

2. Dividends

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
Fiscal year ended November 30, 2025	(¥) —	(¥) 0.00	(¥) —	(¥) 100.00	(¥) 100.00
Fiscal year ending November 30, 2026	—	—	—	—	—
Fiscal year ending November 30, 2026 (Forecast)	—	0.00	—	55.00	55.00

Notes: 1. Revision to the most recently released dividend forecasts: No

2. The Company conducted a 2-for-1 share split of ordinary shares effective December 1, 2025. For the fiscal year ended November 30, 2025, the actual dividend amount before the share split is stated. For the fiscal year ending November 30, 2026 (forecast), the figure after the share split is stated.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending November 30, 2026 (December 1, 2025– November 30, 2026)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Fiscal year ending November 30, 2026	122,986	29.9	24,611	10.2	22,000	6.6	15,157	2.7	156.31

Note: Revision to the most recently released earnings forecasts: No

* Notes

(1) Significant changes in the scope of consolidation during the period: No

Newly added: –

Excluded: –

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

(a) Changes in accounting policies required by IFRS: No

(b) Changes in accounting policies due to other reasons: No

(c) Changes in accounting estimates: No

(3) Number of issued shares (ordinary shares)

(a) Number of issued shares at the end of the period (including treasury shares)

As of February 28, 2026	97,367,600 shares
As of November 30, 2025	97,367,600 shares

(b) Number of treasury shares at the end of the period

As of February 28, 2026	398,000 shares
As of November 30, 2025	398,000 shares

(c) Average number of outstanding shares during the period (cumulative)

Three months ended February 28, 2026	96,969,600 shares
Three months ended February 28, 2025	96,922,004 shares

Note: The Company conducted a 2-for-1 share split of ordinary shares effective December 1, 2025. The number of issued shares (ordinary shares) has been calculated on the assumption that this share split had been implemented at the beginning of the previous fiscal year ended November 30, 2025.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No

* Proper use of earnings forecasts and other matters

The forward-looking statements, including outlook of future performance, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Actual performance and other results may differ substantially from these statements due to various factors. For the assumptions on which the earnings forecasts are based and cautions concerning the use thereof, please refer to “1. Overview of Operating Results, etc (3) Explanation of Consolidated Earnings Forecasts” on page 5 of the attached materials.

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1. Overview of Operating Results, etc

(1) Overview of Consolidated Operating Results

1) Recognition, analysis and contents for discussion of business environment and business performance

During the three months ended February 28, 2026, the Japanese economy showed a gradual recovery, despite the remaining impact of U.S. trade policies. Meanwhile, in terms of the outlook for the future, economic recovery is expected against a backdrop of improvements in the employment and income environment, and other factors. However, it remains necessary to monitor the downward risks on the economy, including future trends in prices and the trends of U.S. trade policies, as well as geopolitical risks, such as the uncertain prospects of the situation in Iran, and the fluctuations in the financial and capital markets.

In the real estate industry where Tosei Group operates, thanks to the continuing robust investment demand by investors both in Japan and overseas, and the presence of multiple large-scale property transactions, domestic real estate investments for the whole of 2025 increased by 13% year on year and reached a record ¥6,218.0 billion, with Tokyo ranking second in the world for real estate investments by city. While investment demand is expected to remain robust in 2026 fueled by the proactive investment activities of investors in both Japan and overseas and an increase in real estate transactions involving the sale of corporate-owned real estate, there have also been developments indicating a mix in the attitudes toward real estate investment in Japan, those maintaining a proactive stance and others adopting a wait-and-see approach, against the backdrop of expectations for a rise in interest rates. Accordingly, it will be necessary to monitor the trends of domestic and overseas investors (according to a survey by a private research institute).

