

Kasumigaseki Capital Co., Ltd.

H1 FYE8/2025 Financial Results

April 4, 2025

Kasumigaseki Capital Co., Ltd.

TSE Prime Market (Securities Code: 3498)

Agenda

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1

H1 FYE8/2025 Financial Results

Summary

H1 FYE8/25 Highlights

- **Set a new record** for H1 with net sales of ¥33.7bn, operating profit of ¥4.8bn, and profit attributable to owners of parent of ¥2.4bn.
- Built up **inventory*** to **¥52.7bn**, securing sufficient stock to meet the FYE8/25 target.
- Plan to pay a dividend of **¥240 per share** for FYE8/25.

Progress of Medium-Term Management Plan

- Reached **¥598.2bn in total project value, the sum of AUM** and pipeline**, up ¥106.6bn from the end of FYE8/24.
- **Raised ¥22.0bn** through the issuance of Euroyen CBs in November 2024.
- Began **preparations for a hotel REIT listing**.

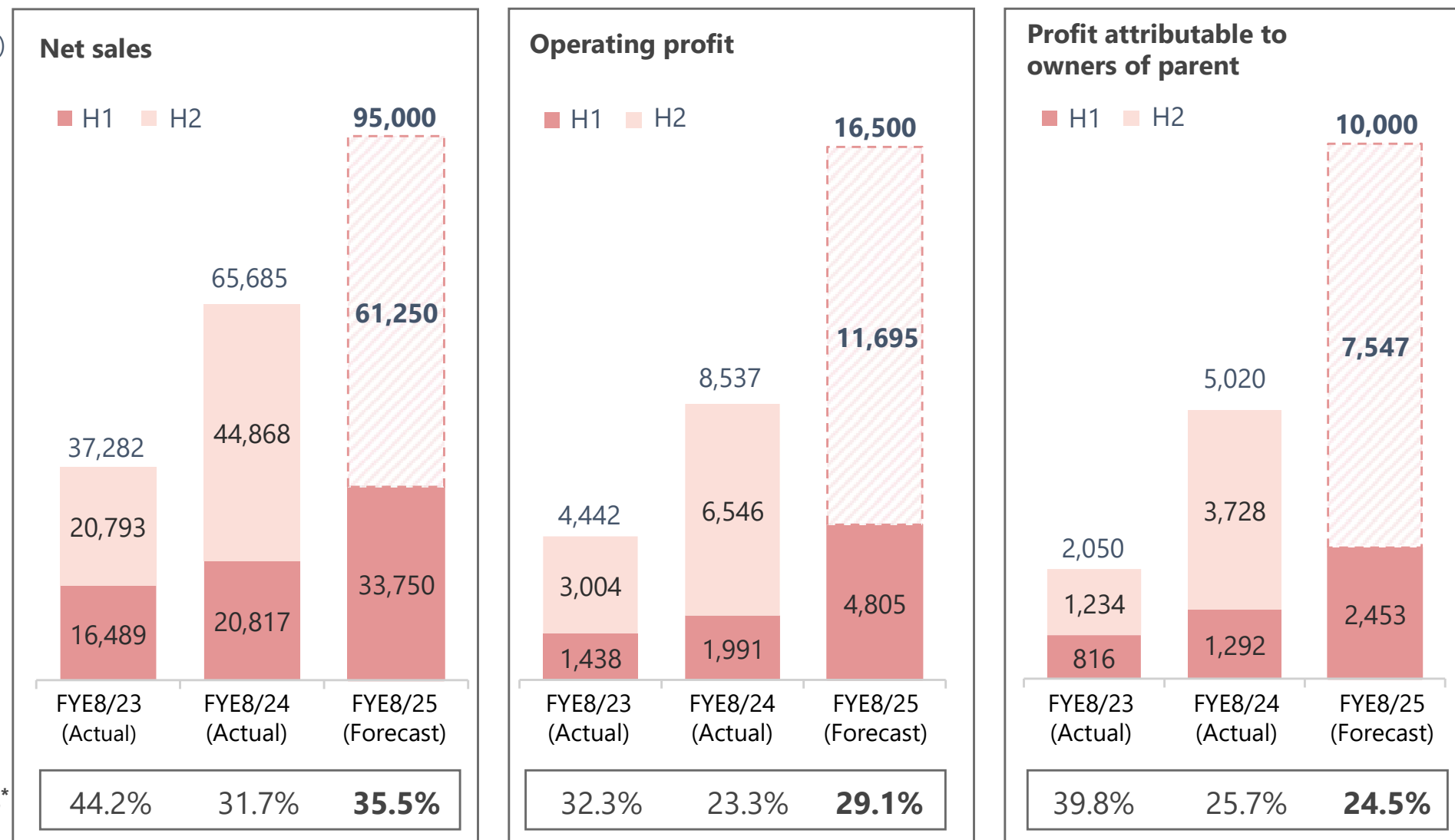
* Inventory is the sum of real estate for sale and costs on development business and other.

** AUM is an abbreviation for "Assets Under Management," which refers to the total value of projects in which we are involved in asset or project management.

H1 FYE8/2025 : Full-Year Forecast and H1 Progress

Delivered record-high performance for H1

(Millions of yen)



* Percentage of progress against the initial full-year forecast.

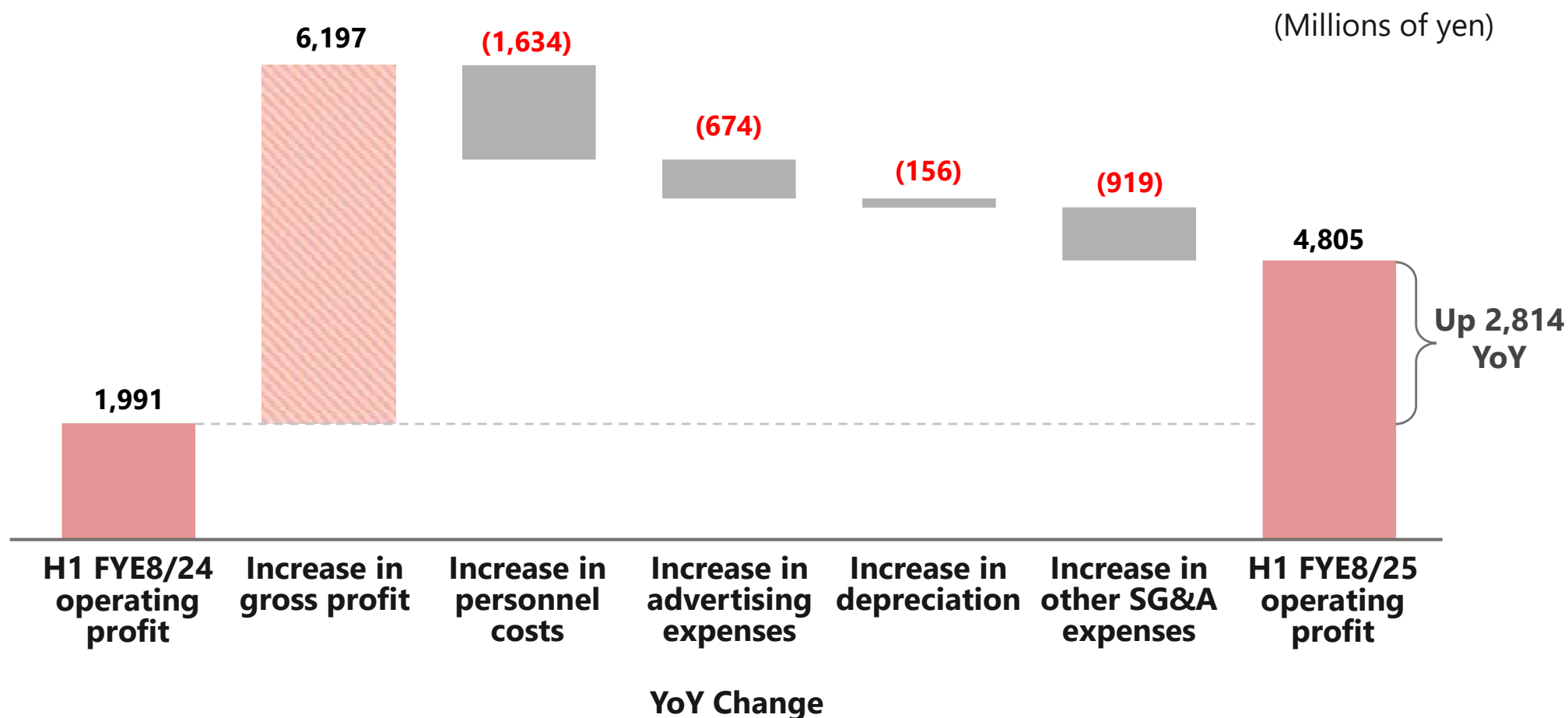
H1 FYE8/2025 P/L: YoY Change and Progress Toward Full-Year Forecast

Both net sales and profits hit all-time highs

(Millions of yen)	H1 FYE8/24 Actual (A)	H1 FYE8/25 Actual (B)	Full-Year FYE8/25 Forecast (C)	YoY Change (B – A) (B/A – 1)	Progress Toward Full-Year FYE8/25 Forecast (B/C)
Net sales	20,817	33,750	95,000	+12,933 (+62.1%)	35.5%
Gross profit	6,296	12,493	–	+6,197 (+98.4%)	–
Operating profit	1,991	4,805	16,500	+2,814 (+141.3%)	29.1%
Ordinary profit	1,940	4,154	15,000	+2,214 (+114.1%)	27.7%
Profit attributable to owners of parent	1,292	2,453	10,000	+1,161 (+89.8%)	24.5%

H1 FYE8/2025: Analysis of Changes in Operating Profit

Operating profit increased by ¥2.8bn YoY, despite higher personnel costs resulting from business expansion and increased advertising expenses to enhance awareness of our hotel and logistics services



B/S as of Feb. 28, 2025: Changes from Aug. 31, 2024

Raised funds by issuing Euroyen CBs in November 2024




(Millions of yen)	As of Aug. 31, 2024 (A)	As of Feb. 28, 2025 (B)	Difference (B – A)	% of total assets
Cash and deposits	11,064	23,404	12,340	22.7%
Accounts receivable - trade, and contract assets	1,709	2,465	756	2.4%
Real estate for sale, and costs on development business and other	48,670	52,757	4,087	51.1%
Advance payments	2,408	4,969	2,561	4.8%
Deposits paid	632	644	12	0.6%
Other	2,580	2,478	(102)	2.4%
Total current assets	67,066	86,720	19,654	84.0%
Property, plant and equipment	4,488	6,866	2,378	6.6%
Other non-current assets	5,986	9,658	3,585	9.3%
Total non-current assets	10,474	16,438	5,964	15.9%
Total deferred assets	7	115	108	0.1%
Total assets	77,549	103,273	25,724	100.0%

(Millions of yen)	As of Aug. 31, 2024 (A)	As of Feb. 28, 2025 (B)	Difference (B – A)	% of total assets
Short-term borrowings	10,780	12,179	1,399	11.8%
Current portion of long- term borrowings	5,256	16,866	11,610	16.3%
Other	6,093	7,843	1,750	7.6%
Total current liabilities	22,130	36,890	14,760	35.7%
Long-term borrowings	25,458	13,517	(11,941)	13.1%
Convertible bonds	–	22,000	22,000	21.3%
Other	2,220	2,026	(194)	2.0%
Total non-current liabilities	27,678	37,543	9,865	36.4%
Share capital	9,287	9,310	23	9.0%
Capital surplus	9,206	9,230	24	8.9%
Retained earnings and other	9,248	10,298	1,050	10.0%
Total net assets	27,739	28,839	1,100	27.9%
Total liabilities and net assets	77,549	103,273	25,724	100.0%

H1 FYE8/2025: Project Pipeline and AUM

Built up projects steadily, up ¥106.6bn from the previous fiscal year-end.
Total project pipeline and AUM grew to ¥598.2bn.

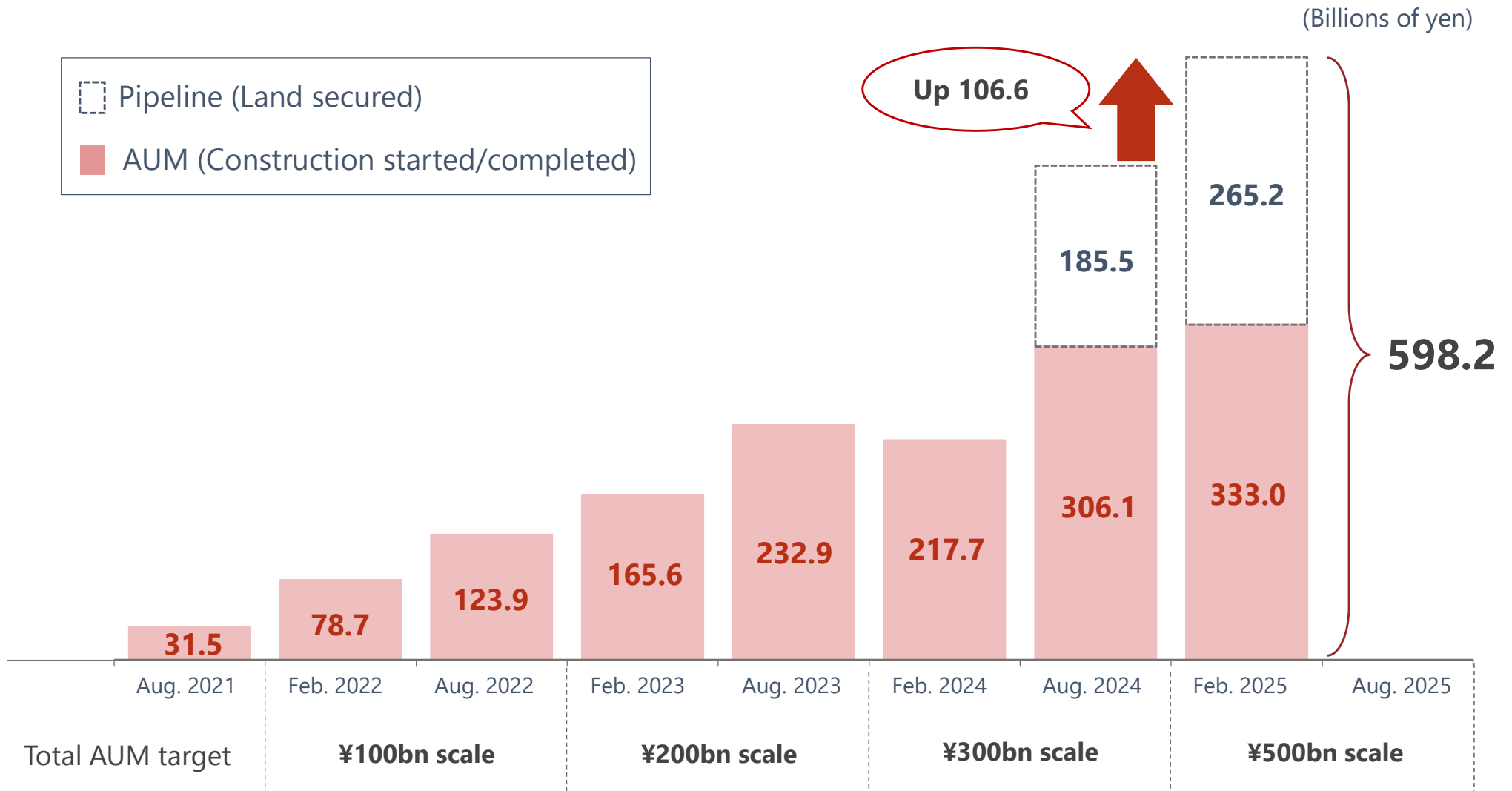
(Billions of yen, unless otherwise stated)

		As of Aug. 31, 2024		As of Feb. 28, 2025		Change (Amount)	Change (%)
		No. of projects	Project value*	No. of projects	Project value*		
Logistics		19	247.5	22	297.6	+50.1	+20.2%
Hotel		44	158.0	51	210.1	+52.1	+33.0%
Healthcare		15	37.0	16	39.5	+2.5	+6.8%
Alternative Investment	Overseas business	8	15.6	9	17.5	+1.9	+12.2%
	Residential funds	13 (4 funds)	33.4	13 (4 funds)	33.4	± 0.0	–
Total		99	491.6	111	598.2	+106.6	+21.7%

* Project value represents the total value of projects (including certain undisclosed projects) within each business on a cost basis.

