection.

b. Warranty reserve

An allowance to cover the costs of repairs for damages related to completed construction work for which the Group is responsible is provided based on previous warranty experience.

c. Reserve for expected losses on construction contracts in process

An allowance is provided for estimated future losses related to the construction contracts in process.

4) Recognizing revenues and cost of sales of completed construction contracts

For construction contracts, except for those with very short durations, the degree of completion of performance obligations are estimated and revenue is recognized over time based on the degree of completion. The estimated degree of completion is based on the percentage of cost incurred to the total cost of sales of construction contracts.

If, in the early stages of the contract and so forth, it is not possible to reasonably estimate the degree of completion of the performance obligation, but it is probable that the incurred costs will be recovered, revenue is recognized on a cost recovery basis, and for construction contracts with very short durations, revenue is recognized at the time of completion.

5) Recognizing net defined benefit liability

Net defined benefit liability is recognized at the amount obtained by deducting the fair value of the plan assets from projected retirement benefit obligations as at the balance sheet date.

6) Amortization of goodwill

Goodwill is principally amortized on a straight-line basis from the year of acquisition over its estimated useful life but not exceeding 20 years.

7) Accounting treatment of construction project joint ventures (joint corporate entities)

With regard to the Joint Venture’s assets, liabilities, revenues, and costs, amounts are recognized in proportion to one’s share.

## 2. Changes in Accounting Policies

(Application of Accounting Standard for Current Income Taxes, etc.)

The Group has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”) etc. effective from the beginning of the period under review. Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance of 2022”). There was no impact on the consolidated financial statements from the application of this accounting policy.

In addition, for changes related to the revised treatment in consolidated financial statements when a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies

is deferred for tax purposes, the Revised Guidance of 2022 has been applied from the beginning of the period under review.

There was no impact on the consolidated financial statements from the application of this accounting policy.

### 3. Accounting Estimates

(Revenue recognized in construction contracts and reserve for expected losses on construction contracts in process)

(1) Amounts recognized in the consolidated financial statements for the year ended March 31, 2025

Net sales of completed construction contracts recognized as performance obligations are satisfied over time: ¥1,466,561 million

Reserve for expected losses on construction contracts in process: ¥103,999 million

(2) Information on significant accounting estimates for identified items

For construction contracts, except for those with very short durations, the degree of completion of performance obligations are estimated and revenue is recognized over time based on the degree of completion. The estimated progress of completion is based on the percentage of cost incurred to the total cost of sales of construction contracts.

Based on the estimated total revenues from construction contracts on hand and total cost of sales of construction contracts as at the end of period, if it is probable that the total cost of sales thereof will exceed the total revenue from construction contract, and if the amount of excess can be reasonably estimated, then of the excess amount, the remaining amount, after deducting the amount of losses already recognized on such construction contract, is recorded as the reserve for expected losses on construction contracts in process.

When recognizing revenue, as changes in the total cost of sales of construction affect the calculation of the degree of completion of performance obligations, it is necessary to reliably estimate the total cost of sales of construction contracts as on the balance sheet date. However, since construction projects generally take a long period of time to complete, in cases such as when construction material prices, labor costs, etc. increase significantly higher than expected at the time of concluding subcontracting agreements, the business results in the following fiscal year could be affected due to the uncertainty of the estimate of the total cost of sales of construction contracts.

### 4. Notes to Consolidated Balance Sheet

(1) Assets pledged as collateral

1) The following assets are pledged as collateral for borrowings of ¥2,479 million.

Cash	¥923 million
Notes and accounts receivable-trade	¥3,681 million
Costs on uncompleted construction contracts	¥55 million
Buildings and structures	¥2,157 million
Machinery, vehicles, tools, furniture and fixtures	¥321 million
Investments and other assets "Other"	¥11 million
<b>Total</b>	<b>¥7,151 million</b>

2) The following assets are pledged as collateral for borrowings at affiliated companies and others

Current assets "Other"	¥6 million
Buildings and structures	¥367 million
Land	¥378 million
Investment securities	¥18 million
<b>Total</b>	<b>¥770 million</b>

## 3) The following assets are pledged as collateral for non-recourse borrowings of ¥59,413 million

Cash	¥2,381 million
Notes and accounts receivable-trade	¥40,097 million
Other inventories	¥293 million
Current assets “Other”	¥49 million
Buildings and structures	¥28,665 million
Machinery, vehicles, tools, furniture and fixtures	¥953 million
Land	¥10,773 million
Intangible fixed assets	¥2 million
Investments and other assets “Other”	¥60 million
<b>Total</b>	<b>¥83,276 million</b>

(2) Accumulated depreciation of tangible fixed assets ¥286,906 million

## (3) Contingent liabilities from guaranteeing indebtedness of others

Guarantee obligations are guarantees for the following companies' loans.

PT. WINDAS DEVELOPMENT (Note)	¥3,214 million
Employees (housing loans)	¥0 million
<b>Total</b>	<b>¥3,215 million</b>

Note: PT. WINDAS DEVELOPMENT is a company that the Corporation's affiliated company invests in.

## (4) Revaluation reserve for land

Land used for business is subject to revaluation in accordance with the Act on Revaluation of Land.

