

Summary of Earnings Report for First Quarter of Year Ending December 31, 2026

May 14, 2026

Name of listed company: A.D.Works Group Co., Ltd. Listed stock exchange: Tokyo Stock Exchange
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 Scheduled date of dividend payment: —
 Additional material of financial results: Yes
 Results meeting: No

(Millions of yen, rounded down)

1. Consolidated Results for the First Quarter of the Fiscal Year Ending December 31, 2026 (January 1, 2026– March 31, 2026)

(1) Consolidated business results (cumulative)

(%: Year-on-year comparison)

	Net Sales		Operating Income		Net income before income taxes		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First quarter, Fiscal year ending December 31, 2026	11,355	-19.9	1,115	-16.1	2,433	108.0	1,608	115.6
First quarter, Fiscal year ended December 31, 2025	14,168	80.9	1,330	122.0	1,169	169.2	746	190.5

(Notes) Comprehensive Income: 2026 1Q 1,521 million yen 211.3% 2025 1Q 488 million yen -8.9%

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
First quarter, year ending December 31, 2026	32.64	32.16
First quarter, year ended December 31, 2025	15.50	15.31

(2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
First quarter, year ending December 31, 2026	90,024	21,611	24.0
Fiscal year ended December 31, 2025	72,062	20,576	28.5

(Notes) Equity: 2026 1Q 21,573 million yen 2025 20,544 million yen

2. Dividend Information

	Dividend per Share				
	1Q	Interim	3Q	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	—	6.00	—	10.00	16.00
Fiscal year ending December 31, 2026	—	—	—	—	—
Fiscal year ending December 31, 2026 (forecast)	—	10.00	—	10.00	20.00

(Notes) Correction to most recently announced dividend forecast: None

3. Consolidated Business Plan for Fiscal Year Ending December 31, 2026 (January 1, 2026–December 31, 2026)

A.D.Works Group announces its business targets for each consolidated fiscal year in the form of a “results plan.” A results plan consists of targets for our businesses and is different from the forecasts and predictions.

(%: Year-on-year comparison)

	Net Sales		Operating Income		Net income before income taxes		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Full year	77,000	14.0	4,300	-13.8	4,500	-13.3	3,100	-6.5

(Note) Correction to most recently announced results forecast: None

Disclaimer

This document was prepared in English for convenience purposes only. The original Japanese document shall take precedence in the event of any discrepancies arising from the translations or interpretations contained in this document.

* Notes

(1) Significant changes in the scope of consolidation during the period : Yes

New: —Company (name of company)—,

Excluded: 1 Company (name of company) Avenue Works Normandie LLC

(2) Adoption of accounting treatment unique to the preparation of quarterly consolidated financial statements : Yes

(3) Changes in accounting policies and changes or restatement of accounting estimates

1. Changes in accounting policies due to the revision of accounting standards, etc. : None

2. Changes in accounting policies other than 1. : None

3. Changes in accounting estimates : None

4. Restatement : None

(4) Number of issued shares (common shares)

1. Number of outstanding shares at end of fiscal year (including treasury stock)	Q1 FY2026	50,550,864 shares	FY2025	50,420,864 shares
2. Number of treasury stock at end of fiscal year	Q1 FY2026	1,180,880 shares	FY2025	1,315,730 shares
3. Average number of shares during the period	Q1 FY2026	49,272,495 shares	Q1 FY2025	48,137,551 shares

(Note) The Company has a Director Stock Compensation Trust and the Company shares held by the trust are included in the number of treasury stock.

* Review of the attached quarterly consolidated financial statements by a certified public accountant or audit corporation : None

* Explanation about the proper use of results forecasts, and additional information

The Company makes no guarantees with respect to the achievement of its results forecasts or forward-looking statements included in these materials. Actual results may differ significantly from the forecasts in the document, depending on various factors.

[Attached Materials]

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1. Qualitative Information Concerning Quarterly Results

(1) Description of business results

In the first quarter of the fiscal year under review, the Japanese economy continued to show signs of a gradual recovery amid improvement in the employment and income environment. However, the economy faces downside risks from factors such as the rapid escalation of tensions in the Middle East, developments in U.S. trade policy, fluctuations in financial and capital markets, and rising prices.

In the domestic income property market, the yield on newly issued 10-year government bonds, which serves as a benchmark for long-term interest rates in Japan, has been on an upward trend. While concerns persist regarding increased interest payments on borrowings and downward pressure on real estate prices, etc., the trading market remains buoyant, supported by robust demand for real estate investment.