H1 FYE8/2025: Progress of AUM

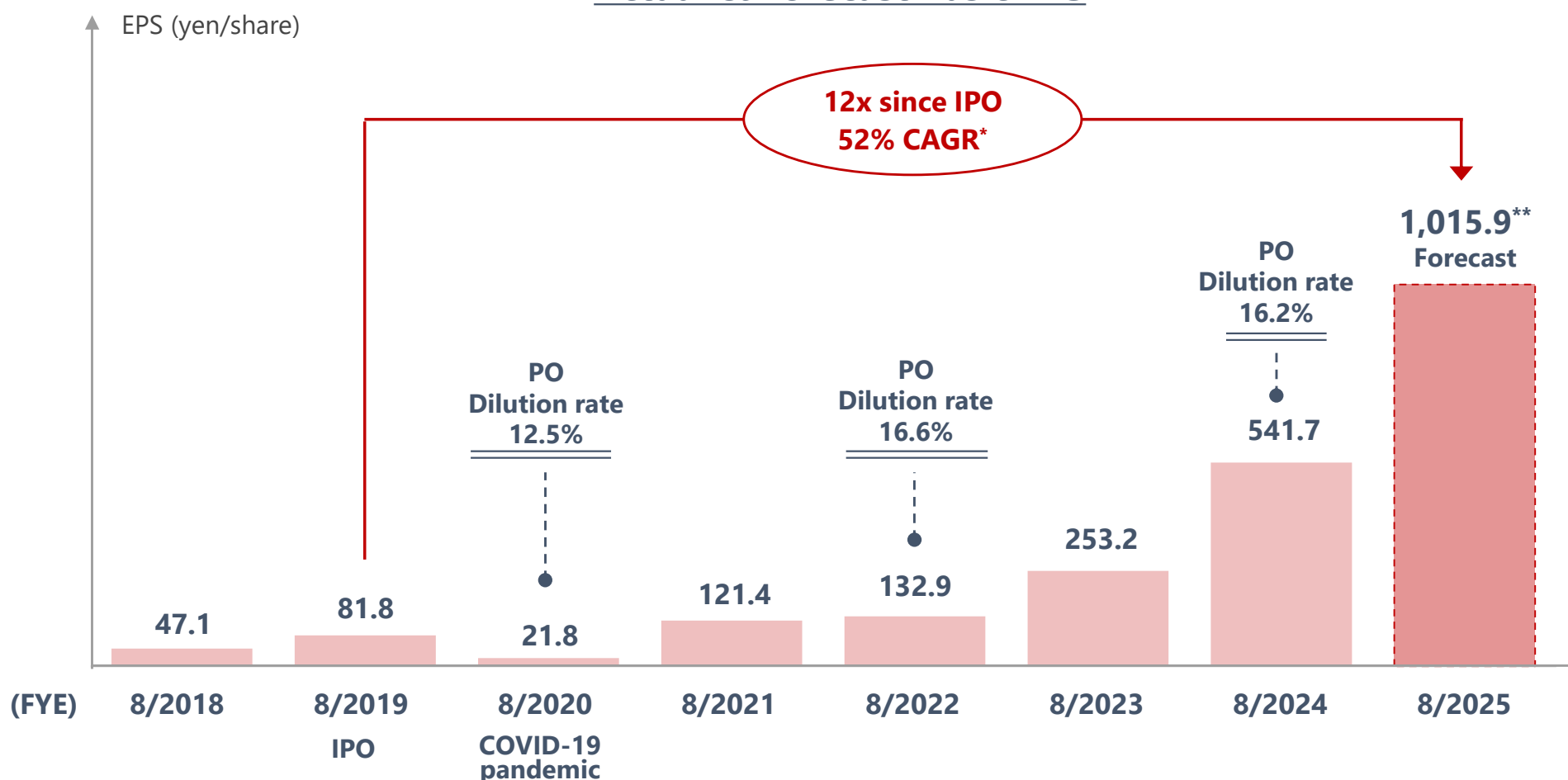
Total project value, including the pipeline, reached ¥598.2bn.
Average size of new project wins grew ~2.5x in 4.5 years.



Basic EPS Growth: Track Record

Basic EPS is projected to grow ~12x since IPO, despite the dilutions of shares. Its CAGR* is expected to reach 52%, outpacing the average annual dilution rate of 10%.

Actual & Forecast Basic EPS



* CAGR: Compound Annual Growth Rate; ** Forecast figure as stated in the Financial Report for First Two Quarters of Fiscal 2025

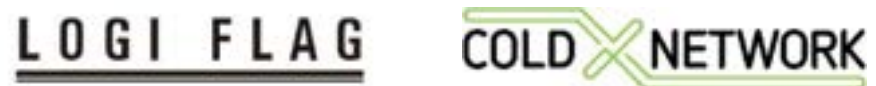


2 Business Overview

1. Hotel Business



2. Logistics Business



3. Healthcare Business



4. Overseas Business



1. Hotel Business



stay together, play together
みんないれば、もっと楽しい。

A simple and stylish group-stay hotel that balances efficiency and hospitality.
省人化とホスピタリティを両立した、シンプルスタイリッシュなグループステイ向けホテル。

**seven
X seven**
where luxury goes to play
ラグジュアリーを遊べ

A high-end hotel brand offering a new perspective on "modern luxury".
変わりゆく「今の時代のラグジュアリー」を提案する、ハイエンドホテルブランド。



***BLH**
BASE LAYER HOTEL

Support you comfortably. Please take home a memorable and enjoyable experience
快適な滞在と楽しい街遊びを支える基礎的機能を有するホテル

Topic 1: Active Buying and Selling of Properties

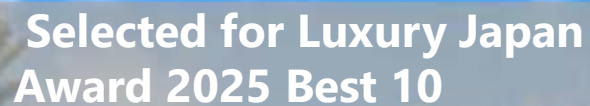
7 projects moved on to the development phase, with 4 sold in a lump sum to a single investor. Other projects also progressing smoothly, including the procurement of 9 development sites and the winning of 2 rebranding projects.

Recognized as revenue (10 projects)

Development phase	Yufuin Hotel PJ
External sale	Hotel Mid In Meguro Station Front
	Hotel Mid In Kawasaki Station Front
	Hotel Mid In Kuramae Station Front
Development phase	Nagoya Naka-ku Hotel Rebranding PJ
Development phase	Nagasaki Hotel Rebranding PJ
Development phase	Nagoya Marunouchi Hotel PJ
	Kanazawa-shi Katamachi Hotel PJ
	Asahikawa Hotel PJ
	Ujiyamada Hotel PJ

Procured (11 projects)

Sep.	Building	Nagasaki Hotel Rebranding PJ
Oct.	Site	Fujikawaguchiko Hotel PJ
	Site	Osaka Honmachi Hotel PJ
	Site	Asakusa Kaminarimon Hotel PJ
Nov.	Building	Nagoya Naka-ku Hotel Rebranding PJ
	Site	Miyako Irabujima Hotel PJ
	Site	Izumo Hotel PJ
Dec.	Site	Kamakura Yukinoshita Hotel PJ
	Site	Sendai Aoba-dori Hotel PJ
	Site	Matsuyama Ichiban-cho Hotel PJ
Jan.	Site	Gunma Kusatsu Hotel PJ
	Site	
Feb.		



► Location	254-19 Maesato, Ishigaki City, Okinawa
► Access	18 min. by car from Painushima Airport
► Rooms	121
► Opened in	September 2024



▶ Location	7-30 Yamanokuchi-cho, Kagoshima City, Kagoshima
▶ Access	5 min. walk from Tenmonkan-dori Station
▶ Rooms	63
▶ Opened in	December 2024



Project Pipeline List



Transferred to a core fund



Transferred to a development fund

Bold text indicates hotels scheduled for opening during FYE 8/2025.

Opened (15 projects)

	Project name	Number of rooms
1	fav Takamatsu	41
2	fav Hidatakayama	38
3	fav Kumamoto	67
4	fav Ise	36
5	fav Hiroshima Stadium	33
6	fav Hakodate	30
7	fav Kagoshimachuo	51
8	fav Hiroshimaheiwadori	51
9	fav Tokyo Nishi-nippori	24
10	fav Tokyo Ryogoku	19
11	FAV LUX Hidatakayama	53
12	FAV LUX Nagasaki	52
13	seven x seven Itoshima	47
14	FAV LUX Kagoshima Tenmonkan	63
15	seven x seven Ishigaki	121

Under development (15 projects)

	Project name	Number of rooms	Scheduled opening
16	BASE LAYER HOTEL Nagoya	186	May 2025
17	Gotemba Higashitanaka Hotel PJ	49	Aug. 2025
18	FAV LUX Shodoshima	45	Nov. 2025
19	Hiroshima Miyajimaguchi Hotel PJ	34	Feb. 2026
20	BASE LAYER HOTEL Fukuoka	Planning	Feb. 2026
21	Nagasaki Hotel Rebranding PJ	Planning	Oct. 2026
22	Ujiyamada Hotel PJ	49	Dec. 2026
23	Nagoya Naka-ku Hotel Rebranding PJ	Planning	Winter 2026
24	Awajishima Sumoto Hotel PJ	59	Mar. 2027
25	Yufuin Hotel PJ	39	Mar. 2027
26	Nagoya Marunouchi Hotel PJ	59	Apr. 2027
27	Kanazawa-shi Katamachi Hotel PJ	59	May 2027
28	Asahikawa Hotel PJ	64	Jun. 2027
29	FAV LUX Sapporo Susukino	84	Jul. 2025
30	Miyazaki-shi Tachibana-dori Higashi Hotel PJ	41	Jun. 2026

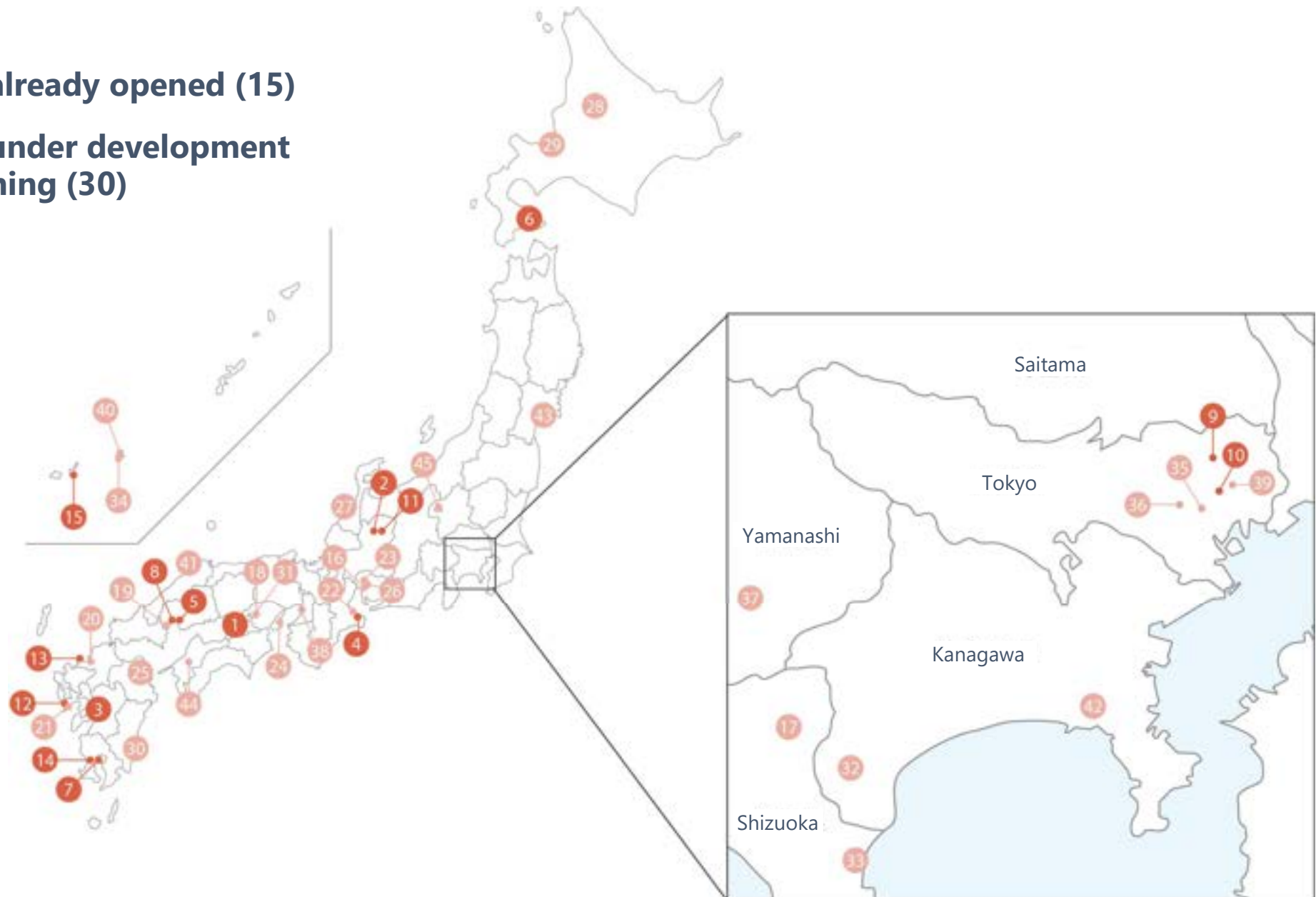
Under planning (15 projects)

	Project name	Number of rooms/ scheduled opening
31	Shodoshimakobe Hotel PJ	Planning
32	Hakonegora Hotel PJ	Planning
33	Atami Ginza-cho Hotel PJ	Planning
34	Miyako Nishihama Beach Hotel PJ	Planning
35	Ginza Hotel PJ	Planning
36	Shibuya-ku Hotel PJ	Planning
37	Fujikawaguchiko Hotel PJ	Planning
38	Osaka Honmachi Hotel PJ	Planning
39	Asakusa Kaminarimon Hotel PJ	Planning
40	Miyako Irabujima Hotel PJ	Planning
41	Izumo Hotel PJ	Planning
42	Kamakura Yukinoshita Hotel PJ	Planning
43	Sendai Aoba-dori Hotel PJ	Planning
44	Matsuyama Ichiban-cho Hotel PJ	Planning
45	Gunma Kusatsu Hotel PJ	Planning

Note: The schedule and number of rooms may change depending on the development status.