In the Tokyo metropolitan area condominium market, the number of newly built units for sale in 2025 turned out to be the lowest since 1973 at 21,962 units (down 4.5% year on year), as developers limited supply from the standpoint of profitability against the backdrop of soaring construction costs. With the limited supply, construction costs being shifted onto the prices of units, and the successive supply of high-end properties, the average price per unit reached ¥91.82 million (up 17.4% year on year), surpassing the all-time high recorded in 2023. Although the number of new units to be supplied in 2026 is expected to increase from 2025, the trend of shifting construction costs onto the prices of units is expected to continue. As a result, sales prices are expected to remain in the high range. In the Tokyo metropolitan area pre-owned condominium market, the number of units contracted in February 2026 was 4,241 units (up 2.1% year on year), and the average contract price per unit was ¥69.24 million (up 32.7% year on year). Meanwhile, the average contract price for the six wards in central Tokyo in February 2026 fell, albeit slightly, for the first time in roughly three years, and prices seem to have plateaued in certain areas. In the Tokyo metropolitan area build-for-sale detached house market, housing starts for the whole of 2025 were 4,265 units (down 4.1% year on year). In February 2026, the average sales price of newly-built detached houses in the Tokyo metropolitan area fell (down 2.7% month on month) for the first time in three months, which is an indication that in the 23 wards of Tokyo and major suburban cities, buyers cannot keep up with rising prices, forcing sellers to adjust their asking prices (according to a survey by a private research institute).

The average costs per tsubo in terms of construction costs for the whole of 2025 were ¥1,354 thousand per tsubo (1 tsubo = 3.30 square meters) (an increase of 11.0% year on year) for steel reinforced concrete structures and ¥768 thousand per tsubo (an increase of 5.4% year on year) for wooden structures. Although the prices of steel and timber have currently settled down, construction costs overall remained high with the shifting of manufacturing and transportation costs onto prices, and a rise in various other costs, including labor costs (according to a survey by the Ministry of Land, Infrastructure, Transport and Tourism).

In the office leasing market of Tokyo's five business wards, as of January 2026, the average vacancy rate was 2.15% (a decrease of 1.68 percentage points year on year) and the average asking rent also remained high at ¥21,648 per tsubo (an increase of 6.3% year on year), as demand for office space rose due to expansion and relocations of offices resulting from more workers returning to the office and improvements in the office environment as well as business expansion due to increased staffing. In 2026, a decline in the supply of new offices is anticipated, and together with the high rate of tenants unofficially filling up the properties scheduled for completion, the vacancy rate is expected to trend downward, while rent is expected to continue its ascent for the time being (according to a survey by a private research institute).

In the Tokyo metropolitan area condominium leasing market, demand for rental property increased, as

the prices of newly built and pre-owned condominiums soared, and the average asking rent of apartments as of January 2026 was ¥13,266 per tsubo (an increase of 12.1% year on year). Rent for the Tokyo metropolitan area, particularly in Tokyo's 23 wards, continues to rise. Furthermore, the average occupancy rate of condominiums held by J-REIT in the Tokyo area remains high at 97.5% (an increase of 0.6 percentage points year on year), as of October 31, 2025 (according to a survey by a private research institute).

In the Tokyo metropolitan area's logistics facility leasing market, backed by robust new demand and as vacancies in existing properties fill up, the vacancy rate as of January 2026 improved slightly to 8.3% (a decrease of 0.7 percentage points year on year). The asking rent declined to ¥4,500 per tsubo (a decrease of 4.3% year on year), as a result of the ongoing downward pressure on rent, despite improvements in the supply-demand balance. While properties in certain areas are experiencing prolonged vacancy periods, the market as a whole is expected to improve going forward (according to a survey by a private research institute).

In the real estate fund market, J-REIT assets under management as of January 31, 2026 totaled ¥24.1 trillion (an increase of ¥0.5 trillion year on year) and assets under management in private placement funds totaled ¥47.1 trillion (as of December 31, 2025, an increase of 6.3 trillion year on year). As a result, the real estate securitization market scale grew to ¥71.2 trillion (according to a survey by a private research institute).

In the Tokyo business hotel market, the average guest room occupancy rate for the whole of 2025 was 81.7% (a decrease of 1.3 percentage points year on year) and the total number of hotel guests in Tokyo encompassing all types of accommodation amounted to 106.68 million (a decrease of 3.9% year on year). Although the rise in guest room rates has led to a decline in domestic visitors, the number of inbound visitors, which drives up guest room rates, continues to increase at a pace exceeding that of the previous year when inbound demand reached a record high. As a result, robust inbound demand continues to drive the hotel market. Meanwhile, inbound demand is expected to be affected by factors such as the Chinese authorities' request to its nationals to refrain from visiting Japan. Therefore, it remains necessary to monitor these developments (according to a survey by the Japan Tourism Agency).