Method of revaluation: Determine the revalued amount by reasonably adjusting the assessed value of fixed assets for taxation purposes as specified in Article 2, item (iii) of the Order for Enforcement of the Act on Revaluation of Land

Revaluation date: March 31, 2002

**5. Notes to Consolidated Statement of Income**

- |   |                 |
|---|-----------------|
| (1) Provision of reserve for expected losses on construction contracts in process included in cost of sales | ¥1,822 million  |
| (2) Inventory write-down due to reduced profitability included in cost of sales                             | ¥154 million    |
| (3) Research and development costs  | ¥21,274 million |

**6. Notes to Consolidated Statement of Changes in Net Assets**

- |  |                    |
|--|--------------------|
| (1) Type and number of outstanding shares as at March 31, 2025 |                    |
| Common stock   | 716,689,413 shares |

## (2) Dividends

## 1) Dividends paid to shareholders for the year ended March 31, 2025

Resolution approved by	Type of shares	Amount (Millions of Yen)	Amount per share (Yen)	Shareholders' cut-off date	Effective date
Annual general meeting of shareholders (June 27, 2024)	Common stock	4,643	6.50	March 31, 2024	June 28, 2024
Board of Directors (November 12, 2024)	Common stock	12,213	17.50	September 30, 2024	December 3, 2024

- 2) Dividends with a shareholders' cut-off date during the current fiscal year but an effective date subsequent to the current fiscal year

Matters regarding these dividends will be proposed at the annual general meeting of shareholders to be held on June 27, 2025.

Resolution to be approved by	Type of shares	Paid from	Amount (Millions of Yen)	Amount per share (Yen)	Shareholders' cut-off date	Effective date
Annual general meeting of shareholders (June 27, 2025)	Common stock	Retained earnings	13,988	20.50	March 31, 2025	June 30, 2025

## 7. Financial Instruments

### (1) Overview

#### 1) Policy for financial instruments

The Group raises operating funds primarily through bank borrowings and bond issues. Temporary fund surpluses are managed principally through short-term deposits with little risk. Under the Group's policy, the Group uses derivatives only for the purpose of reducing risks by hedge, and not for speculative purposes.

#### 2) Types of financial instruments, risk and risk management

Regarding credit risk associated with customer's operating receivables such as notes receivable and accounts receivable from construction contracts, the Group appropriately reduces such risk in response to the payment conditions and customer's credit situation.

The Group holds investment securities primarily for the purpose of maintaining business relationships. Every year the Group reviews individual stocks while considering comprehensively costs and risks associated with stockholding and economic rationale, such as the benefit from a business perspective. Then, the Board of Directors verifies the adequacy of the stockholding.

Regarding volatility risk of foreign exchange rates and interest rates, the Group conducts market risk management in line with its risk management rules for volatility in financial markets.

The liquidity risk associated with fund procurement is managed by preparing an annual cash flow plan and a monthly cash flow schedule on a three-month basis to procure necessary funds in a planned manner.

### (2) Estimated fair value of financial instruments

The carrying value of the financial instruments on the consolidated balance sheet as at March 31, 2025, and estimated fair value are shown below.

As at March 31, 2025

(Millions of Yen)

Assets	Carrying value	Fair value	Difference
Notes and accounts receivable-trade	832,043	830,830	(1,213)
Investment securities (*2, 3, 4)	251,086	251,086	—
Liabilities	Carrying value	Fair value	Difference
Bonds payable and current portion of bonds payable	156,000	151,877	(4,122)
Long-term borrowings	132,362	129,370	(2,991)
Non-recourse borrowings and current portion of non-recourse borrowings	59,413	58,079	(1,333)
Derivative transactions (*5)	Carrying value	Fair value	Difference
Derivative transactions to which hedge accounting is applied	97	97	—

(\*1) As "Cash," "Marketable securities," "Notes and accounts payable-trade" and "Short-term borrowings" are settled within a short period of time, and the fair value approximates book value, Notes are omitted.

(\*2) Non-listed shares, etc. (¥32,705 million in the consolidated balance sheets as at March 31, 2025) are not included in "Investment securities," because they are classified as shares, etc., without market quotations.

(\*3) Investments in a Partnership, etc. (¥15,715 million in the consolidated balance sheet as at March 31, 2025), in which the equity equivalent is recorded on the consolidated balance sheet on a net basis, are not included in "Investment securities."

- (\*4)“Investment securities” includes investment trust with the net asset value prescribed by Paragraph 24-9 of the Implementation Guidance on Accounting Standard for Fair Value Measurement (revised ASBJ Guidance No.31, June 17, 2021) regarded as fair value.
- (\*5)Assets and liabilities that arise from derivative transactions are presented on a net basis. When the total amount becomes a net liability, the amount is indicated in parenthesis.

(3) Breakdown by fair value level of financial instruments

The fair value of financial instruments is classified into the following three levels based on the observability and materiality of the inputs used to calculate fair value.