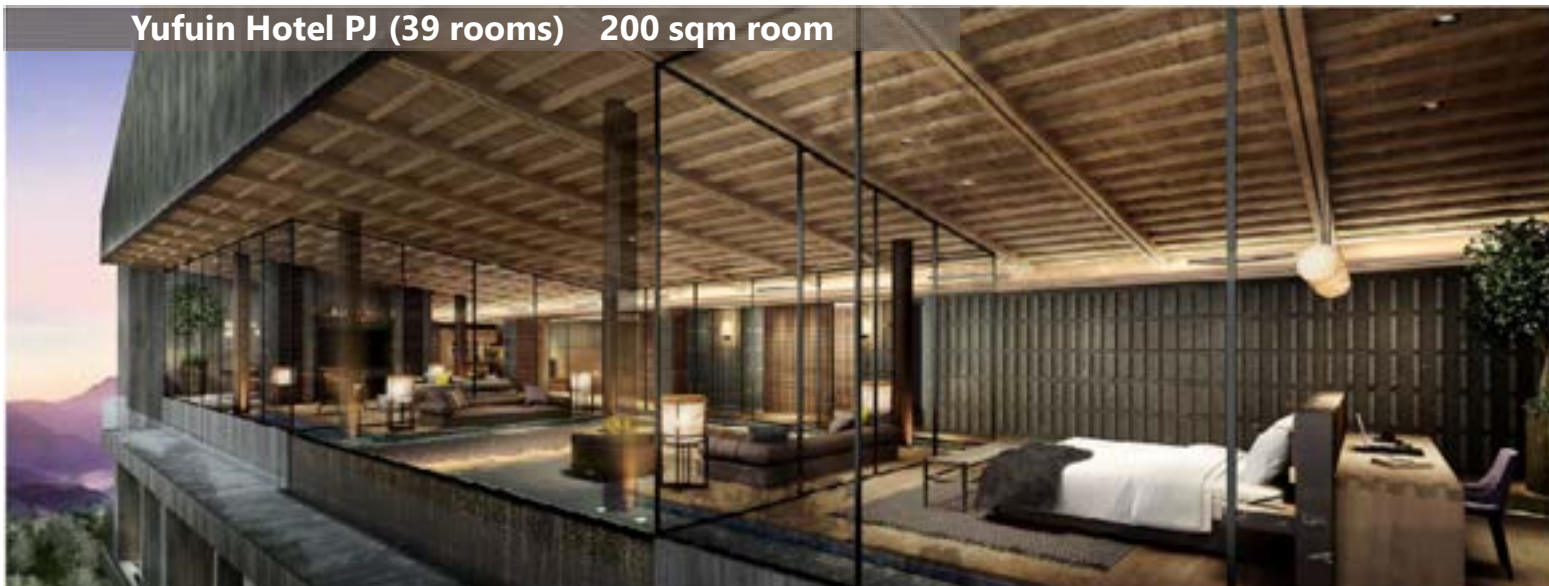
Project Pipeline Mapping

- Hotels already opened (15)
- Hotels under development or planning (30)



Projects in the Planning/Development Pipeline

Yufuin Hotel PJ (39 rooms) 200 sqm room



Nagoya Marunouchi Hotel PJ (59 rooms)



FAV LUX Shodoshima (45 rooms)



FAV LUX Sapporo Susukino (84 rooms)



Miyazaki-shi Tachibana-dori Higashi Hotel PJ (41 rooms)



Awajishima Sumoto Hotel PJ (59 rooms)

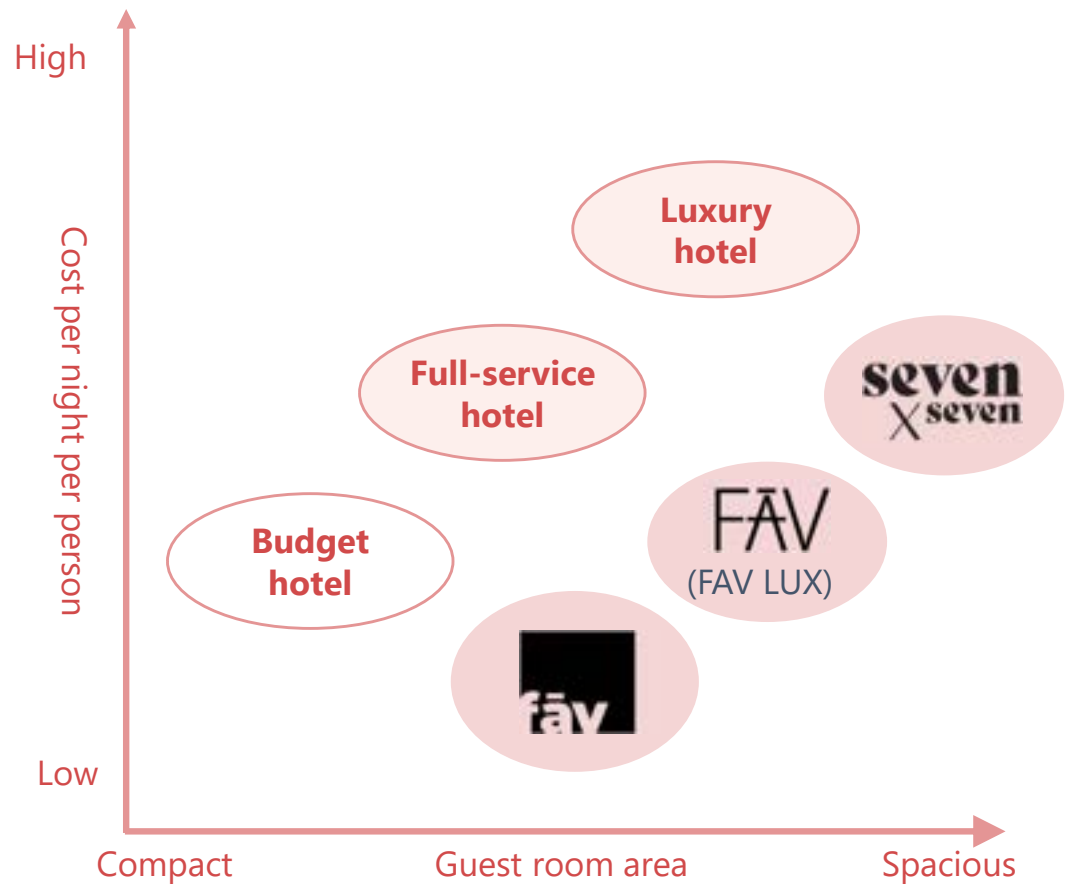
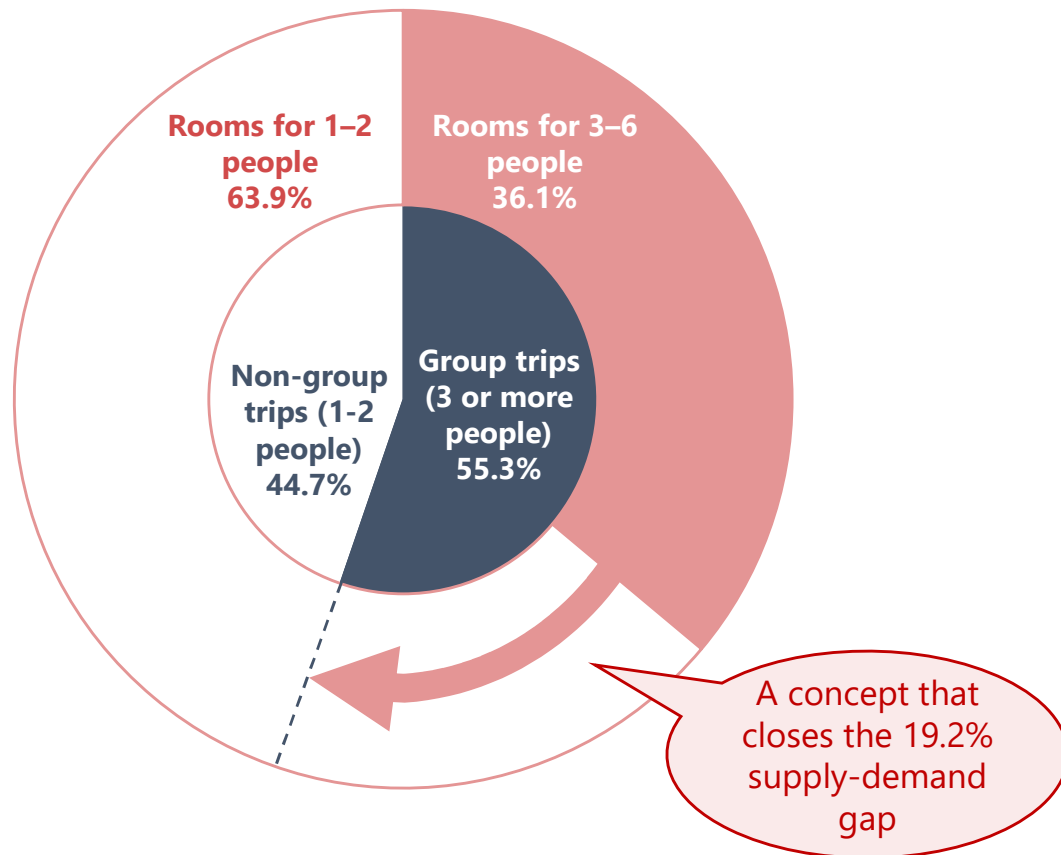


Note: The images shown are renderings, and the design may change.

The target of fav

Focusing on the fact that there are not enough multi-occupant rooms to meet the demand for group trips with three or more people, we launched the FÄV brand that responds to the need for group accommodation and long-term stays.

Large, stylishly-designed rooms for multiple occupants priced on a room-by-room basis, offering stylish yet affordable travel.



Sources: Left graph – Created by our company based on “Travel and Tourism Consumption Trend Survey, January – December 2018” and “2020 Travel and Tourism Consumption Trend Survey, Annual Report – List of Aggregate Items” issued by Japan Tourism Agency, Ministry of Land, Infrastructure, Transport and Tourism; “Statistical Survey on Business Status” issued by Japan Ryokan & Hotel Association; and “2019 Report on Public Health Administration and Services” issued by Ministry of Health, Labour and Welfare.

A low-risk profit model built on a thorough labor-saving operation

Digitalization of hotel operation

■ Labor-saving operation



- Self check-in
- Keyless entry
- Mobile ordering
- Self check-out

■ Streamlined data management



Real-time dashboard

Get an instant grasp of reservation status, occupancy rates, sales forecasts, etc.

Smartphone access anytime

Check data in real time, both from the office and remotely

AI chat assistant

Ask intuitive questions and access data in need and analysis results instantly

Integration of food/beverage area and front desk




JUNE COFFEE



coffee
SUPREME





Collaboration with various content partners for each hotel brand

seven X seven
ISHIGAKI

BATIDA

Red.

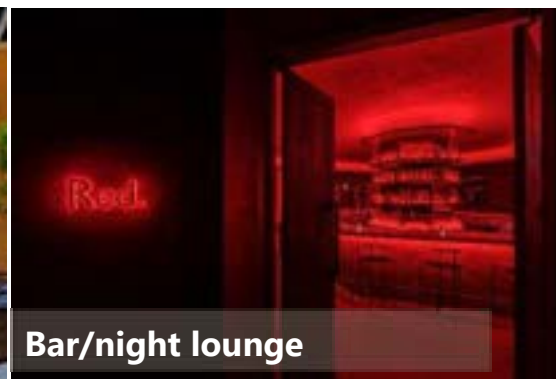
sky bar

Partner: fridays inc.

A company that designs spaces where people can enjoy themselves, by combining a variety of experiences, such as music, art, hotels, and saunas, with food as the core element.



Main dining



Bar/night lounge

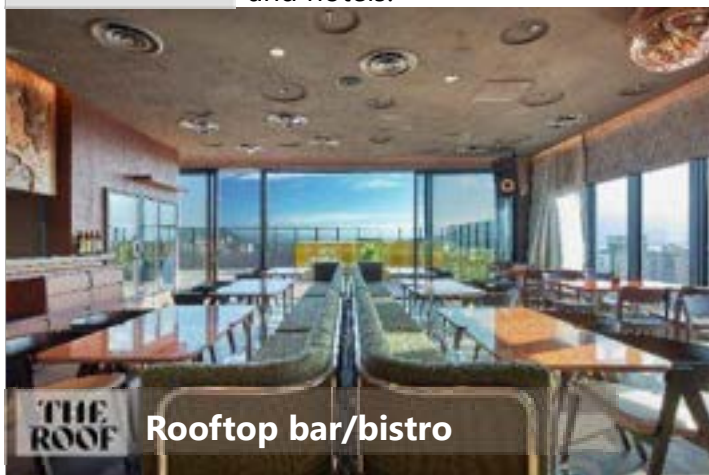


Poolside bar

FÄV
KAGOSHIMA TENMONKAN

Partner: TRANSIT HOLDINGS INC.

A company leading the creative scene in Japan that engages in the operation and production of restaurants, cafes, shops, and hotels.



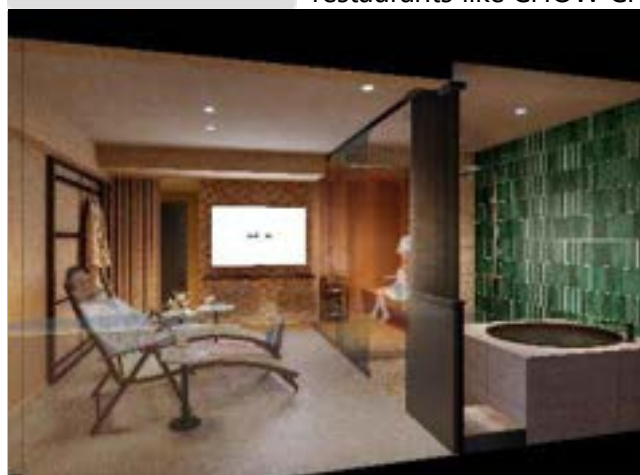
THE ROOF Rooftop bar/bistro



*BLH

Partner: Greening co., ltd.