In the domestic income property market, rents in both the residential and office sectors in central Tokyo remain high due to wage increases and rising prices. In addition, construction costs are rising, leading to higher prices and restricted supply of new properties, and then demand for investment in existing properties is on an expanding trend. Furthermore, in the office leasing market in central Tokyo, vacancy rates continue to remain at low levels, supported by solid tenant demand driven by the trend of companies returning to offices.

Regarding the small-lot real estate products, the FY2026 Tax Reform Outline, released in December 2025, presented a revised method of valuation under the Inheritance Tax Law. As a result, the market, which had been on an expanding trend, has entered a period of adjustment. However, there are recent signs of a resumption in investment consideration by customers and referrals from financial institutions.

In Los Angeles, where our group has an office, the policy rate remains at a high level, and the deterioration of the financing environment is pushing down demand for the buying and selling of income properties.

In this business environment, our group has been considering and implementing various measures for achieving quantitative targets of 20 billion yen in net income before income taxes and a 40% B-to-C share in 2034, under its vision of creating a cycle of wealth and building a society where everyone can be enthusiastic. Our group announced its Growth Strategies to Enhance Corporate Value on February 12, 2026, and aims to maintain and strengthen its medium- to long-term growth trajectory—while experiencing short-term performance fluctuations—by flexibly restructuring its business portfolio in response to changes in the external environment and by promoting strategic investments to expand the business portfolio and build a management foundation for medium- to long-term growth from the fiscal year ending December 31, 2027, onward.

Under this policy, in the first quarter under review, we focused on strengthening the acquisition, development, and sales of the single-building income property sales business, accelerating the growth of the office unit sales business, engaging in explanations to existing customers and referral partners of the small-lot real estate business regarding the impact of the tax reform as well as appealing to current investment demand, and investing in new businesses, including non-asset businesses.

As a result, in the first quarter under review, the Group's net sales totaled 11,355 million yen (14.7% of full-year plan achieved), operating income was 1,115 million yen (26.0%), net income before income taxes was 2,433 million yen (54.1%), and net income attributable to owners of parent was 1,608 million yen (51.9%).

In addition, with the aim of optimizing the business portfolio, our group executed the sale of the business of its consolidated subsidiary, A.D. Partners Co., Ltd., through an absorption-type company split, and recorded a gain on business transfer of 1,590 million yen as extraordinary income. As a result, net income before income taxes and net income attributable to owners of parent for the first quarter under review have achieved significant progress against the full-year consolidated business plan; however, this gain on business transfer was already factored into the original consolidated business plan.

Earnings results for the first quarter of the consolidated fiscal year under review are shown in the table below.

(Unit: million yen)

	Fiscal year ending December 31, 2026 (Full-year plan)		First quarter, year ended December 31, 2025 (Results)		First quarter, year ending December 31, 2026 (Results)			
	Amount	Net sales ratio	Amount	Net sales ratio	Amount	Net sales ratio	YoY	Percentage of full- year plan achieved
Net sales	77,000	100.0%	14,168	100.0%	11,355	100.0%	80.1%	14.7%
(Property sales)	—	—	(12,777)	(90.2%)	(10,352)	(91.2%)	(81.0%)	—
(Stock)	—	—	(1,494)	(10.5%)	(1,003)	(8.8%)	(67.1%)	—
(Internal sales)	—	—	(△103)	(△0.7%)	(—)	(—%)	—	—
Operating income	4,300	5.6%	1,330	9.4%	1,115	9.8%	83.9%	26.0%
Net income before income taxes	4,500	5.8%	1,169	8.3%	2,433	21.4%	208.0%	54.1%
Net income	3,100	4.0%	746	5.3%	1,608	14.2%	215.6%	51.9%

Note: “Property sales,” “stock,” “net income before taxes,” and “net income” are the respective abbreviations of “income property sales business,” “stock-type fee business,” “net income before income taxes for the quarter,” and “net income attributable to owners of parent for the quarter.”

A summary of the segment results is as follows. Please note that the Group considers operating income to be segment income.

(Income property sales business)

Net sales were 10,352 million yen and operating income was 1,467 million yen.