Amid this operating environment, in the Revitalization Business and the Development Business, the Group proceeded with property sales and the acquisition of income-generating properties and lands for development as future sources of income. In the Hotel Business, the Group endeavored to capture inbound demand, while in the Fund and Consulting Business, it strove to increase its balance of assets under management and as a result, AUM amounted to ¥2,740.1 billion.

As a result, consolidated revenue for the three months ended February 28, 2026 totaled ¥60,498 million (up 31.3% year on year), operating profit was ¥15,499 million (up 25.8%), profit before tax was ¥14,879 million (up 25.8%), and profit attributable to owners of the parent was ¥10,181 million (up 24.5%).

Performance by business segment is shown below.

Revitalization Business

During the three months ended February 28, 2026, the segment sold 26 properties it had renovated and 42 pre-owned condominium units, including Uniden Hatchobori BL (Chuo-ku, Tokyo), HOTEL&SEMINER Makuhari (Narashino-shi, Chiba), Mizonokuchi Tosei BL II (Kawasaki-shi, Kanagawa).

During the three months ended February 28, 2026, it also acquired a total of 16 income-generating office buildings and apartments, eight land lots and 15 pre-owned condominium units.

As a result, revenue in this segment was ¥40,846 million (up 92.8% year on year) and the segment profit was ¥9,126 million (up 95.4%).

Development Business

During the three months ended February 28, 2026, for whole buildings, the segment sold 10 properties including T's BRIGHTIA Kichijoji II (Musashino-shi, Tokyo), T's BRIGHTIA Jiyugaoka II (Meguro-ku, Tokyo) which is a commercial facility, THE PALMS Kinshicho (Sumida-ku, Tokyo) which is rental apartment, T's Cuore Ukima-Funado II (Kita-ku, Tokyo) which is rental wooden apartment and sold 11 detached houses at such property as THE Palms Court Seta (Setagaya-ku, Tokyo).

During the three months ended February 28, 2026, it also acquired six land lots for rental wooden apartment projects and land lots for eight detached houses.

Additionally, we commenced joint investments in the newly built condominiums “Asakusa Project (tentative name)” of MEITETSU CITY DESIGN CO., LTD.

As a result, revenue in this segment was ¥11,226 million (down 36.5% year on year) and the segment profit was ¥3,372 million (down 38.6%).

Rental Business

During the three months ended February 28, 2026, the Company focused on leasing out its rental properties.

As of February 28, 2026, the number of rental properties decreased by 11 from 132 at the end of the previous fiscal year to 121, as the segment acquired 14 properties, and begin offering for rental of four properties, and sold 27 properties, and terminated the leasing of two properties.

As a result, revenue in this segment was ¥2,377 million (up 12.2% year on year) and the segment profit was ¥1,426 million (up 22.1%).

Fund and Consulting Business

During the three months ended February 28, 2026, while ¥89,139 million was subtracted due mainly to property dispositions by funds, ¥166,580 million added due to new asset management contracts, from the balance of assets under management (Note) ¥2,662,737 million for the end of the previous fiscal year. The balance of assets under management as of February 28, 2026, was ¥2,740,177 million.

As a result, revenue in this segment was ¥2,532 million (up 51.1% year on year) and the segment profit was ¥1,821 million (up 82.6%).

Note: The balance of assets under management includes the balance of assets that were subject to consulting contracts, etc.

Property Management Business

During the three months ended February 28, 2026, the segment made efforts to win new contracts and maintain existing contracts. Consequently, the total number of properties under management was 980 as of February 28, 2026, an increase of 11 from February 28, 2025, with the total comprising 573 office buildings, hotels, logistic facilities and other such properties, and 407 condominiums and apartments.

As a result, revenue in this segment was ¥1,781 million (up 2.7% year on year) and segment profit was ¥212 million (down 32.5%).

Hotel Business

During the three months ended February 28, 2026, amid the continuing robust inbound demand and strong domestic demand, we worked to improve the guest room occupancy rates and guest room rates at all 10 of our properties, including TOSEI Hotel COCONE Kamata (Ota-ku, Tokyo), which opened in December 2025, and TOSEI Hotel COCONE Chiba Chuo (Chiba-shi, Chiba), which opened in February 2026.