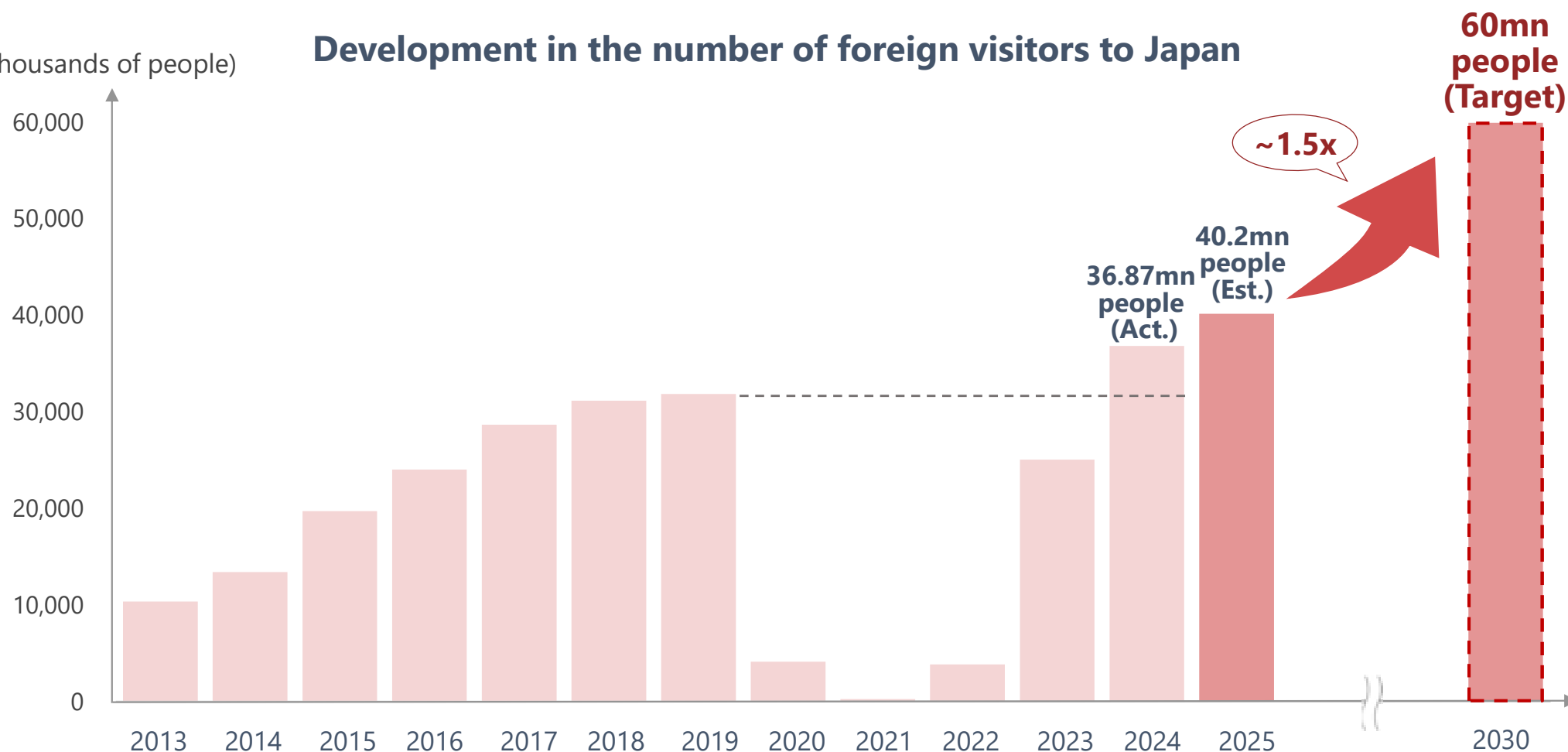
A content creator that runs unique hotels such as Numazu Club and MUSTARD™ HOTEL, as well as original restaurants like CHOW CHOW and GARDEN HOUSE.



The number of foreign tourists visiting Japan has exceeded the pre-pandemic level. With the government positioning tourism as a pillar of economic growth, a significant increase is expected going forward.

Development in the number of foreign visitors to Japan

(Thousands of people)



*Sources: Created by our company based on "Visitor Arrivals to Japan" issued by Japan Tourism Agency and "2025 Travel Trend Outlook" issued by JTB Corp.

2. Logistics Business



LOGI FLAG is a warehouse brand run by Kasumigaseki Capital. We will support our customers' lives and businesses by offering novel, more environmentally friendly logistics bases that meet the needs of the times and customers, including multi-tenant logistics facilities that support three temperature zones: dry, chilled and frozen; frozen & chilled warehouses; automated frozen warehouses; and HAZMAT (Hazardous Material) warehouses, across the country.



Rendering of LOGI FLAG TECH Osaka Nanko I



Inside of automated warehouse at LOGI FLAG TECH Tokorozawa I

Moved into the development phase (February)



LOGI FLAG TECH Koshigaya I

Raised funds through non-recourse loans

■ Funders

- MUFG Bank, Ltd.
- Tokyo Century Corporation
- Real Estate Sustainability & Energy-Efficiency Diffusion (Re-Seed)

Moved into the core fund phase (March)



LOGI FLAG TECH Hachinohe I

Formed the first-ever fund for automated warehouse projects

■ Investor

Japan Infrastructure I, Limited Partnership

* An infrastructure fund for which Japan Extensive Infrastructure, Limited serves as an investment advisor

We are now in preparation for forming funds for other completed facilities.

Completed

LOGI FLAG TECH Tokorozawa I

Completed

LOGI FLAG TECH Hachinohe I

Construction started

(Provisional name)
LOGI FLAG TECH Higashi-Ogishima I

Construction started

LOGI FLAG COLD Narashino I

Construction started

LOGI FLAG TECH Nagoya Minato I

Development site acquired

HAZMAT (Hazardous Material) warehouse in Kanagawa Prefecture

Completed

LOGI FLAG COLD Osaka Ibaraki I

Construction started

LOGI FLAG TECH Osaka Nanko I

Construction started

LOGI FLAG TECH Koshigaya I

We acquired development site in Kanagawa for our first HAZMAT (Hazardous Material) warehouse. Automation will increase investment profitability, which has been a bottleneck for HAZMAT warehouses.

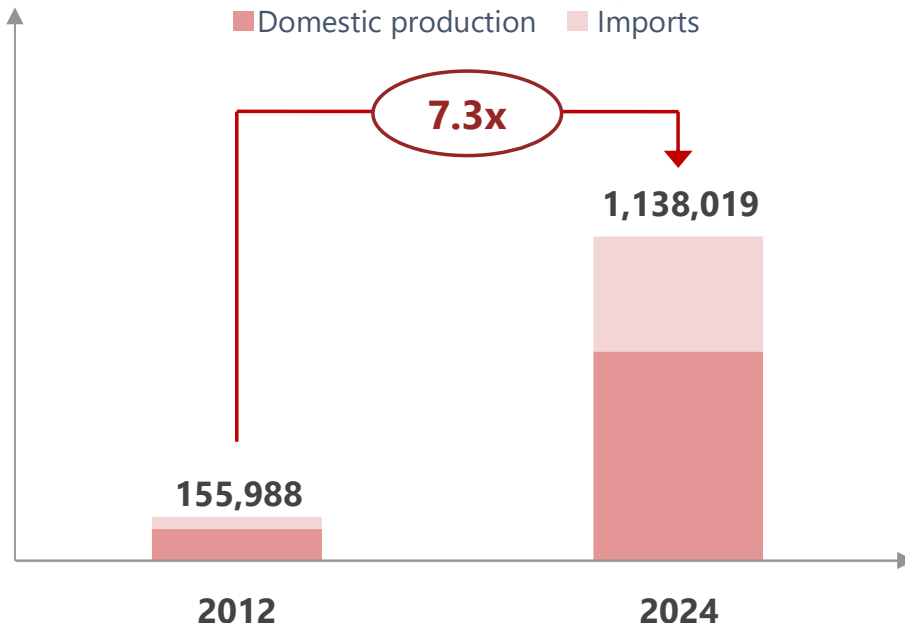
Surging demand for HAZMAT warehouses

Greater compliance awareness

Increasing transaction value of lithium-ion batteries and other hazardous materials

Trends in production and imports of lithium-ion batteries

(Millions of yen)

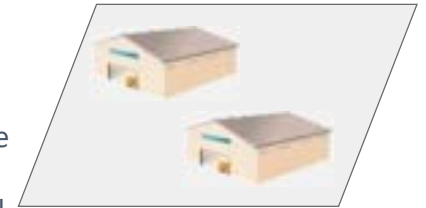


Sources: Prepared by Kasumigaseki Capital based on "Production Statistics" by Ministry of Economy, Trade and Industry and "Trade Statistics of Japan" by Ministry of Finance

Automation will increase investment profitability

Conventional HAZMAT warehouses

- Multiple small-sized warehouses are scattered across the premises due to area and open-space ratio regulations.
- As HAZMAT warehouses need to be single story, **it is difficult to secure sufficient building height**, resulting in a substantial unused floor-area ratio in general.



Automated HAZMAT warehouses

- Automating HAZMAT warehouses enables the more effective use of floor-area ratio **by providing a building height of 20 m** even with a single-story structure.

Automation will increase storage capacity about threefold



- We are developing our Logistics Business with a focus on capital investment in frozen & chilled warehouses ahead of the chlorofluorocarbons (CFCs)/hydrochlorofluorocarbon (HCFC) phaseout in 2030 as well as on expanding demand for frozen & chilled warehouses with increased consumption of frozen foods.
- With a logistics brand called “LOGI FLAG” launched to meet various needs of customers, we will develop more versatile logistics facilities.

2 + 1 concept for business development

Cold chain
x
Environment friendliness

Realize the development of high value-added logistics facilities with environmentally friendly, cold-chain logistics facilities

Flexible storage options
x
Offering an optimal logistics hub

Develop a warehouse with flexible storage options at an optimal delivery location

Urbanization control areas
x
Development expertise

Leverage our development expertise to create real estate value in urbanization control areas

2 + 1 facility types we are focusing on

LOGI FLAG
COLD



Frozen & chilled warehouse

To meet the rapidly growing demand for frozen foods, we provide frozen & chilled warehouses equipped with frozen & chilled storage facilities by the lessor, which also comply with the 2030 CFCs/HCFC regulations

LOGI FLAG
TECH



Automated warehouse











We provide automated warehouses equipped with automated storage systems by the lessor, which offer significant benefit for facility users, such as efficient use of space, streamlined operations and labor-saving





LOGI FLAG
DRY & COLD

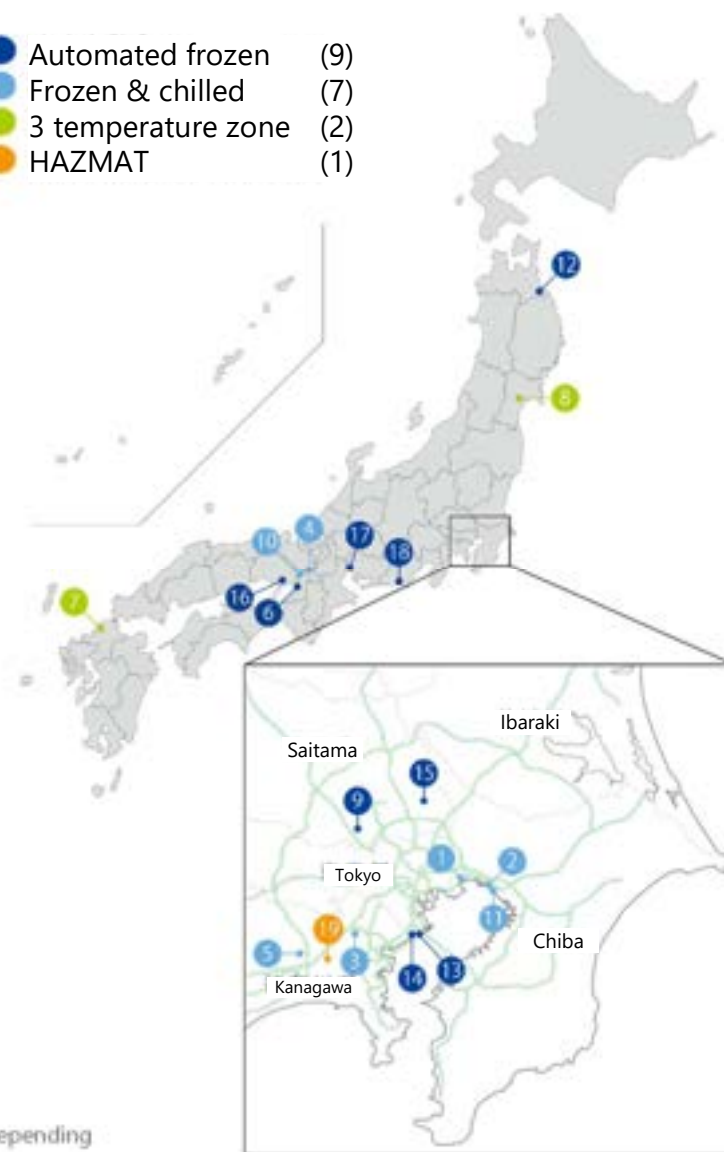


Three-temperature zone warehouse

We provide three-temperature zone warehouses tailored to meet our customers' needs in terms of locations, specifications and capacity

NO.	Location	Asset type	Total floor area*	Planned start of construction	Planned completion of construction
1	Ichikawa City, Chiba	Frozen & chilled	8,609 m ²	–	Completed 
2	Funabashi City, Chiba	Frozen & chilled	6,960 m ²	–	Completed 
3	Yokohama Kohoku Area	Frozen & chilled	10,979 m ²	–	Completed 
4	Kyoto City, Kyoto	Frozen & chilled	12,012 m ²	–	Completed 
5	Atsugi City, Kanagawa	Frozen & chilled	14,257 m ²	–	Completed 
6	Osaka Nanko Area	Automated frozen**	25,247 m ²	Started	October 2027
7	Koga City, Fukuoka	3 temperature zone***	35,901 m ²	–	Completed 
8	Sendai City, Miyagi	3 temperature zone***	36,758 m ²	–	Completed 
9	Saitama Tokorozawa Area	Automated frozen**	9,579 m ²	–	Completed 
10	Ibaraki City, Osaka	Frozen & chilled	29,357 m ²	–	Completed 
11	Narashino City, Chiba	Frozen & chilled	8,441 m ²	Started	April 2026
12	Hachinohe City, Aomori	Automated frozen**	15,918 m ²	–	Completed 
13	Kawasaki City, Kanagawa (1)	Automated frozen**	20,777 m ²	Started	Summer 2026
14	Kawasaki City, Kanagawa (2)	Automated frozen**	27,130 m ²	Summer 2025	Winter 2027
15	Koshigaya City, Saitama	Automated frozen**	14,362 m ²	Started	May 2027
16	Kobe City, Hyogo	Automated frozen**	19,238 m ²	Winter 2025	Winter 2027
17	Nagoya City, Aichi	Automated frozen**	20,345 m ²	Started	May 2026
18	Fukuroi City, Shizuoka	Automated frozen**	74,000 m ²	Spring 2026	Winter 2028
19	Kanagawa	Automated HAZMAT**	5,000 m ²	Spring 2026	Summer to fall 2027

-  Automated frozen (9)
-  Frozen & chilled (7)
-  3 temperature zone (2)
-  HAZMAT (1)



* Total floor area figures have been rounded off to the closest whole number. The total floor areas and schedule shown above may vary depending on the status of each project's development.