Level 1: Fair value calculated based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Fair value calculated using directly or indirectly observable inputs other than Level 1 inputs

Level 3: Fair value calculated using unobservable inputs

1) Financial instruments with fair value as carrying value

As at March 31, 2025

(Millions of Yen)

Category	Fair Value			
Assets	Level 1	Level 2	Level 3	Total
Investment securities	246,485	—	—	246,485
Derivative transactions	—	97	—	97

Note: “Investment securities” does not include investment trusts whose net asset value is considered as fair value as prescribed in Paragraph 24-9 of the “Implementation Guidance on Accounting Standard for Fair Value Measurement” (ASBJ Guidance No.31, June 17, 2021). The investment trust is recorded as ¥4,601 million on the Consolidated Balance Sheet. Notably, the note is omitted from the reconciliation sheet for beginning and end balances for the period under review given the low materiality of the total of the investment trust with the net asset value regarded as the fair value

2) Financial instruments other than those with fair value as carrying value

As at March 31, 2025

(Millions of Yen)

Category	Fair Value			
Assets	Level 1	Level 2	Level 3	Total
Notes and accounts receivable-trade	—	830,830	—	830,830
Liabilities	Level 1	Level 2	Level 3	Total
Bonds payable and current portion of bonds payable	—	151,877	—	151,877
Long-term borrowings	—	129,370	—	129,370
Non-recourse borrowings and current portion of non-recourse borrowings	—	58,079	—	58,079

Note: Description of valuation techniques and inputs used in calculating fair value

Investment securities

The fair value of listed shares is estimated using quoted prices and classified as Level 1, because they are traded in active markets.

Derivative transactions

The fair value of derivative transactions is calculated based on the prices provided by trading financial institutions, and is classified as Level 2.

Notes and accounts receivable-trade

The fair value of these items is estimated using the discounted present value method for each receivable classified by a specified period based on the interest rate that takes into account the period until the receivable is collected and credit risk, and is classified as Level 2.

Bonds payable and current portion of bonds payable

The fair value of bonds with market quotations issued by the Corporation is based on the prevailing market price, and is classified as Level 2.



Long-term borrowings, non-recourse borrowings, and current portion of non-recourse borrowings

The fair value of these borrowings is estimated using the discounted present value method based on the interest rate that would be applicable to similar new borrowings, and is classified as Level 2.

**8. Investment and Rental Properties**

## (1) Overview of investment and rental properties

The Corporation and certain consolidated subsidiaries own office buildings, residential units and other real estate properties for lease, mainly in Tokyo and other major urban cities in Japan.

## (2) Carrying value and fair value of investment and rental properties

Carrying value	¥356,712 million
Fair value	¥520,196 million

Notes: 1. The carrying value is the amount after deducting accumulated depreciation from acquisition cost.

2. The fair value is mainly calculated by the Corporation based on real estate appraisal standards, or based on the appraisal report prepared by external certified appraisers.

**9. Revenue Recognition**

(Basic information for understanding revenue from contracts with customers)

Noted under 1. Basis of Presentation of Consolidated Financial Statements (4) 4).

**10. Amounts per Share**

(1) Net assets per share of common stock	¥1,260.48
(2) Basic net income per share of common stock	¥94.80

**11. Other Information**

(Business combinations, etc.)

Business combination through acquisition

## (1) Outline of Business Combination

## 1) Name and business of the acquired company

Name of acquired company: Grandwork Interior Pte Ltd

Business: Interior fit-out business in countries throughout Asia

## 2) Main reason for the business combination

Grandwork Interior Pte Ltd is a leading interior fit-out company in Singapore, holding a top-tier market share in the luxury interior sector.

By making Grandwork Interior Pte Ltd a consolidated subsidiary, the Corporation aims to enter new business domains, expand operations within ASEAN, and acquire global management talent, thereby expanding the range of solutions that the Shimizu Group can offer to customers, expanding the business domain in its global business, and strengthening its profitability.

## 3) Date of business combination

November 1, 2024 (deemed acquisition date: December 31, 2024)

## 4) Legal form of business combination

Acquisition of shares for cash consideration

## 5) Name of company after business combination

No change

## 6) Percentage of voting rights acquired

100%

## 7) Basis for determining the acquiring company

The Corporation acquired the acquired company through the acquisition of shares by cash.

## (2) Operation period of the acquired company included in the consolidated financial statements

Since only the balance sheet was consolidated as of the end of period, the results of the acquired company have not been included in the consolidated statement of income. The financial year-end of the acquired company is on December 31, a three-month difference from the consolidated balance sheet date.

## (3) Acquisition cost of the acquired company and breakdown by type of consideration

Cash consideration for acquisition	¥13,199 million
Acquisition cost	¥13,199 million

Note: These amounts are provisional as part of the consideration of the acquisition has not been confirmed.

## (4) Details and amounts of major acquisition expenses

Advisory expenses, etc.	¥184 million
-------------------------	--------------

## (5) Amount, cause, amortization method and amortization period for gain on goodwill

## 1) Amount of gain on goodwill ¥9,443 million

The above amount of goodwill is provisionally calculated as the allocation of the acquisition cost was not completed as of the end of period.

## 2) Cause

Since the acquisition cost was more than the net amount allocated to the assets acquired and liabilities assumed, the difference was recognized as gain on goodwill.