In the domestic single-building income property sales business, net sales for the first quarter under review reached 8,491 million yen, an increase of 140.9% compared with the same period of the previous year. Our group's strengths in property assessment at the time of acquisition and property value improvement initiatives after purchase proved effective, resulting in gross profit of 1,702 million yen, an increase of 236.7% compared with the same period of the previous year, which was far greater than the sales growth. In addition, the income properties were sold in a shorter period than the average turnover period of approximately one year for this business. We will continue to pursue further growth by improving profit margins and capital turnover rates, expanding initiatives in the Osaka and Fukuoka areas, and diversifying asset types, including hotels.

In the small-lot real estate product sales business, net sales for the first quarter under review were 849 million yen (13.5% YoY), and gross profit was 182 million yen (10.6% YoY). Following the release of the FY2026 Tax Reform Outline, we have been conducting sales activities while providing detailed explanations to customers and referral partners, which serve as sales channels, regarding the impact of the tax reform and the schedule for future revisions. However, net sales and gross profit decreased compared with the same period of the previous year, which had been strong. We continue to promote the investment merits of our products, which remain unchanged even after the tax reform, and there are recent signs of a resumption in investment consideration by customers and customer referrals from sales channels.

In the office unit sales business, net sales for the first quarter under review were 892 million yen, and gross profit was 312 million yen (there were no sales results for this business from the first quarter to the third quarter of the previous fiscal year). In light of the temporary decline in revenue of the small-lot real estate business, we are accelerating the growth of this business. In the first quarter under review, we focused on building the organizational structure to strengthen sales capabilities, including the standardization of sales know-how and the training of sales personnel shifted from the small-lot real estate business.

The acquisition amount was 25,851 million yen. In addition to strategic purchasing activities by a purchasing organization consisting of more than 25 people, we were also able to purchase more high-quality properties than in the same period of the previous year as a result of our efforts to expand into the Kansai and Fukuoka areas. The balance of income properties (i.e. the total balance of properties held for sale or rental revenue), which is the source of future revenue, totaled 74,104 million yen, up 19,518 million yen from the end of the previous fiscal year.

In the first quarter, acquisitions and sales by business were as follows.

(Unit: million yen)

	Acquisitions		Revenue from sales	
	Q1 FY2025	Q1 FY2026	Q1 FY2025	Q1 FY2026
Domestic single-building income property sales business	7,065	24,359	6,027	8,491
Small-lot real estate product sales business	3,484	—	6,311	849
Office unit sales business	—	1,492	—	892
Overseas business	—	—	437	119
Total	10,549	25,851	12,777	10,352

Note: The acquisition amount for the "domestic single-building income property sales business" for Q1 of the fiscal year ending December 31, 2026, includes 4,548 million yen of properties that were originally acquired with the intention of selling them in the small-lot real estate product sales business.

(Stock-type fee business)

Net sales were 1,003 million yen and operating income was 321 million yen.

The stock-type fee business's revenue consists of rental revenue from income properties held by the Group, which accounts for the majority of its revenue, as well as management fees from the post-sale management and operation of small-lot real estate products and office unit products, and property management income from ADW Management USA, Inc. Following the sale of the property management business for external owners through the absorption-type company split of A.D. Partners Co., Ltd., effective January 13, 2026, property management income decreased compared with the same period of the previous year.

The stock-type fee business plays an important role for the Group as it ensures the stability of the Group's earnings. Increasing product value from a sales perspective will also lead to securing rental revenue from properties when held by the Group.

A breakdown of revenue in the stock-type fee business in the first quarter is as follows.

(Unit: million yen)

	Q1 FY2025	Q1 FY2026	YoY
Rental revenue	400	485	121.1%
Other revenue (Property management, etc.)	1,094	518	47.4%
Total	1,494	1,003	67.1%

Note 1: The operating income for each segment is an amount before deduction of expenses not allocated to any segment, such as corporate expenses and operating expenses from intersegment sales or transfers. Therefore, the total operating income for the segments does not match consolidated operating income.

2: In the "stock-type fee business," we position items such as rent from income properties held for the medium to long term or for short-term sales, management and operation fees from the post-sale management of small-lot real estate products and office unit products, and fee income from after-sales property management contracts for income properties as "stock-type," while fees for repair work, and brokerage income derived from customer relations are classified as "flow-type."

