Tokyo, July 30, 2026

Company Name: Shimizu Corporation
Representative: Tatsuya Shimmura, President and Director
Shares Listed: Tokyo Stock Exchange Prime Market and Nagoya Stock Exchange Premier Market
Stock Code: 1803
Inquiries: Takayuki Hachiya, General Manager, Accounting Department
TEL: +81-3-3561-1111

Notice Concerning Recognition of Non-Operating Income (Equity in Earnings of Affiliates) and Revision of Financial Results Forecast

Shimizu Corporation (hereinafter the "Corporation") has recognized non-operating income (equity in earnings of affiliates) in the first quarter of the fiscal year ending March 31, 2027, as below.
Consequently, the Corporation hereby announces that it has revised as below its consolidated financial forecast for the fiscal year ending March 31, 2027 which was announced on May 12, 2026.

1. Recognition of Non-Operating Income (Equity in Earnings of Affiliates)
   The Corporation acquired additional shares of Seiwa Building Co., Ltd. as of June 30, 2026, making it an equity-method affiliate of the Corporation. Accordingly, in the first quarter of the consolidated fiscal year ending March 31, 2027, an amount equivalent to negative goodwill of 35.5 billion yen was recognized as equity in earnings of affiliates. In addition, this amount has been tentatively calculated because the purchase price allocation has not been completed as of the end of the first quarter of the current consolidated fiscal year.

2. Revision of Forecast of Consolidated Results of Operations
   Fiscal year ending March 2027（From April 1, 2026 to March 31, 2027）

(Millions of Yen unless otherwise indicated)

	Net Sales	Operating Income	Ordinary Income	Net Income attributable to shareholders of the Corporation	Net Income per share (Yen)
Previous forecast (A)	2,310,000	153,000	148,000	130,000	191.40
Revised forecast (B)	2,310,000	153,000	183,500	165,500	243.72
Change (B) – (A)	-	-	35,500	35,500	
Change rate (%)	-	-	24.0	27.3	
(Reference) Results Fiscal year ended March 2026	2,057,802	118,669	122,324	126,617	186.68

Furthermore, there are no changes to the Forecast of Non-consolidated Results of Operations from the previous announcement.

3. Reason for the Revision

Both Ordinary Income and Net Income attributable to shareholders of the Corporation are expected to increase by 35.5 billion yen compared to the previous forecast since an amount equivalent to negative goodwill of 35.5 billion yen was recognized as equity in earnings of affiliates in the first quarter of the consolidated fiscal year ending March 31, 2027, as stated in '1. Recognition of Non-Operating Income (Equity in Earnings of Affiliates)'.

Note that although it is the Corporation's policy to return profits with a consolidated payout ratio target of roughly 40%, there are no changes to dividend forecasts because an amount equivalent to negative goodwill is a profit resulting from a consolidated accounting procedure that does not generate any cash income.

(Note)

The forecast is based on information that the Corporation is able to obtain at the present time. However, actual results may be different due to various factors.