** As the automated warehouses listed above have an open-ceiling structure and no floors, total floor area figures represent the reference area used to calculate the floor-area ratio including the area of virtual floor.

*** A three-temperature zone warehouse is a logistics facility that supports three temperature zones: dry, frozen & chilled.

Projects for Developing Relay Transport Bases

We will develop 2 relay transport bases, seeing the so-called “2024 problem”—labor shortages due to tighter overtime restrictions for truck drivers—as a business opportunity.



We will develop cutting-edge relay transport bases that address the 2024 problem, capturing the need for cargo switching in the Chubu region.

Advantage of relay transportation:
Cargo transshipment at relay bases, improving return loading ratio

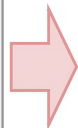


We launched the frozen storage service at our first automated frozen warehouse LOGI FLAG TECH Tokorozawa I.

Flexible frozen storage service that can adapt to seasonal changes in demand

Conventional warehouses

- × Short-term contracts
- × Small-lot storage
- × Urgent availability



COLD X NETWORK

- From one day
- From one case
- Start using immediately following registration

◆ Seasonal goods available for frozen storage

Osechi Ryori (traditional Japanese New Year's dishes), Christmas cakes, ice cream, etc.



Monitors at office



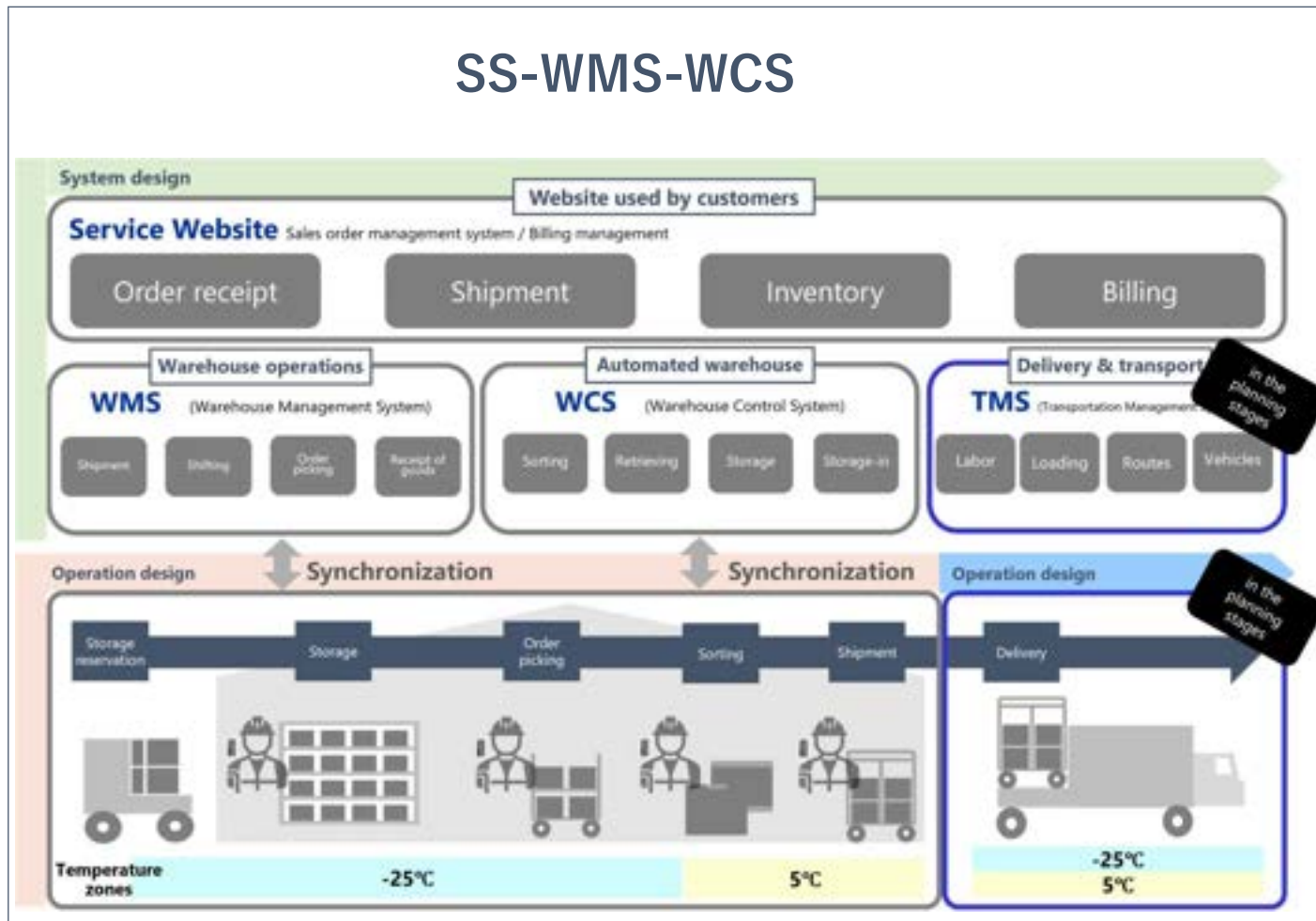
Conceptual drawing of inside the automated warehouse



Started cooperation with a major transportation company as a part of the overall system concept.

System and operation construction is underway to improve service convenience.

SS-WMS-WCS



TMS (Transportation Management System)

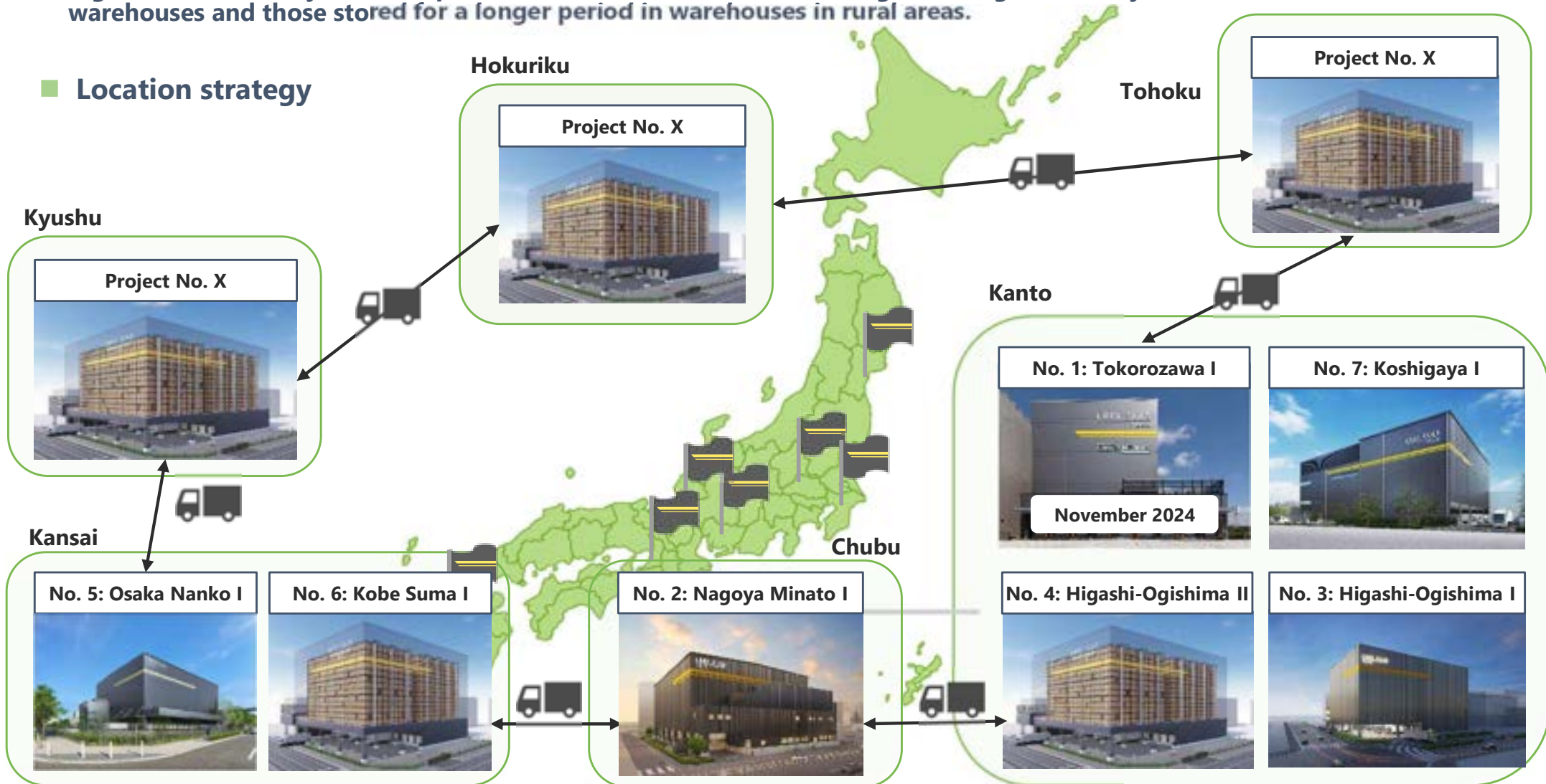
- ◆ Utilization of nationwide network
- ◆ Simplification of procedures
- ◆ Schedule Stability



Frozen Storage Service Business: Future Vision

- We will develop convenient frozen warehouses, where users can put their cargo in storage whenever and as many/much as they want, across the country.
- We are considering operating the frozen storage service according to location characteristics by, for example, providing regular truck delivery and transport between warehouses to store cargo with high inventory turnover in downtown warehouses and those stored for a longer period in warehouses in rural areas.

Location strategy



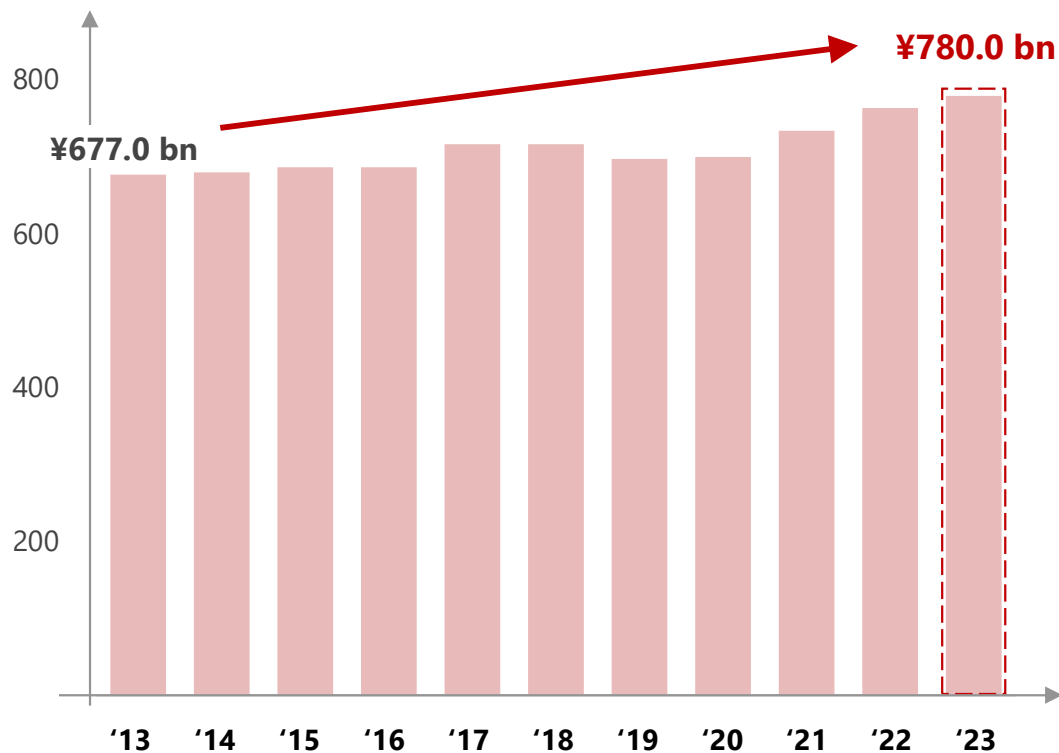
* Locations marked with flags and projects shown above are our current assumptions and may vary in the future.

Market Environment: Domestic Demand for Frozen & Chilled Warehouses

Consumer spending on and per-capita consumption volume of frozen foods are growing firmly. Demand for frozen & chilled warehouses is expected to expand as the consumption volume of frozen foods is projected to continue increasing, driven by changes in people's lifestyles, such as rising single-person households and women's social advancement.