As a result, revenue in this segment was ¥1,734 million (up 3.1% year on year) and segment profit was ¥518 million (down 20.0%).

2) Analysis and contents for discussion of Operating Results

In the domestic real estate investment market, which is the Group’s mainstay market, active investment activity by both domestic and overseas investors continued. Despite the impact of the Bank of Japan raising policy interest rates and the trends in U.S. trade policies, rising rent, driven by such factors as the increasing demand by companies for expansion and relocation, as well as the shifting of rising prices onto rent, has fueled a robust investor confidence.

Amid this operating environment, for the first three months ended February 28, 2026, the Group’s financial results were off to an extremely good start with consolidated revenue of ¥60.4 billion (up 31.3% year on year), consolidated operating profit of ¥15.4 billion (up 25.8% year on year), and consolidated profit before tax of ¥14.8 billion (up 25.8% year on year), achieving 49.2% of the full-year forecast based on consolidated revenue and 67.6% based on consolidated profit before tax.

As for the operating segments, the Revitalization Business, the Company’s mainstay business, achieved strong sales of office buildings and rental apartments. Additionally, in the Development Business, five properties, including rental apartments and commercial facilities, were sold mainly to domestic investors, in addition to the sale mainly to individuals of a total of five properties under the “T’s Cuore” series in the

development of rental apartments made from wooden structures, which has been newly positioned as one of the key assets in response to persistently high construction costs. Both of these businesses, considered to be the Company's sales business, have made significant progress.

Furthermore, four businesses, the Rental Business, the Fund and Consulting Business, the Property Management Business, and the Hotel Business, which are considered to be the Company's stable sources of income, expanded their performance. Particularly, in the Fund and Consulting Business, the Company has steadily accumulated achievements as a partner for domestic and overseas institutional investors in domestic real estate investment, and assets under management (AUM) increased by ¥77.4 billion from the end of the previous fiscal year to a total of ¥2.74 trillion. Additionally, in the Hotel Business, despite the request by the Chinese authorities on its citizens to refrain from traveling to Japan, thanks to continued robust inbound demand, the guest room occupancy rate for each hotel and average guest room rates remain high.

The Company will continue to strive for further evolution and growth of each business, centered on portfolio management that balances its sales business and stable business, while responding flexibly to fluctuations in the financial and capital markets.

(2) Overview of Consolidated Financial Positions

1) Analysis of Financial Positions

As of February 28, 2026, total assets were ¥300,371 million, a decrease of ¥7,056 million compared with November 30, 2025, while total liabilities were ¥192,058 million, a decrease of ¥12,532 million.

Decrease of total assets were due to a decrease in Inventories despite an increase in Cash and cash equivalents. Decrease in total liabilities were due to a decrease in Interest-bearing liabilities.

Total equity increased by ¥5,476 million to ¥108,312 million, mainly due to an increase in retained earnings and payment of cash dividends.

2) Analysis of Cash Flows

Cash and cash equivalents (hereinafter "cash") as of February 28, 2026 totaled ¥46,224 million, up ¥6,620 million compared with November 30, 2025.

The cash flows for the three months ended February 28, 2026 and factors contributing to those amounts are as follows:

Cash Flows from Operating Activities

Net cash provided by operating activities totaled ¥19,920 million (up 25.3% year on year). This is mainly attributed to the profit before tax of ¥14,879 million, a decrease in inventories of ¥10,929 million, and income taxes paid of ¥3,541 million.

Cash Flows from Investing Activities

Net cash used in investing activities totaled ¥3,085 million (in comparison with segment net cash used in investing activities of ¥1,062 million in the same period of the previous fiscal year). This is mainly due to collection of loans receivable of ¥3,702 million.

Cash Flows from Financing Activities

Net cash used in financing activities totaled ¥16,390 million (up 47.2% year on year). This mainly reflects proceeds from non-current borrowings of ¥27,071 million, the repayments of non-current borrowings of ¥35,804 million, and cash dividends paid of ¥4,753 million.

(3) Explanation of Consolidated Earnings Forecasts

The business results during the three months ended February 28, 2026 basically remained stable as planned and there is no change on the full-year consolidated earnings forecasts, announced on January 14, 2026.