## 3) Amortization method and period

Straight-line amortization over 10 years

## (6) Amount of assets acquired and liabilities assumed on the date of business combination and their breakdown

Current assets	¥7,495 million
Non-current assets	¥1,738 million
Total	¥9,234 million
Current liabilities	¥4,429 million
Non-current liabilities	¥1,049 million
Total	¥5,478 million

## (7) Pro forma amounts and calculation method of the effect of the business combination on the consolidated statement of income for the period under review, assuming that the business combination was completed as of the first day of the period

Net sales	¥10,539 million
Operating income	¥939 million
Net income attributable to shareholders of the Corporation	¥427 million

## (Calculation method of estimates)

The estimated amount of impact shall be a difference in the net sales and profit/loss information between those calculated assuming that the business combination had been completed on the first day of the fiscal year and those in the consolidated statements of income of the Corporation.

This note is not audited.

(8) Details of the conditional acquisition consideration stipulated in the business combination agreement and the accounting policy after the fiscal year in which the business combination is completed

1) Details of the conditional acquisition consideration

A performance-linked additional payment clause has been adopted, under which a certain additional amount is to be paid in accordance with the level of earnings, etc. of the acquired company after its acquisition.

2) Accounting policy after the fiscal year in which the business combination is completed

If an additional payment of consideration for the acquisition is recognized, the acquisition price will be adjusted with the payment deemed to have been made at the time of acquisition, and adjustments will be made to the amount of goodwill and goodwill amortization.

(Other)

The accounts of consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets, and notes to consolidated financial statements presented herein are expressed in Japanese yen by rounding down to the nearest million.

**Non-Consolidated Balance Sheet**

(As at March 31, 2025)

(Millions of Yen)

Account	Amount	Account	Amount
<b>ASSETS</b>		<b>LIABILITIES</b>	
<b>Current assets:</b>	<b>1,187,006</b>	<b>Current liabilities:</b>	<b>1,047,742</b>
Cash	181,722	Notes payable	71,463
Notes receivable	17,530	Accounts payable for construction contracts	259,873
Accounts receivable from completed construction contracts	655,188	Short-term borrowings	206,083
Valuation of securities	144,000	Current portion of non-recourse borrowings	24,150
Real estate for sale	4,124	Current portion of bonds payable	30,000
Costs on uncompleted construction contracts	39,945	Income taxes payable	10,794
Costs on uncompleted real estate development projects	1,853	Advances received on uncompleted construction contracts	146,920
Other current assets	144,372	Deposits received	144,529
Less: Allowance for doubtful accounts	(1,730)	Warranty reserve	3,869
<b>Non-current assets:</b>	<b>887,168</b>	Reserve for expected losses on construction contracts in process	102,682
<b>Tangible fixed assets:</b>	<b>454,742</b>	Other current liabilities	47,376
Buildings and structures	179,582	<b>Non-current liabilities:</b>	<b>335,801</b>
Machinery and vehicles	48,091	Bonds payable	126,000
Tools, furniture and fixtures	5,225	Long-term borrowings	102,227
Land	210,158	Deferred tax liabilities for revaluation reserve for land	17,011
Construction in progress	11,684	Reserve for employees' retirement benefits	52,894
<b>Intangible fixed assets</b>	<b>15,193</b>	Reserve for expected losses on affiliates' businesses	1,956
<b>Investments and other assets:</b>	<b>417,232</b>	Other non-current liabilities	35,712
Investment securities	265,417	<b>Total liabilities</b>	<b>1,383,544</b>
Investments in subsidiaries and affiliates	97,232	<b>NET ASSETS</b>	
Investments in other securities of subsidiaries and affiliates	12,011	<b>Shareholders' equity</b>	<b>549,548</b>
Long-term loans	1,914	<b>Common stock, no par value</b>	<b>74,365</b>
Claims in bankruptcy or reorganization proceedings	147	<b>Additional paid-in capital:</b>	<b>43,143</b>
Long-term prepaid expenses	349	Capital reserve	43,143
Deferred tax assets	24,928	<b>Retained earnings:</b>	<b>468,943</b>
Other investments	17,095	Legal reserve	18,394
Less: Allowance for doubtful accounts	(1,865)	Other retained earnings	450,548
		Reserve for advanced depreciation of non-current assets	4,457
		Contingent reserve	405,100
		Retained earnings brought forward	40,991
		<b>Less: Treasury stock, at cost</b>	<b>(36,903)</b>
		<b>Total valuation and translation adjustments</b>	<b>141,081</b>
		<b>Net unrealized gain (loss) on other securities, net of taxes</b>	<b>118,144</b>
		<b>Deferred gain (loss) on hedging, net of taxes</b>	<b>67</b>
		<b>Revaluation reserve for land, net of taxes</b>	<b>22,868</b>
		<b>Total net assets</b>	<b>690,629</b>
<b>Total assets</b>	<b>2,074,174</b>	<b>Total liabilities and net assets</b>	<b>2,074,174</b>

**Non-Consolidated Statement of Income**

(For the year ended March 31, 2025)

(Millions of Yen)