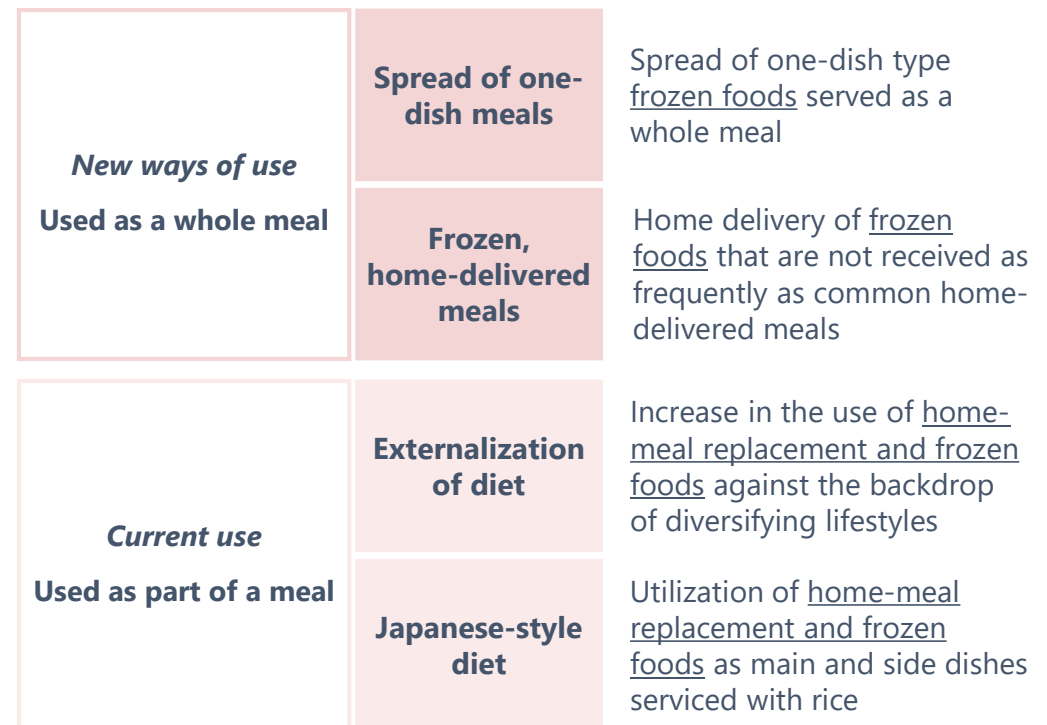
Trends in consumer spending on frozen foods

(Billions of yen)



Source: Prepared by Kasumigaseki Capital based on "Consumption Volume of Frozen Food in Japan (1968-2020)" by Japan Frozen Food Association

▷ Further increase in demand for frozen foods



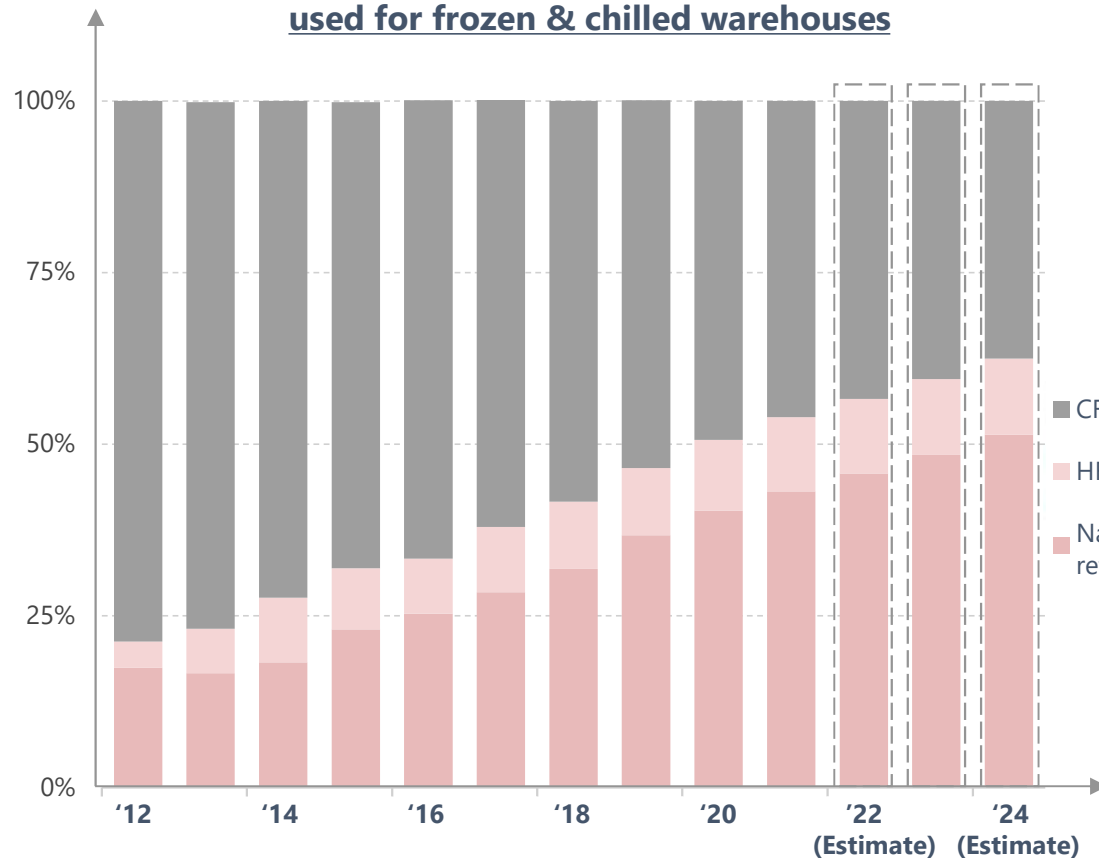
Sources: Prepared by Kasumigaseki Capital based on the definition of "Externalization of diet" and "FY2019 Annual Report on Food, Agriculture and Rural Areas in Japan" by Ministry of Agriculture, Forestry and Fisheries and "Medical and Healthy Meal Service Market 2023" by Yano Research Institute

Market Environment: Reconstruction Demand for Frozen & Chilled Warehouses

There are calls for a shift to frozen & chilled warehouses using natural refrigerants with a lower impact on the global environment.

Since there exist many frozen & chilled warehouses with building age of over 20 years, reconstruction demand for such warehouses is expected to increase going forward.

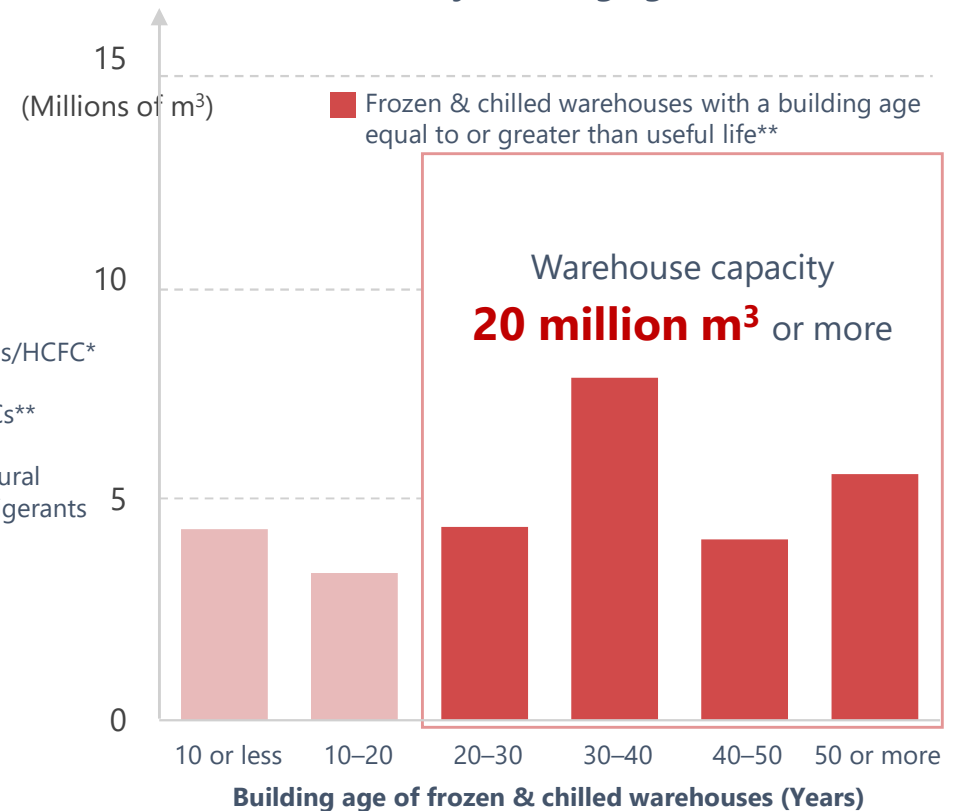
Trends in refrigerants
used for frozen & chilled warehouses



Sources: Prepared by Kasumigaseki Capital based on "Future Forecast of HFCs-using Equipment—For Avoiding Future Crisis" by Japan Refrigerants and Environment Conservation Organization and data published by Japan Association of Refrigerated Warehouses

* CFCs/HCFC: Chlorofluorocarbons/Hydrochlorofluorocarbon; ** HFCs: Hydrofluorocarbons

Warehouse capacity of
nationwide frozen & chilled warehouses
by building age*

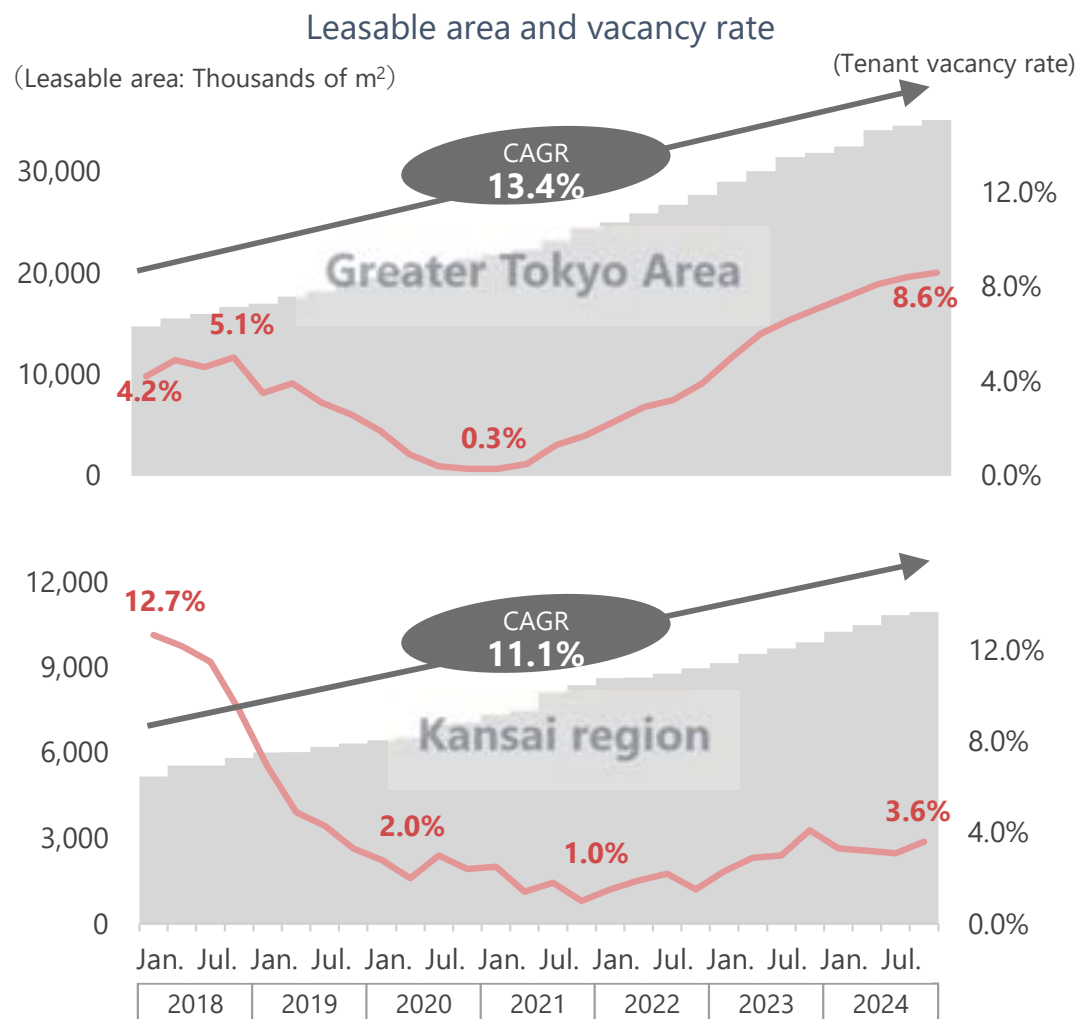


Source: Prepared by Kasumigaseki Capital based on data for December 2024 published by Japan Association of Refrigerated Warehouses

* Warehouse capacity = Total cubic space available for storage in a warehouse;

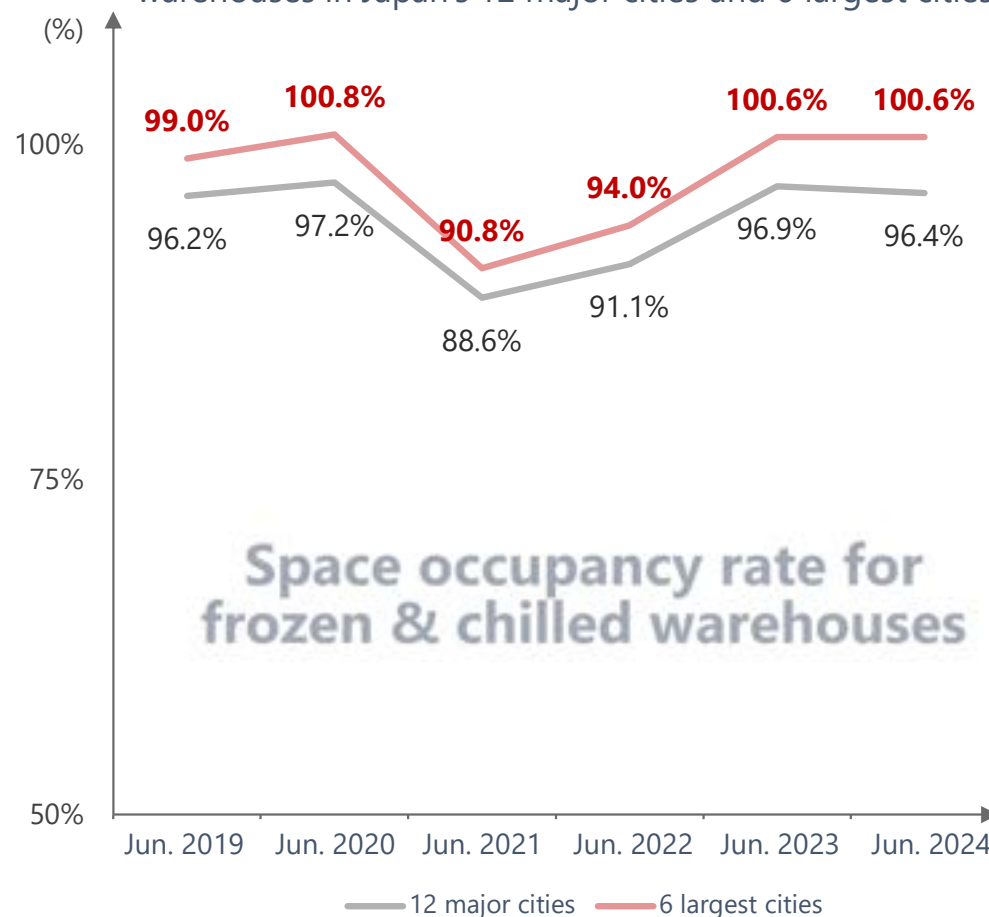
** Useful life: 19 to 21 years

Of logistics warehouses, supply and demand for dry warehouses remained sagging due the active development by competitors, whereas the number of frozen & chilled warehouses is gradually increasing, but the space occupancy remains tight, especially those in Japan's 6 largest cities.