(2) Description of financial position

In this first quarter, we continued our vigorous efforts to acquire income properties aiming at expanding the scale of business, and also aggressively took out loans for acquisitions. This resulted in an increase in the balance of income properties (i.e. the total balance of properties held for sale or rental revenue) by 19,518 million yen to 74,104 million yen from the end of the previous fiscal year. Interest-bearing liabilities (short-term borrowings, current portion of bonds payable, current portion of long-term borrowings, bonds payable, and long-term borrowings) increased by 17,848 million yen to 63,612 million yen from the end of the previous fiscal year. Accordingly, total assets increased by 17,961 million yen from the end of the previous fiscal year to 90,024 million yen.

While equity increased by 1,029 million yen to 21,573 million yen, the equity ratio was 24.0% due to the increase in interest-

bearing liabilities associated with strong purchasing activities.

The details of the quarterly consolidated balance sheet are as follows.

The “ratio” indicates the percentage relative to total assets (total liabilities and net assets).

(Assets)

Total assets at the end of this first quarter were 90,024 million yen. Of this, real estate for sale and real estate for sale in process accounted for 62,650 million yen (69.6% ratio), cash and deposits for 10,984 million yen (12.2%), and properties held for rental revenue (included in property, plant and equipment) for 11,453 million yen (12.7%).

(Liabilities)

Total liabilities at the end of this first quarter were 68,412 million yen. Of this, interest-bearing liabilities accounted for 63,612 million yen, which increased by 17,848 million yen as a result of the increase in income properties.

(Net assets)

Total net assets amounted to 21,611 million yen. Of this, share capital and capital surplus accounted for 11,762 million yen.

(3) Description of future consolidated results plan and other future forecasts

The FY2026 Tax Reform Outline, released on December 19, 2025, presented a revised method of valuation of small-lot real estate products under the Inheritance Tax Law. It is necessary to continue to examine the details of the reform and its effects on the markets. In addition, while there are signs of recovery in customer demand, annual sales of the small-lot real estate business for the fiscal year ending December 31, 2026, are expected to decrease compared to those for the fiscal year ended December 31, 2025.

The Company regards this business as one of its core businesses and plans to keep recovery and growth on track in the medium- to long-term.

To respond to such environmental changes, our group will continue to promote the small-lot real estate business as its core business and speed up the full-scale rollout of the office unit sales business, thereby accelerating growth from fiscal 2026 onward. For the office unit sales business, our group has set a sales target of 10.0 billion yen for fiscal 2026 and 30.0 billion yen for fiscal 2028 through a strategic shift of sales personnel, etc.

Along with the sale, executed in January 2026, of the property management business for external owners by our consolidated subsidiary, our group has strategically shifted personnel engaged in this business to the product value improvement operations of the single-building income property sales business in order to continue to ensure strong growth of the single-building income property sales business and support the revenue base of our group.

As for the consolidated business plan for the fiscal year ending December 31, 2026, we have set net sales at 77,000 million yen, operating income at 4,300 million yen, and net income before income taxes at 4,500 million yen after taking into account the above outlook.

Regarding the small-lot real estate business, we anticipate a recovery in customer demand and a resumption of customer referrals from sales channels as the details of the tax reform become clearer. We will work to steadily build up sales results by carefully promoting the investment merits of our products, which remain unchanged even after the tax reform. As for the office unit sales business, we will accelerate sales by training personnel shifted from the small-lot real estate business, standardizing the sales know-how acquired since the launch of this business last year, and promoting understanding of the products among existing financial product sales channels.

We will inform investors of the medium-term plan for the small-lot real estate business and the office unit sales business around the summer of 2026, on the basis of the sales trends for the first half of 2026 and the details of the tax reform to be announced going forward (such as the proposed partial revision of the Basic Circular on Valuation of Property).

We will aim for continued improvement of corporate value by allocating management resources in consideration of the characteristics and growth stages of each business and by maintaining and strengthening the medium- to long-term growth path while experiencing short-term performance fluctuations.