Account	Amount	
Net sales:		
Construction contracts	1,381,963	
Real estate development and other	119,556	1,501,519
Cost of sales:		
Construction contracts	1,272,786	
Real estate development and other	96,316	1,369,103
Gross profit (loss):		
Construction contracts	109,176	
Real estate development and other	23,239	132,416
Selling, general and administrative expenses		88,386
<b>Operating income</b>		<b>44,029</b>
Non-operating income:		
Interest and dividend income	13,479	
Other non-operating income	1,288	14,768
Non-operating expenses:		
Interest expenses	3,259	
Foreign exchange loss	2,703	
Other non-operating expenses	1,160	7,123
<b>Ordinary income</b>		<b>51,674</b>
Special gains:		
Gain on sales of investment securities	39,251	
Other special gains	1,109	40,360
Special losses:		
Loss on sales of investment securities	96	
Loss on devaluation of investment securities	319	
Impairment loss on fixed assets	228	
Other special losses	3	648
<b>Income before income taxes</b>		<b>91,386</b>
Income taxes current	21,904	
Income taxes deferred	7,343	29,247
<b>Net income</b>		<b>62,139</b>

## Non-Consolidated Statement of Changes in Net Assets

(For the year ended March 31, 2025)

(Millions of Yen)

	Shareholders' equity										
	Common stock	Additional paid-in capital			Retained earnings					Treasury stock	Total shareholders' equity
		Capital reserve	Other additional paid-in capital	Total additional paid-in capital	Legal reserve	Other retained earnings			Total retained earnings		
						Reserve for advanced depreciation of non-current assets	Contingent reserve	Retained earnings brought forward			
Balance as at April 1, 2024	74,365	43,143	—	43,143	18,394	4,613	405,100	19,285	447,394	(27,506)	537,396
Changes during period											
Provision and reversal of reserve for advanced depreciation of noncurrent assets						(156)		156	—		—
Cash dividends paid								(16,856)	(16,856)		(16,856)
Net income for the year								62,139	62,139		62,139
Reversal of revaluation reserve for land, net of taxes								1,390	1,390		1,390
Purchase of treasury stock										(34,520)	(34,520)
Disposal of treasury stock			0	0						0	0
Cancellation of treasury stock			(25,123)	(25,123)						25,123	—
Transfer from retained earnings to additional paid-in capital			25,123	25,123				(25,123)	(25,123)		—
Net changes other than shareholders' equity											
Total changes during period	—	—	—	—	—	(156)	—	21,705	21,549	(9,396)	12,152
Balance as at March 31, 2025	74,365	43,143	—	43,143	18,394	4,457	405,100	40,991	468,943	(36,903)	549,548

(Millions of Yen)

	Valuation and translation adjustments				Total net assets
	Net unrealized gain (loss) on other securities, net of taxes	Deferred gain (loss) on hedging, net of taxes	Revaluation reserve for land, net of taxes	Total valuation and translation adjustments	
Balance as at April 1, 2024	163,083	(178)	24,746	187,651	725,047
Changes during period					
Provision and reversal of reserve for advanced depreciation of noncurrent assets					—
Cash dividends paid					(16,856)
Net income for the year					62,139
Reversal of revaluation reserve for land, net of taxes					1,390
Purchase of treasury stock					(34,520)
Disposal of treasury stock					0
Cancellation of treasury stock					—
Transfer from retained earnings to additional paid-in capital					—
Net changes other than shareholders' equity	(44,939)	246	(1,877)	(46,570)	(46,570)
Total changes during period	(44,939)	246	(1,877)	(46,570)	(34,417)
Balance as at March 31, 2025	118,144	67	22,868	141,081	690,629

## Notes to Non-Consolidated Financial Statements

### 1. Summary of Significant Accounting Policies

#### (1) Valuation basis and method for assets

##### 1) Valuation of securities

The Corporation classifies securities into three different categories; held-to-maturity debt securities, investments in subsidiaries and affiliates, and other securities. The Corporation holds no trading securities. Held-to-maturity debt securities are valued at amortized cost. Investments in subsidiaries and affiliates are valued at cost, cost being determined by the moving average method. Other securities with market quotations are valued at the prevailing market price as at the balance sheet date. Other securities without market quotations are stated at cost, cost being determined by the moving average method. Net unrealized gains on other securities with market quotations are reported net of taxes as a separated component of "Net assets" and the cost of sales is determined by the moving average method.

##### 2) Valuation of inventories

Real estate held for sale: At cost on an individual basis (the carrying value of inventories on the balance sheet is presented at book value after write-down for decline in earnings).

Costs on uncompleted construction contracts: At cost on an individual basis.

Costs on uncompleted real estate development projects: At cost on an individual basis (the carrying value of inventories on the balance sheet is presented at book value after write-down for decline in earnings).

#### (2) Depreciation method for fixed assets

##### 1) Depreciation method for tangible fixed assets

Depreciation of buildings and structures is computed by the straight-line method.

Depreciation of other tangible fixed assets is computed by the declining balance method. However, depreciation of vessels and leased assets is computed by the straight-line method.

##### 2) Depreciation method for intangible fixed assets

Depreciation of intangible fixed assets is computed by the straight-line method.

##### 3) Depreciation method for long-term prepaid expenses

Depreciation of long-term prepaid expenses is computed by the straight-line method.

#### (3) Recognizing provision of reserves

##### 1) Allowance for doubtful accounts

For receivables classified as "normal," the allowance for doubtful accounts is provided based on a historical default ratio. For receivables classified as "doubtful" or "bankrupt," the allowance for doubtful accounts is provided based on individual assessment on the probability of collection.