Source: Prepared by Kasumigaseki Capital based on "Industrial Market Research January 2025" by Ichigo Real Estate Service

Trends in space occupancy rate for frozen & chilled warehouses in Japan's 12 major cities and 6 largest cities

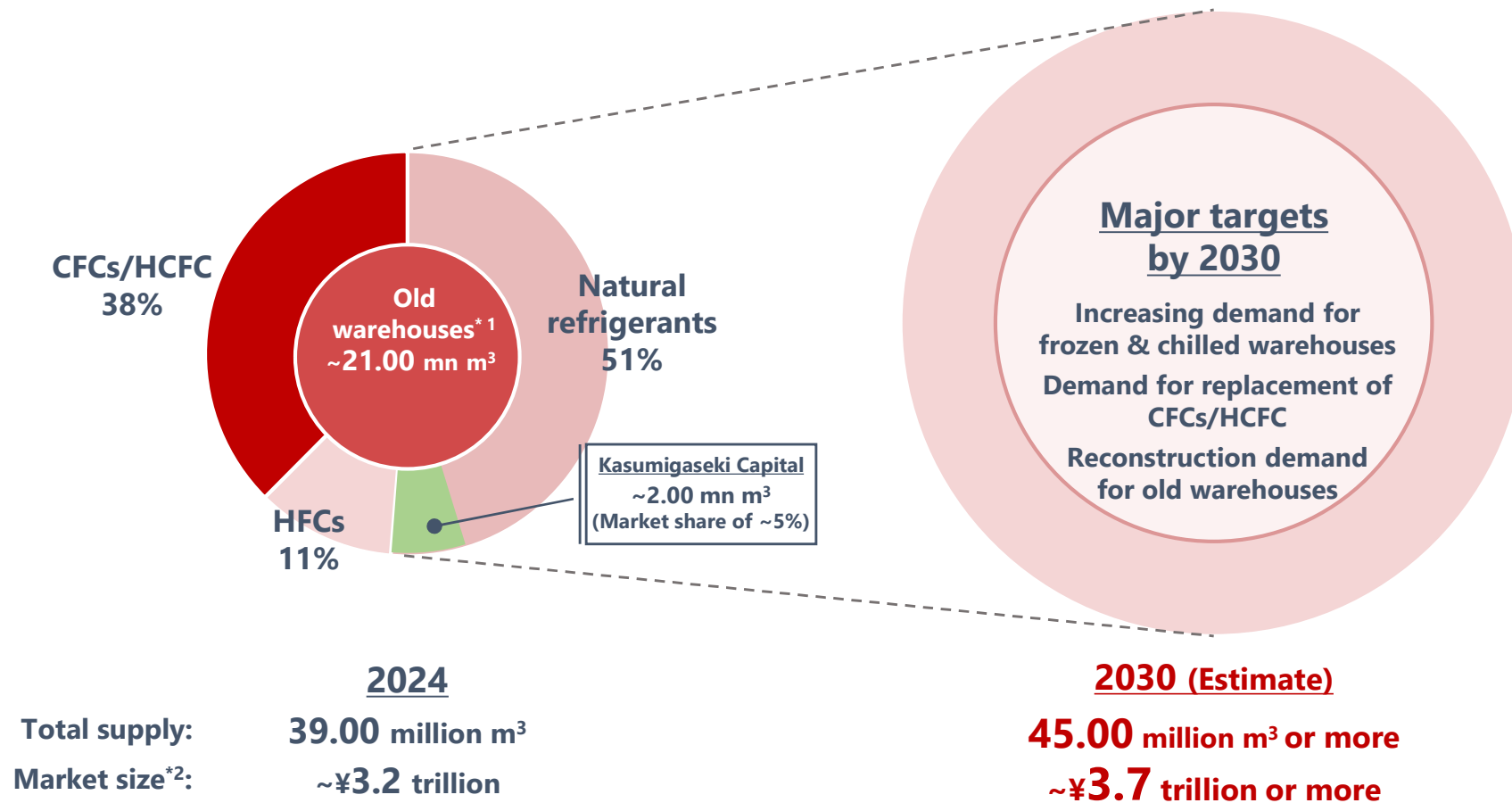


Source: Prepared by Kasumigaseki Capital based on statistics information data for 12 cities published by Japan Association of Refrigerated Warehouses

Market Size: Warehouse Capacity of Frozen & Chilled Warehouses

Demand for frozen & chilled warehouses is expected to remain firm going forward with the market driven by (i) increasing demand for refrigerated and frozen goods; (ii) demand for replacement of CFCs/HCFC; and (iii) reconstruction demand for old warehouses.

Trends in warehouse capacity of frozen & chilled warehouses in Japan*



Sources: Prepared using Kasumigaseki Capital's estimates based on "Quarterly Statistics on Warehouse Services" by Ministry of Land, Infrastructure, Transport and Tourism and data published by Japan Association of Refrigerated Warehouses and Yano Research Institute

*1. Old warehouses: warehouses of 20 years old or more

*2. Market size: calculated based on the assumption that construction and other costs amount to ¥1.5 million/tsubo (3.3 m²) and a height of 5.5 m

Offering Solutions with Automated Frozen Warehouses

■ Conventional warehouses

Reducing human errors, etc.

Time for searching specific cargo



Storage/retrieval errors



Damage to cargo

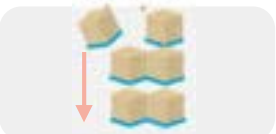


- Loss of time, storage/retrieval errors, damages to cargo by forks of forklift trucks, etc. occur in warehouses where the locations of stored cargo are tracked by humans.

Collapse of cargo



Cargo fell off from a height



Frostbite (frozen space)



- Occupational accidents, such as falling of stored cargo and forklift accidents, occur in warehouses where humans take in and out cargo stored in high places.
- Conventional warehouses require time not directly relevant to work as it is necessary to set break times at a warming room, etc. to prevent frostbite and other occupational accidents in a -25°C working environment.

Preventing occupational accidents
Improving working environment

Automated warehouses

▷ Solutions we offer

Storage/retrieval stations



Automatically taking out stored cargo from storage locations to incoming/outgoing locations

Automation reduces storage/retrieval errors, damages to cargo, etc. by managing stored cargo information using a centralized management system and automatically taking out stored cargo

Automated frozen warehouses

-25°C



Humans are generally not allowed to enter the frozen storage area

Automation makes it unnecessary for humans to take in and out cargo stored in high places, enabling the prevention of occupational accidents and efficient warehouse management.

Conceptual Drawing of Our Automated Frozen Warehouse



* This conceptual drawing of an automated frozen warehouse planned to be developed is for illustrative purpose only and does not depict any particular project.

3. Healthcare Business



Rendering of a facility to be built under Tokyo Nerima City Project



Rendering of a facility to be built under Tokyo Fuchu City Project

* The above renderings are perspective drawings. Therefore, the actual design and other features of the facilities may vary.

We launched 3 CLASWELL-branded hospice residences.



- ▶ **Location** 2-11-11 Mukaihara, Itabashi City, Tokyo
- ▶ **Access** 6 mins walk from Kotake-Mukaihara Station
- ▶ **Guest rooms** 59 rooms
- ▶ **Opened in** November 2024



- ▶ **Location** 14-7 Minami-Motomachi, Shinjuku City, Tokyo
- ▶ **Access** 5 mins walk from Shinanomachi Station
- ▶ **Guest rooms** 48 rooms
- ▶ **Opened in** February 2025



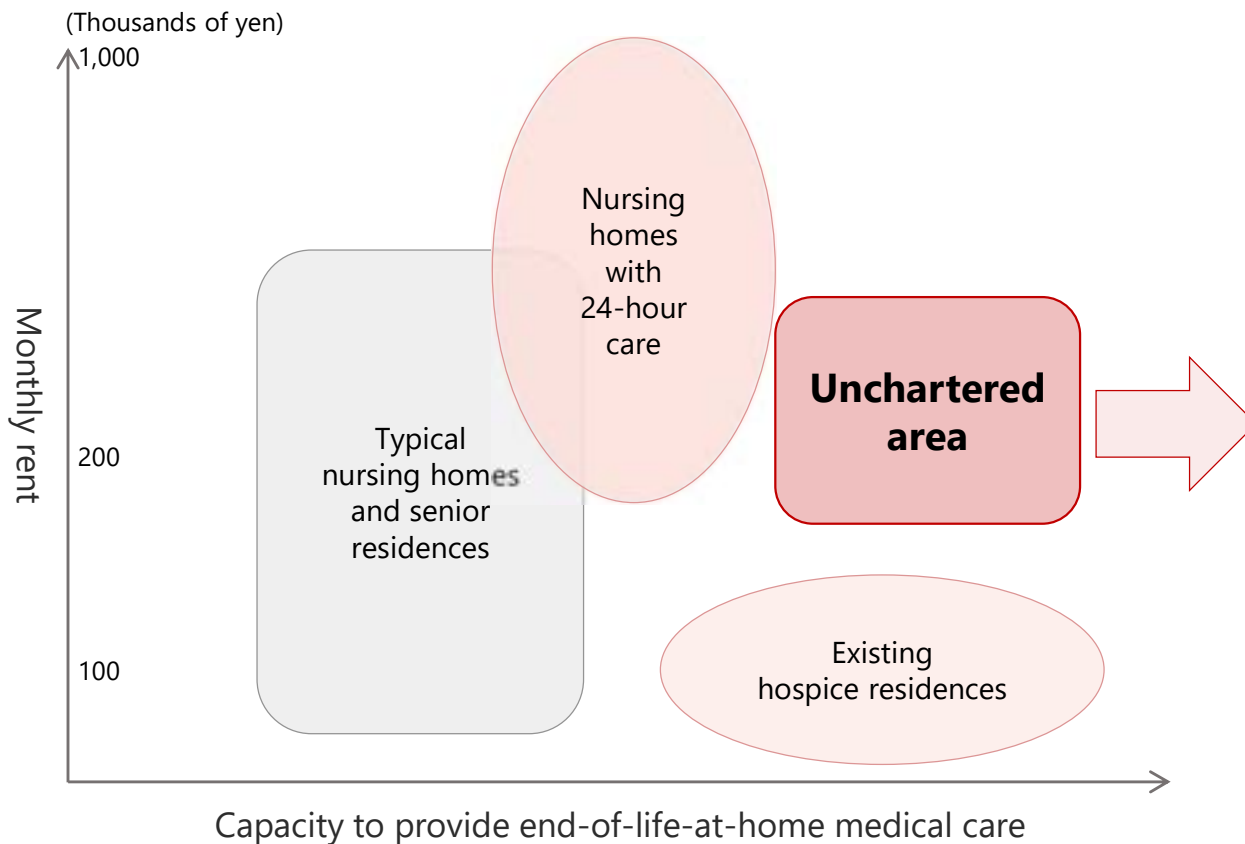
- ▶ **Location** 2-33-3 Shimo-Shakujii, Nerima City, Tokyo
- ▶ **Access** 9 mins walk from Kami-Igusa Station
- ▶ **Guest rooms** 50 rooms
- ▶ **Opened in** March 2025





While demand for hospice residences has been increasing, there are limited number of facilities where users would be happy for their own parents to live or facilities where users themselves would be happy to live.

Example: Positioning of senior care facilities and residences in Tokyo 23 wards



We provide facilities positioned in a currently underserved market as hospice residences.

Locations near railway stations

Easy access to railway stations makes it easier for families to visit frequently and for facility staff to commute to work

Design

Using the knowledge cultivated through our Hotel Business, we provide spaces that are comfortable for both residents and their families

Facility planning capacity

Leveraging our operational knowledge and playing a part in the early stages of land purchase and development allows us to plan highly functional facilities

We aim to provide residences where people can live out the rest of their lives in a way that suits them



Design and operate facilities while valuing
“life adding color to the day”
based on the concept of “living as an extension
of daily life”



Living spaces with every attention paid to detail



Each room is around 18 square meters, with all rooms equipped with toilets as standard. The room space is designed to admit natural light with spacious comfort.

Cozy common spaces



We provide a comfortable entrance, lobby and lounge that family and friends will want to visit time and again.
We also actively hold events at the lobby.

Dining with pleasure



We offer meals prepared with care on the premises and a variety of food options for events.
Moreover, speech therapists (STs) provide residents with feeding training so as not to let them give up the pleasure of dining.

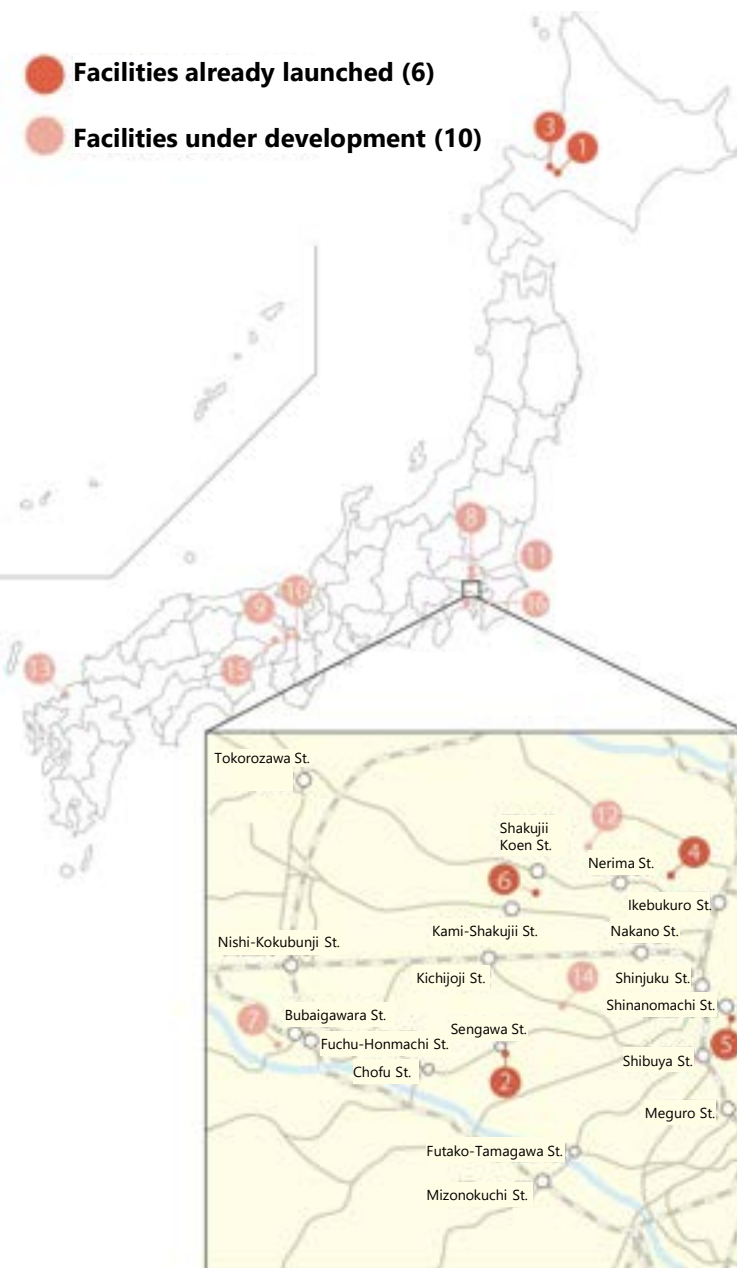
Facilities already launched

No.	Facility name	Location	Total floor area	No. of rooms
1	Palme Sumikawa Hospice	Minami Ward, Sapporo City	1,539 m ²	37 rooms
2	CLASWELL Sengawa	Chofu City, Tokyo	3,178 m ²	70 rooms
3	Palme Sapporo Chuo Hospice	Chuo Ward, Sapporo City	3,001 m ²	60 rooms
4	CLASWELL Kotake-Mukaihara	Itabashi City, Tokyo	2,336 m ²	59 rooms
5	CLASWELL Shinanomachi	Shinjuku City, Tokyo	1,770 m ²	48 rooms
6	CLASWELL Shimo-Shakujii	Nerima City, Tokyo	2,093 m ²	50 rooms