< The Second Medium-Term Management Plan >

(million yen)

Consolidated	Second Medium-Term Management Plan (Fiscal year ended December 31, 2024, to Fiscal year ending December 31, 2026)			
	FY2024 (Fiscal year ended December 31, 2024)	FY2025 (Fiscal year ended December 31, 2025)	FY2026 (Fiscal year ending December 31, 2026)	
	Results	Results	Initial plan	Plan (released February 12)
Net sales	49,910	67,531	58,000	77,000
Operating Income	3,216	4,987	3,700	4,300
Net income before income taxes	2,547	5,190	3,000	4,500
Income property balance	45,461	54,586	50,000	65,000
Shareholders' equity	17,511	20,366	20,000	22,470
ROE	9.5%	17.5%	10.4%	14.5%
ROIC	4.4%	7.0%	4.8%	6.4%
Human resource productivity "PH gross profit"	36/person	48/person	35/person	44/person
Financial soundness "Equity ratio"	31.3%	28.5%	Approx. 30%	Approx. 30%
Shareholder value "EPS"	33.50 yen	68.46 yen	41.76 yen	64.01 yen

Notes 1: Balance of income properties: Total balance of properties held for sale or rental revenue

2: ROE: Net income attributable to owners of parent / average shareholders' equity (Figures may differ from net income on equity.)

3: ROIC: (Net income attributable to owners of parent + interest expenses + borrowing fee) / (balance of average shareholders' equity + balance of average interest-bearing liabilities)

4: PH gross profit (gross profit per head): Gross profit / average number of employees

5: EPS (earnings per share): Net income attributable to owners of parent / average number of shares during the period

Note that figures in "Plan" in < The Second Medium-Term Management Plan > are targets for our businesses, which differ from the forecasts and predictions.

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	11,909,924	10,984,783
Accounts receivable – trade	276,847	42,268
Real estate for sale	41,781,916	62,094,530
Real estate for sale in process	1,806,435	556,178
Other	3,167,870	2,822,299
Allowance for doubtful accounts	(1,126)	(355)
Total current assets	58,941,866	76,499,704
Non-current assets		
Property, plant and equipment		
Other, net	11,187,974	11,639,958
Total property, plant and equipment	11,187,974	11,639,958
Intangible assets		
Goodwill	263,966	256,047
Other	187,658	182,672
Total intangible fixed assets	451,625	438,719
Investments and other assets		
Investment securities	487,393	462,416
Deferred tax assets	534,953	521,308
Other	447,368	451,885
Total investments and other assets	1,469,716	1,435,610
Total non-current assets	13,109,316	13,514,288
Deferred assets		
Bonds issuance cost	11,626	10,023
Total deferred assets	11,626	10,023
Total assets	72,062,809	90,024,016

(Thousands of yen)

	As of December 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable – trade	651,373	842,648
Short-term borrowings	606,000	2,531,632
Current portion of bonds payable	265,800	230,800
Current portion of long-term borrowings	6,283,524	6,823,409
Income taxes payable	1,461,720	879,970
Provision for bonuses	362,633	108,891
Other	3,219,197	2,963,287
Total current liabilities	12,850,249	14,380,638
Non-current liabilities		
Bonds payable	595,200	509,800
Long-term borrowings	38,012,864	53,516,405
Other	27,682	6,074
Total non-current liabilities	38,635,747	54,032,280
Total liabilities	51,485,996	68,412,919
Net assets		
Shareholders' equity		
Share capital	6,347,133	6,357,722
Capital surplus	5,432,864	5,404,395
Retained earnings	8,819,778	9,920,018
Treasury shares	(233,250)	(212,588)
Total shareholders' equity	20,366,525	21,469,547
Accumulated other comprehensive income		
Foreign currency translation adjustments	110,543	49,189
Valuation difference on available-for-sale securities	67,300	54,760
Total accumulated other comprehensive income	177,843	103,949
Share acquisition rights	35,645	41,517
Non-controlling interests	(3,202)	(3,916)
Total net assets	20,576,812	21,611,097
Total liabilities and net assets	72,062,809	90,024,016

(2) Quarterly Consolidated Profit and Loss Statement, and Consolidated Comprehensive Income Statement

Consolidated Profit and Loss Statement

First quarter of consolidated fiscal year

(Thousands of yen)