##### 2) Warranty reserve

An allowance to cover the costs of repairs for damages related to completed construction work for which the Corporation is responsible is provided based on previous warranty experience.

##### 3) Reserve for expected losses on construction contracts in process

An allowance is provided for estimated future losses related to the construction contracts in process.

##### 4) Reserve for employees' retirement benefits

The reserve for employees' retirement benefits as at the balance sheet date is determined based on the actuarial valuation of projected benefit obligations and the fair value of the plan assets.

##### 5) Reserve for expected losses on affiliates' businesses

The reserve for expected losses on affiliated businesses as at the balance sheet date is determined based on estimated losses related to affiliated businesses.

## (4) Recognizing revenues and costs of construction contracts

For construction contracts, except for those with very short durations, the degree of completion of performance obligations are estimated and revenue is recognized over time based on the degree of completion. The estimated degree of completion is based on the percentage of cost incurred to the total cost of sales of construction contracts.

If, in the early stages of the contract and so forth, it is not possible to reasonably estimate the degree of completion of the performance obligation, but it is probable that the incurred costs will be recovered, revenue is recognized on a cost recovery basis, and for construction contracts with very short durations, revenue is recognized at the time of completion.

## (5) Accounting treatment of construction project joint ventures

With regard to the Joint Venture's assets, liabilities, revenues, and costs, amounts are recognized in proportion to one's share.

**2. Changes in Accounting Policies**

(Application of Accounting Standard for Current Income Taxes, etc.)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; the "Revised Accounting Standard of 2022") etc. from the beginning of the period under review. Revisions to categories for recording current income taxes conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022. There was no impact on the financial statements from the application of this accounting policy.

**3. Accounting Estimates**

(Revenue recognized in construction contracts and reserve for expected losses on construction contracts in process)

## (1) Amounts recognized in the financial statements for the year ended March 31, 2025

Net sales of completed construction contracts recognized as performance obligations are satisfied over time	¥1,244,328 million
Reserve for expected losses on construction contracts in process	¥102,682 million

## (2) Information about significant accounting estimates for identified items

For construction contracts, except for those with very short durations, the degree of completion of performance obligations are estimated and revenue is recognized over time based on the degree of completion. The estimated degree of completion is based on the percentage of cost incurred to the total cost of sales of construction contracts.

Based on the estimated total revenues from construction contracts on hand and total cost of sales thereof as at the end of period, if it is probable that the total cost of sales of construction contracts will exceed the total revenue from construction contract, and if the amount of excess can be reasonably estimated, then of the excess amount, the remaining amount, after deducting the amount of losses already recognized on such construction contract, is recorded as the reserve for expected losses on construction contracts in process.

When recognizing revenue, as changes in the total cost of sales of construction affect the calculation of the degree of completion of performance obligations, it is necessary to reliably estimate the total cost of sales of construction contracts as on the balance sheet date. However, since construction projects generally take a long period of time to complete, in cases such as when construction material prices, labor costs, etc. increase significantly higher than expected at the time of concluding subcontracting agreements, the business results in the following fiscal year could be affected due to the uncertainty of the estimate of the total cost of sales of construction contracts.

**4. Notes to Non-Consolidated Balance Sheet**

## (1) Assets pledged as collateral

## 1) Assets pledged as collateral for borrowings at affiliated companies and others

Current assets "Other"	¥1 million
Investments in subsidiaries and affiliates	¥481 million
Long-term loans	¥396 million
<b>Total</b>	<b>¥878 million</b>



2) The following assets are pledged as collateral for non-recourse borrowings of ¥24,150 million	
Buildings and structures	¥28,664 million
Machinery and vehicles	¥101 million
Tools, furniture and fixtures	¥31 million
Land	¥10,773 million
Total	¥39,571 million

(2) Accumulated depreciation of tangible fixed assets ¥155,229 million

(3) Contingent liabilities from guaranteeing indebtedness of others  
Guarantee obligations are guarantees for the following companies' loans.

Subsidiary	
Shimizu International Finance (U.S.A), Inc.	¥7,834 million
Other	
PT. WINDAS DEVELOPMENT (Note)	¥3,214 million
Employees (housing loans)	¥0 million
Total	¥11,049 million

Note: PT. WINDAS DEVELOPMENT is a company that the Corporation's affiliated company invests in.

(4) Receivables from and payables to subsidiaries and affiliates	
Short-term receivables from subsidiaries and affiliates	¥16,035 million
Long-term receivables from subsidiaries and affiliates	¥1,914 million
Short-term payables to subsidiaries and affiliates	¥21,903 million
Long-term payables to subsidiaries and affiliates	¥990 million

(5) Revaluation reserve for land

Land used for business is subject to revaluation in accordance with the Act on Revaluation of Land.