The forward-looking statements contained in these materials, including forecasts of the future performance, are based on the information available to the Company as of the date of announcement and on certain assumptions deemed to be reasonable by the Company. Actual performance and other results may differ from these forecasts due to various factors.

2. Matters Related to Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

No item to report.

(2) Changes in Accounting Policies and Changes in Accounting Estimates

No item to report.

3. Condensed Quarterly Consolidated Financial Statements and notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(¥ thousand)

	As of November 30, 2025	As of February 28, 2026
Assets		
Current assets		
Cash and cash equivalents	39,604,289	46,224,366
Trade and other receivables	10,198,324	7,242,405
Inventories	170,357,783	159,524,395
Other current assets	91,459	26,690
Total current assets	220,251,856	213,017,856
Non-current assets		
Property, plant and equipment	32,961,224	32,779,249
Investment properties	38,509,920	38,428,851
Goodwill	1,401,740	1,401,740
Intangible assets	89,953	88,703
Trade and other receivables	1,914,916	2,159,691
Other financial assets	11,141,295	11,805,186
Deferred tax assets	1,095,042	628,477
Other non-current assets	61,523	61,523
Total non-current assets	87,175,618	87,353,424
Total assets	307,427,474	300,371,281
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	9,863,882	8,620,873
Interest-bearing liabilities	27,625,866	20,025,594
Current income tax liabilities	3,606,113	4,281,138
Provisions	1,788,240	568,643
Total current liabilities	42,884,102	33,496,249
Non-current liabilities		
Trade and other payables	5,494,144	5,477,150
Interest-bearing liabilities	155,014,462	151,770,242
Retirement benefits obligations	808,683	834,340
Provisions	86,783	86,994
Deferred tax liabilities	303,103	393,967
Total non-current liabilities	161,707,178	158,562,695
Total Liabilities	204,591,281	192,058,945
Equity		
Share capital	6,624,890	6,624,890
Capital reserves	7,453,348	7,499,857
Retained earnings	87,876,336	93,201,295
Treasury shares	(217,705)	(217,705)
Other components of equity	1,068,237	1,169,078
Total equity attributable to owners of parent	102,805,108	108,277,418
Non-controlling interests	31,085	34,917
Total equity	102,836,193	108,312,335
Total liabilities and equity	307,427,474	300,371,281

(2) Condensed Quarterly Consolidated Statement of Comprehensive Income

(¥ thousand)

	Three months ended February 28, 2025	Three months ended February 28, 2026
Revenue	46,066,847	60,498,289
Cost of revenue	29,483,787	40,250,041
Gross profit	16,583,060	20,248,247
Selling, general and administrative expenses	4,290,376	4,803,883
Other income	68,504	66,226
Other expenses	39,106	10,700
Operating profit	12,322,080	15,499,890
Finance income	39,974	62,638
Finance costs	531,711	683,474
Profit before tax	11,830,343	14,879,055
Income tax expense	3,646,981	4,693,943
Profit for the period	8,183,362	10,185,112
Other comprehensive income		
Other comprehensive income Items that will not be reclassified to profit or loss		
Net change in financial assets measured at fair values through other comprehensive income	286,700	74,787
Remeasurements of defined benefit pension plans	—	(7,840)
Subtotal of Other comprehensive income Items that will not be reclassified to profit or loss	286,700	66,947
Other comprehensive income Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(2,280)	4,273
Net change in fair values of cash flow hedges	10,394	21,779
Subtotal of other comprehensive income Items that may be reclassified to profit or loss	8,113	26,053
Other comprehensive income for the period, net of tax	294,814	93,001
Total comprehensive income for the period	8,478,176	10,278,113
Profit attributable to:		
Owners of parent	8,176,537	10,181,279
Non-controlling interests	6,825	3,832
Profit for the period	8,183,362	10,185,112
Total comprehensive income attributable to:		
Owners of parent	8,471,351	10,274,280
Non-controlling interests	6,825	3,832
Total comprehensive income for the period	8,478,176	10,278,113
Earnings per share attributable to owners of the parent		
Basic earnings per share (¥)	84.36	104.99
Diluted earnings per share (¥)	84.32	104.48

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

Three months ended February 28, 2025 (December 1, 2024 – February 28, 2025)

(¥ thousand)