	Previous consolidated First quarter (January 1, 2025 – March 31, 2025)	Current consolidated First quarter (January 1, 2026 – March 31, 2026)
Net sales	14,168,001	11,355,479
Cost of sales	11,255,878	8,731,074
Gross profit	2,912,123	2,624,405
Selling, general and administrative expenses	1,581,493	1,508,406
Operating income	1,330,629	1,115,998
Non-operating income		
Interest and dividend income	6,797	7,676
Foreign exchange gains	16,298	41,253
Other	5,032	3,686
Total non-operating income	28,128	52,616
Non-operating expenses		
Interest expenses	156,056	263,074
Borrowing fee	24,898	58,026
Amortization of establishment costs	1,943	—
Other	6,051	5,607
Total non-operating expenses	188,950	326,708
Ordinary income	1,169,807	841,906
Extraordinary income		
Gain on sale of investment securities	—	1,599
Gain on business transfer	—	1,590,088
Total extraordinary income	—	1,591,688
Extraordinary loss		
Loss on disposal of fixed assets	—	185
Total extraordinary loss	—	185
Net income before income taxes	1,169,807	2,433,409
Income taxes – current	424,933	837,897
Total income taxes	424,933	837,897
Quarterly net income	744,874	1,595,512
Quarterly net loss attributable to non-controlling interests	(1,392)	(13,169)
Net income attributable to owners of parent	746,267	1,608,681

Consolidated Comprehensive Income Statement

First quarter of consolidated fiscal year

(Thousands of yen)

	Previous consolidated First quarter (January 1, 2025 – March 31, 2025)	Current consolidated First quarter (January 1, 2026 – March 31, 2026)
Quarterly net income	744,874	1,595,512
Other comprehensive income		
Valuation difference on available-for-sale securities	(7,190)	(12,539)
Foreign currency translation adjustments	(248,920)	(61,354)
Total other comprehensive income	(256,110)	(73,894)
Quarterly comprehensive income	488,763	1,521,618
(Breakdown)		
Comprehensive income attributable to owners of parent	490,156	1,534,787
Comprehensive income attributable to non-controlling interests	(1,392)	(13,169)

(3) Notes for the quarterly consolidated financial statements

(Notes on the going concern assumption)

Not applicable

(Notes on significant changes in amount of shareholders' equity)

Not applicable

(Application of specific accounting methods when preparing quarterly consolidated financial statements)

Calculation of tax expenses

The Company calculates tax expenses by reasonably estimating the effective tax rate after applying tax effect accounting to net income before taxes for the consolidated fiscal year, including this first quarter, and multiplying net income before income taxes or net loss before income taxes by this estimated effective tax rate.

The adjusted income tax amounts are included in income tax, inhabitant tax and enterprise tax.

(Notes on segment information, etc.)

< Segment information >

I First Quarter of Previous Consolidated Fiscal Year (January 1, 2025, to March 31, 2025)

Information on net sales and profit for each reportable segment

(Thousands of yen)

	Reportable segments			Adjustments*1	Quarterly consolidated profit/loss posted *2
	Income property sales business	Stock-type fee business	Total		
Net sales					
Net sales to external customers	12,777,075	1,390,925	14,168,001	—	14,168,001
Intersegment sales	—	103,721	103,721	(103,721)	—
Total	12,777,075	1,494,646	14,271,722	(103,721)	14,168,001
(Operating profit)	1,542,743	310,348	1,853,092	(522,463)	1,330,629

(Notes)

*1 The adjustments for segment profit are elimination of inter-segment transactions and corporate expenses that are not allocated to reportable segments.

*2 Segment profit is adjusted with operating profit on the quarterly consolidated profit and loss statement.

II Current consolidated First quarter (January 1, 2026, to March 31, 2026)

Information on net sales and profit for each reportable segment

(Thousands of yen)

	Reportable segments			Adjustments*1	Quarterly consolidated profit/loss posted *2
	Income property sales business	Stock-type fee business	Total		
Net sales					
Net sales to external customers	10,352,311	1,003,168	11,355,479	—	11,355,479
Intersegment sales	—	—	—	—	—
Total	10,352,311	1,003,168	11,355,479	—	11,355,479
(Operating profit)	1,467,018	321,439	1,788,457	(672,459)	1,115,998

(Notes)

*1 The adjustments for segment profit are elimination of inter-segment transactions and corporate expenses that are not allocated to reportable segments.

*2 Segment profit is adjusted with operating profit on the quarterly consolidated profit and loss statement.

(Notes on Statement of Cash Flows)

A quarterly consolidated statement of cash flows for the first quarter of the current consolidated fiscal year has not been prepared. The depreciation and amortization (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the first quarter of the current consolidated fiscal year are as follows.

	(Thousands of yen)	
	Previous consolidated first quarter (January 1, 2025 – March 31, 2025)	Current consolidated first quarter (January 1, 2026 – March 31, 2026)
Depreciation	48,592	57,769
Amortization of goodwill	7,919	7,919