Method of revaluation: Calculated by making reasonable adjustments to the valuation of property tax as specified in Article 2, item (iii) of the Order for Enforcement of the Act on Revaluation of Land

Revaluation date: March 31, 2002

## 5. Notes to Non-Consolidated Statement of Income

(1) Revenue from sales to subsidiaries and affiliates	¥16,131 million
(2) Purchase of goods from subsidiaries and affiliates included in cost of sales	¥111,706 million
(3) Provision of reserve for expected losses on construction contracts in process included in cost of sales	¥1,135 million
(4) Amount of transactions other than operational transactions with subsidiaries and affiliates	¥4,663 million
(5) Research and development costs	¥20,316 million

## 6. Note to Non-Consolidated Statement of Changes in Net Assets

Type and number of treasury shares as at March 31, 2025

Common stock	34,346,010 shares
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## 7. Deferred Tax Accounting

The main factors for deferred tax assets are non-deductible portion of reserves and allowances and deductible temporary differences from losses on write-down of assets. The main factor for deferred tax liabilities is net unrealized gain on other securities.

**8. Related Party Transactions****Subsidiary****(1) Nature of transaction**

Category	Name	Capital or investment (Millions of Yen)	Type of business	% of voting rights held (held by others)	Relation-ship	Nature of transaction	Amounts of transaction (Millions of Yen)	Account	Balance as at March 31, 2025 (Millions of Yen)
Subsidiary	Shimizu Finance Co., Ltd.	2,000	Credit and finance	Direct 100%	Interlocking directorate, deposit of funds, etc.	Deposit of funds	112,000	Deposits received	4,500

**(2) Terms and conditions of transaction and policy for determining them**

Interest on deposits is determined reasonably in consideration of market interest rates.

**9. Revenue Recognition**

(Basic information for understanding revenue from contracts with customers)

Noted under 1. Summary of Significant Accounting Policies (4).

**10. Amounts per Share**

(1) Net assets per share of common stock	¥1,012.14
(2) Basic net income per share of common stock	¥89.24

**11. Other Information**

The accounts of non-consolidated balance sheet, non-consolidated statement of income, nonconsolidated statement of changes in net assets, and notes to non-consolidated financial statements presented herein are expressed in Japanese yen by rounding down to the nearest million.

**Accounting Auditor's Report on Consolidated Financial Statements****Report of Independent Auditors**

May 9, 2025

Tatsuya Shimmura  
President and Representative Director  
SHIMIZU CORPORATION

Ernst & Young ShinNihon LLC  
Tokyo Office

Hideyuki Inoue  
Certified Public Accountant  
Designated and Engagement Partner

Naohiko Sawabe  
Certified Public Accountant  
Designated and Engagement Partner

*Audit Opinion*

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to the consolidated financial statements of SHIMIZU CORPORATION (the "Corporation") applicable to the fiscal year from April 1, 2024 through March 31, 2025.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and results of operations of the Group, which consisted of the Corporation and its consolidated subsidiaries, applicable to the fiscal year ended March 31, 2025, in accordance with accounting principles generally accepted in Japan.

*Basis for Audit Opinion*

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Corporation and its subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

Other information comprises the Business Report and supplementary schedules. Management's responsibility is to prepare and present the other information. Moreover, the responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to supervise the Directors' execution of duties in maintaining and operating the reporting process for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

*Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

*Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- In making those risk assessments, we consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and the notes thereto are in accordance with accounting standards generally accepted in Japan, as well as evaluate the overall presentation, structure and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements fairly represent the underlying transactions and accounting events.
- Plan and perform the audit of the consolidated financial statements to obtain sufficient and appropriate

audit evidence regarding the financial information of the Corporation and its consolidated subsidiaries to provide a basis for expressing our opinion on the consolidated financial statements. We are responsible for the direction, supervision and inspection of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, any measures taken to eliminate obstruction factors and related safeguards applied to reduce obstruction factors to an acceptable level.

*Conflicts of Interest*

We have no interest in the Corporation and its consolidated subsidiaries which should be disclosed in compliance with the Certified Public Accountants Act.

**Accounting Auditor's Report on Non-consolidated Financial Statements****Report of Independent Auditors**

May 9, 2025

Tatsuya Shimmura  
President and Representative Director  
SHIMIZU CORPORATION

Ernst & Young ShinNihon LLC  
Tokyo Office

Hideyuki Inoue  
Certified Public Accountant  
Designated and Engagement Partner

Naohiko Sawabe  
Certified Public Accountant  
Designated and Engagement Partner

*Audit Opinion*

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, the notes to the financial statements and the related supplementary schedules (hereafter collectively referred to as the “non-consolidated financial statements, etc.”) of SHIMIZU CORPORATION (the “Corporation”) applicable to the 123rd fiscal year from April 1, 2024 through March 31, 2025.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations applicable to the fiscal year ended March 31, 2025, in accordance with accounting principles generally accepted in Japan.

*Basis for Audit Opinion*

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc. section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements, etc. in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Information*

Other information comprises the Business Report and supplementary schedules. Management's responsibility is to prepare and present the other information. Moreover, the responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to supervise the Directors' execution of duties in maintaining and operating the reporting process for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

*Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Non-consolidated Financial Statements, Etc.*

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. with the assumption of the Corporation's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of duties within the maintenance and operation of the financial reporting process.

*Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.*

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the non-consolidated financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the decisions of users taken on the basis of the non-consolidated financial statements, etc.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of non-consolidated financial statements, etc., whether due to fraud or error, design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- In making those risk assessments, we consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the purpose of the audit of the non-consolidated financial statements, etc. is not expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements, etc. and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the non-consolidated financial statements, etc. or, if the notes to the non-consolidated financial statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements, etc. and the notes thereto are in accordance with accounting standards generally accepted in Japan, as well as evaluate the overall presentation, structure and content of the non-consolidated financial statements, etc., including the related notes thereto, and whether the non-consolidated financial statements, etc. fairly represent the underlying transactions and accounting events.