	Share capital	Capital reserves	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at December 1, 2024	6,624,890	7,288,479	76,914,414	(243,716)	(83,780)	90,500,287	366,448	90,866,736
Profit for the period			8,176,537			8,176,537	6,825	8,183,362
Other comprehensive income					294,814	294,814		294,814
Total comprehensive income for the period	—	—	8,176,537	—	294,814	8,471,351	6,825	8,478,176
Amount of transactions with owners								
Dividends of surplus			(3,828,419)			(3,828,419)		(3,828,419)
Dividends to non-controlling interests						—	(1,234)	(1,234)
Share-based payment transactions		50,023				50,023		50,023
Balance at February 28, 2025	6,624,890	7,338,502	81,262,532	(243,716)	211,034	95,193,243	372,039	95,565,282

Three months ended February 28, 2026 (December 1, 2025 – February 28, 2026)

(¥ thousand)

	Share capital	Capital reserves	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at December 1, 2025	6,624,890	7,453,348	87,876,336	(217,705)	1,068,237	102,805,108	31,085	102,836,193
Profit for the period			10,181,279			10,181,279	3,832	10,185,112
Other comprehensive income					93,001	93,001		93,001
Total comprehensive income for the period	—	—	10,181,279	—	93,001	10,274,280	3,832	10,278,113
Amount of transactions with owners								
Dividends of surplus			(4,848,480)			(4,848,480)		(4,848,480)
Transfer from other components of equity to retained earnings			(7,840)		7,840	—		—
Share-based payment transactions		46,509				46,509		46,509
Balance at February 28, 2026	6,624,890	7,499,857	93,201,295	(217,705)	1,169,078	108,277,418	34,917	108,312,335

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(¥ thousand)

	Three months ended February 28, 2025	Three months ended February 28, 2026
Cash flows from operating activities		
Profit before tax	11,830,343	14,879,055
Depreciation expense	400,091	350,339
Increase (decrease) in provisions and retirement benefits obligations	(977,363)	(1,190,117)
Interest and dividend income	(39,974)	(62,638)
Interest expenses	531,711	683,474
Decrease (increase) in trade and other receivables	1,125,190	(359,273)
Decrease (increase) in inventories	8,260,425	10,929,150
Increase (decrease) in trade and other payables	(1,942,745)	(2,142,749)
Other, net	64,032	31,309
Subtotal	19,251,712	23,118,550
Interest and dividend income received	281,019	343,706
Income taxes paid	(3,634,791)	(3,541,613)
Income taxes refund	1,954	—
Net cash from (used in) operating activities	15,899,895	19,920,642
Cash flows from investing activities		
Proceeds from time deposits	—	49,470
Purchase of property, plant and equipment	(6,323)	(125,592)
Purchase of investment properties	(34,486)	(10,032)
Purchase of intangible assets	(7,480)	(7,401)
Payments of loans receivable	(2,269,000)	—
Collection of loans receivable	1,233,610	3,702,831
Purchase of other financial assets	(21,142)	(526,329)
Collection of other financial assets	31,858	527
Other, net	10,905	1,749
Net cash from (used in) investing activities	(1,062,059)	3,085,221
Cash flows from financing activities		
Net increase (decrease) in current borrowings	(3,008,400)	(1,798,780)
Proceeds from non-current borrowings	19,132,679	27,071,650
Repayments of non-current borrowings	(22,800,865)	(35,804,755)
Redemption of bonds	—	(243,474)
Repayments of lease obligations	(103,432)	(69,131)
Cash dividends paid	(3,778,851)	(4,753,398)
Dividends paid to non-controlling interests	(1,234)	—
Interest expenses paid	(574,190)	(792,181)
Net cash from (used in) financing activities	(11,134,295)	(16,390,070)
Net increase (decrease) in cash and cash equivalents	3,703,540	6,615,792
Cash and cash equivalents at beginning of period	34,874,164	39,604,289
Effect of exchange rate change on cash and cash equivalents	(3,001)	4,284
Cash and cash equivalents at end of period	38,574,704	46,224,366

(5) Notes on Going Concern Assumption

No item to report.