We communicate with the Audit & Supervisory Board Members and the Audit & Supervisory Board

regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements in Japan regarding independence that are relevant to our audit of the financial statements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, any measures taken to eliminate obstruction factors and related safeguards applied to reduce obstruction factors to an acceptable level.

*Conflicts of Interest*

We have no interest in the Corporation which should be disclosed in compliance with the Certified Public Accountants Act.



## Audit Report of the Audit & Supervisory Board

### Audit Report

With respect to the Directors' performance of their duties during the 123rd business year (from April 1, 2024 to March 31, 2025), the Audit & Supervisory Board has prepared this audit report after deliberations based on the audit reports prepared by each Audit & Supervisory Board Member, and hereby reports as follows:

#### 1. Method and Contents of Audit by Audit & Supervisory Board Members and the Audit & Supervisory Board

- (1) The Audit & Supervisory Board has established the audit policies, assignment of duties, etc., and received a report from each Audit & Supervisory Board Member regarding the status of implementation of their audits and results thereof. In addition, the Audit & Supervisory Board has received reports from the Directors, etc. and the accounting auditor regarding the status of performance of their duties, and requested explanations as necessary.
- (2) In conformity with the Audit & Supervisory Board Member auditing standards established by the Audit & Supervisory Board, and in accordance with the audit policies and assignment of duties, etc., each Audit & Supervisory Board Member endeavored to facilitate mutual understanding with the Directors, executive officers, audit division and other employees, etc., endeavored to collect information and maintain and improve the audit environment, and conducted audits in the following methods.
  - 1) Each Audit & Supervisory Board Member attended the meetings of the Board of Directors and other important meetings, received reports on the status of performance of duties from the Directors, Executive Officers and other employees, etc. and requested explanations as necessary, inspected important approval/decision documents, and investigated the status of the corporate affairs and assets at the head office and other principal business locations. With respect to the subsidiaries, each Audit & Supervisory Board Member received reports on their respective business and so forth from relevant internal business departments, visited principle subsidiaries as necessary, received explanations on the status of the subsidiaries from Directors, Audit & Supervisory Board Members, etc. of the subsidiaries, and exchanged opinions.
  - 2) Each Audit & Supervisory Board Member conducted audits on matters mentioned in the business report. Such matters consist of the contents of the Board of Directors' resolutions regarding the development and maintenance of the system to ensure that the Directors' performance of their duties complied with applicable laws and regulations and the Articles of Incorporation of the Corporation and other systems that are set forth in Article 100, paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of a corporate group consisting of a stock company and its subsidiaries, and the systems developed and maintained based on such resolutions (internal control systems).
  - 3) Each Audit & Supervisory Board Member monitored and verified whether the accounting auditor maintained its independence and properly conducted its audit, received a report from the accounting auditor on the status of its performance of duties, and requested explanations as necessary. Each Audit & Supervisory Board Member was notified by the accounting auditor that it had established a "system to ensure that the performance of the duties of the accounting auditor was properly conducted" (the matters set forth in the items of Article 131 of the Ordinance on Accounting of Companies) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council), and requested explanations as necessary.

Based on the above-described methods, each Audit & Supervisory Board Member examined the business report and the annexed detailed statements thereto, financial statements (balance sheet, statement of income, statement of changes in net assets, and notes to financial statements) and the annexed detailed statements thereto, as well as the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets, and

notes to consolidated financial statements), for the business year under consideration.

## 2. Results of Audit

### (1) Results of Audit of Business Report, etc.

- 1) We acknowledge that the business report and the annexed detailed statements thereto fairly present the status of the Corporation in conformity with the applicable laws and regulations and the Articles of Incorporation of the Corporation.
- 2) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the Articles of Incorporation of the Corporation was found with respect to the Directors' performance of their duties.
- 3) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the contents in the business report and Directors' performance of their duties concerning the internal control systems.

### (2) Results of Audit of Financial Statements and Their Annexed Detailed Statements

We acknowledge that the methods and results of audit performed by the accounting auditor Ernst & Young ShinNihon LLC, are appropriate.

### (3) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the accounting auditor Ernst & Young ShinNihon LLC, are appropriate.

May 12, 2025

#### Audit & Supervisory Board of SHIMIZU CORPORATION

Hideto Watanabe [seal]  
Audit & Supervisory Board  
Member (Full-time)

Hiroshi Kobayashi [seal]  
Audit & Supervisory Board  
Member (Full-time)

Kaoru Ishikawa [seal]  
Audit & Supervisory Board  
Member

Toshie Ikenaga [seal]  
Audit & Supervisory Board  
Member

Ko Shikata [seal]  
Audit & Supervisory Board  
Member

Note: Audit & Supervisory Board Members Kaoru Ishikawa, Toshie Ikenaga, and Ko Shikata are Outside Audit & Supervisory Board Members as specified in Article 2, Item 16, and Article 335, Paragraph 3 of the Companies Act.