(6) Notes on Condensed Quarterly Consolidated Financial Statements

1. Segment Information

The Group's reportable segments are components of the Group about which separate financial information is available that the Board of Directors regularly conducts deliberations to determine the allocation of management resources and to assess the performance. The Group draws up comprehensive strategies for each of the following six business segments and conducts business activities accordingly; "Revitalization Business", "Development Business", "Rental Business", "Fund and Consulting Business", "Property Management Business" and "Hotel Business". In the Revitalization Business, the Group acquires the properties whose asset values have declined, renovates, and resells them. In the Development Business, the Group sells condominium units and detached houses to individual customers as well as apartment and office buildings to investors. In the Rental Business, the Group rents office buildings and apartments. The Fund and Consulting Business mainly provides asset management services for the properties placed in real estate funds. The Property Management Business provides comprehensive property management services. The Hotel Business provides mainly hotel operating services.

The Group's revenue and profit/loss by reportable segment are as follows:

Three months ended February 28, 2025

(December 1, 2024 – February 28, 2025)

(¥ thousand)

	Reportable Segments						Adjustment	Total
	Revitalization Business	Development Business	Rental Business	Fund and Consulting Business	Property Management Business	Hotel Business		
Revenue								
Revenue from external customers	21,182,784	17,671,274	2,119,354	1,676,050	1,734,715	1,682,667	—	46,066,847
Intersegment revenue	—	—	27,370	3,953	366,995	10,592	(408,911)	—
Total	21,182,784	17,671,274	2,146,725	1,680,003	2,101,711	1,693,259	(408,911)	46,066,847
Segment profit	4,670,629	5,489,462	1,168,499	997,398	314,705	648,548	(967,163)	12,322,080
Finance income/costs, net								(491,736)
Profit before tax								11,830,343

Three months ended February 28, 2026

(December 1, 2025 – February 28, 2026)

(¥ thousand)

	Reportable Segments						Adjustment	Total
	Revitalization Business	Development Business	Rental Business	Fund and Consulting Business	Property Management Business	Hotel Business		
Revenue								
Revenue from external customers	40,846,517	11,226,887	2,377,106	2,532,233	1,781,241	1,734,303	—	60,498,289
Intersegment revenue	—	—	30,535	107,601	372,021	6,829	(516,987)	—
Total	40,846,517	11,226,887	2,407,641	2,639,834	2,153,262	1,741,132	(516,987)	60,498,289
Segment profit	9,126,582	3,372,833	1,426,716	1,821,295	212,394	518,943	(978,874)	15,499,890
Finance income/costs, net								(620,835)
Profit before tax								14,879,055

2. Dividends

Dividends paid in the three months ended February 28, 2025 and February 28, 2026 are as follows:

Three months ended February 28, 2025				
Resolution	Dividends per share (¥)	Total dividends (¥ thousand)	Record date	Effective date
Ordinary General Meeting of Shareholders held on February 26, 2025	79	3,828,419	November 30, 2024	February 27, 2025

Three months ended February 28, 2026				
Resolution	Dividends per share (¥)	Total dividends (¥ thousand)	Record date	Effective date
Ordinary General Meeting of Shareholders held on February 26, 2026	100	4,848,480	November 30, 2025	February 27, 2026

3. Earnings per Share

	Three months ended February 28, 2025	Three months ended February 28, 2026
Profit attributable to owners of parent (¥ thousand)	8,176,537	10,181,279
Net income used to figure diluted net income per share (¥ thousand)	8,176,537	10,181,279
Weighted average number of outstanding ordinary shares (shares)	96,922,004	96,969,600
The number of increased ordinary shares used to figure diluted earnings per share (shares)		
Subscription rights to shares relating to stock options (shares)	—	474,389
Common stock relating to PSU (shares)	47,550	545
Common stock relating to RSU (shares)	828	14
The weighted-average number of ordinary shares used to figure diluted earnings per share (shares)	96,970,382	97,444,548
Basic earnings per share (¥)	84.36	104.99
Diluted net income per share (¥)	84.32	104.48

Notes: 1. Basic earnings per share is calculated by dividing profit attributable to owners of the parent, by the weighted average number of outstanding ordinary shares during the reporting period.

2. The Company conducted a 2-for-1 share split of ordinary shares effective December 1, 2025. The basic earnings per share and the diluted earnings per share have been calculated on the assumption that this share split had been implemented at the beginning of the previous fiscal year ended November 30, 2025.

(7) Notes on Significant Subsequent Events

No item to report.