Facilities under development

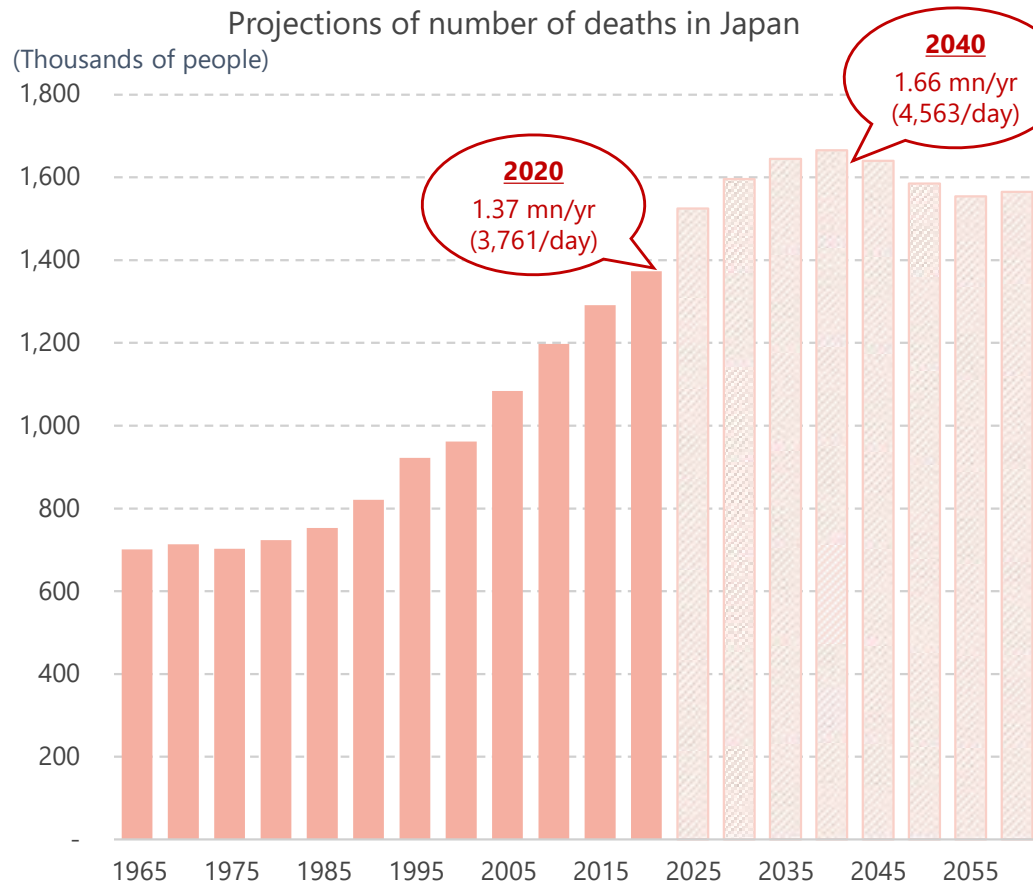
No.	Location	Status	Scheduled opening date	Total floor area	No. of rooms
7	Fuchu City, Tokyo	Under development	Early 2026	2,356 m ²	47 rooms
8	Saitama City, Saitama (2)	Under development	Early 2026	2,992 m ²	58 rooms
9	Toyonaka City, Osaka	Under development	Winter/spring 2026	2,435 m ²	56 rooms
10	Suita City, Osaka	Under development	Winter/spring 2026	2,128 m ²	56 rooms
11	Saitama City, Saitama (1)	Under development	Winter/spring 2026	2,628 m ²	60 rooms
12	Nerima City, Tokyo	Under development	Summer 2026	2,363 m ²	57 rooms
13	Fukuoka City, Fukuoka	Under development	Summer 2026	2,369 m ²	51 rooms
14	Suginami City, Tokyo	Under development	Fall 2026	2,149 m ²	50 rooms
15	Nishinomiya City, Hyogo	Under development	Winter 2026	2,201 m ²	44 rooms
16	Yokohama City, Kanagawa	Land acquired	Spring 2027	2,498 m ²	51 rooms

* The number of rooms and schedule may vary depending on the status of each project's development.

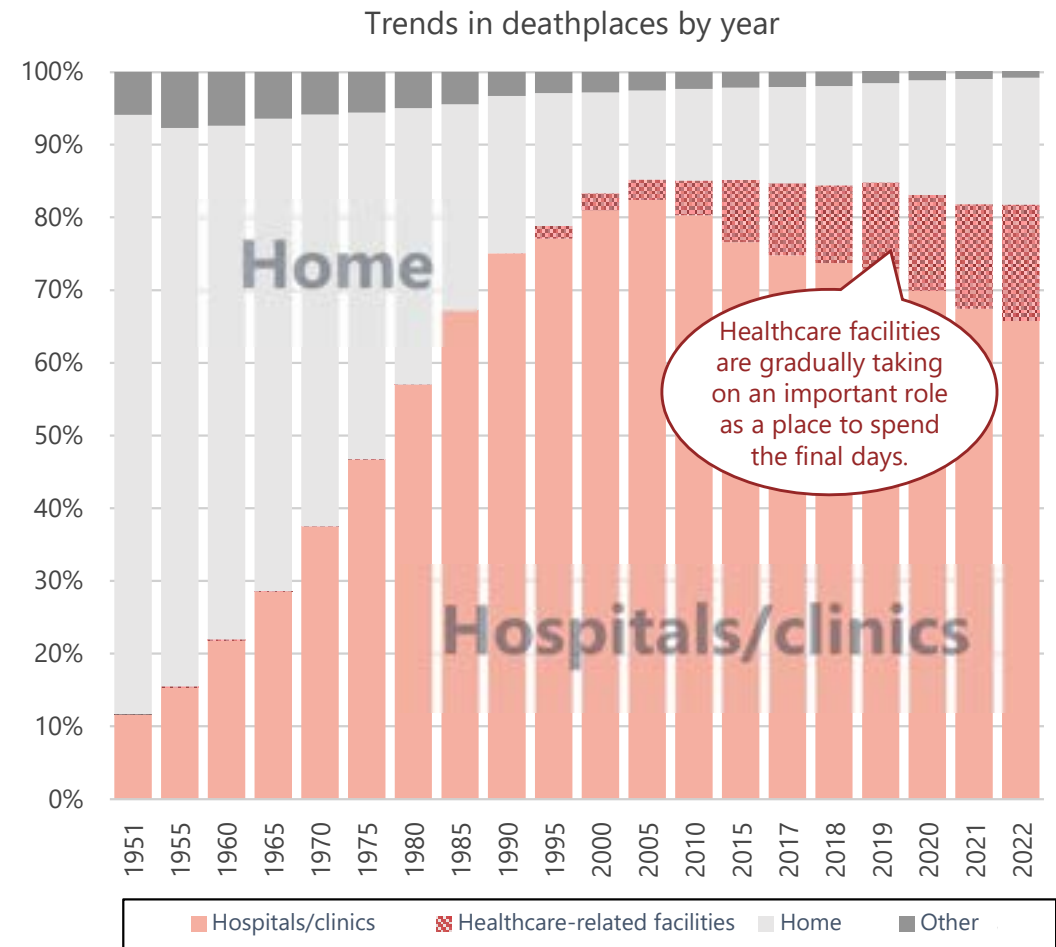




In the past, most people end their lives at home. However, during the years of steep economic growth, hospitals and clinics quickly became major places of death instead of homes. In recent years, the percentage of healthcare facilities has been rapidly increasing as a deathplace, replacing the share of hospitals and clinics. As such, healthcare facilities are gradually taking on an important role as a place to spend the final days.



Sources: "Vital Statistics of Japan, 2023" by Ministry of Health, Labour and Welfare for data up to 2020 and "Population Projections for Japan: 2021 to 2070 (2023)" (projection results with medium-fertility and medium-mortality assumptions) by National Institute of Population and Social Security Research for data from 2025 and beyond



Source: "Handbook of Health and Welfare Statistics 2021" by Ministry of Health, Labour and Welfare

* Aggregated figures for "Care medical center," "Maternity home," and "Home for the elderly" in the statistics as figures for healthcare-related facilities

4. Overseas Business



Conceptual illustration for Overseas Business

4. Overseas Business: Topics

We expect to sell real estate properties in a bundle in the second half of the fiscal year, while building up projects.

Royal Atlantis



- A luxury residence located in one of the most upscale resorts in Palm Jumeirah, Dubai
- A residential complex with a high-end hotel developed by Kerzner International, a leading developer in Dubai

Majestic Vistas



- A special collection of exclusive villas located in Dubai Hills, which incorporate design elements of Lamborghini
- A property developed by Emaar Properties, one of the largest developers in Dubai

Waves Grande



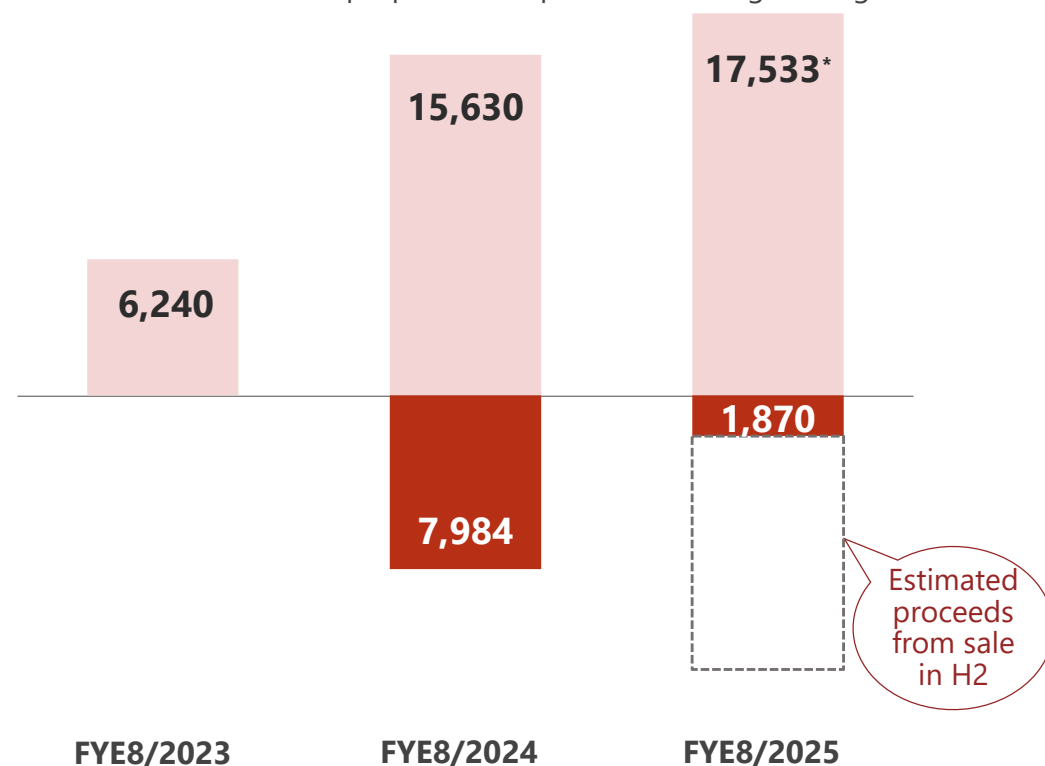
- A luxury residence with a panoramic scenic view of the waterfront and natural reserve
- A property developed by SOBHA Realty, a leading developer in Dubai

Inventories in Dubai and proceeds from sale of properties

■ Inventories in Dubai ■ Proceeds from sale (results)

(Millions of yen)

* Proceeds from sale of properties are presented in negative figures.



* Total balance of real estate for sale in Dubai and costs on development business and other as of February 28, 2025

4. Overseas Business: Dubai Real Estate Investment Strategy

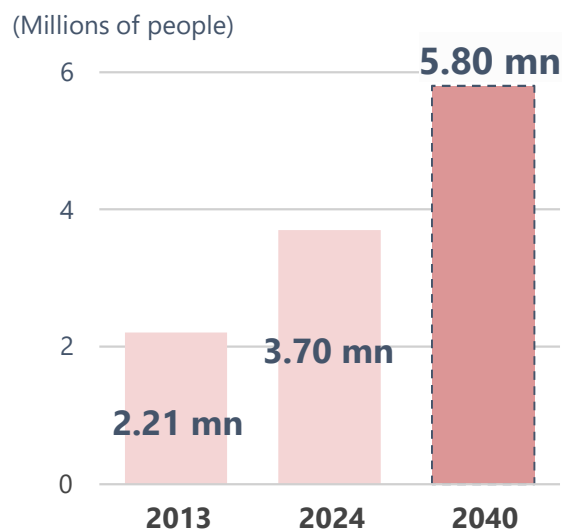
Dubai has attracted global attention in recent years as an investment destination. In particular, the real estate investment market is thriving.

We expect to see strong growth in luxury residences thanks to an increase in actual demand and the influx of wealthy individuals alongside the population boom.

1 Capturing the effects of rising populations and economic growth

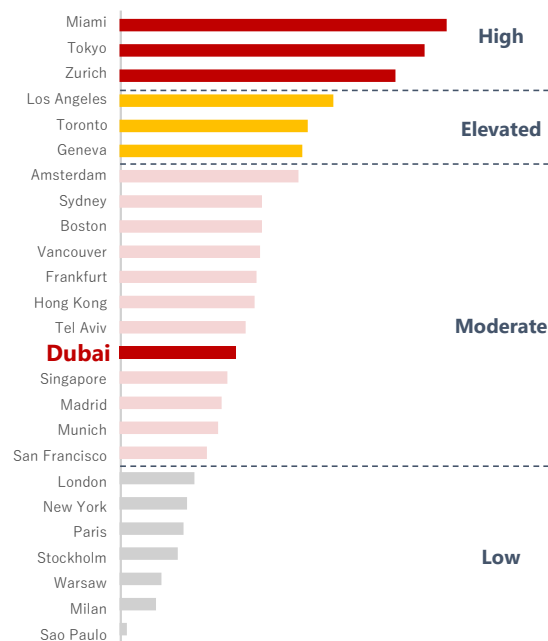
According to the Dubai 2040 Urban Master Plan (March 2021) published by the Dubai Government, the city plans to increase its population to 5.80 million people by 2040

Dubai population plan



2 Undervalued real estate prices

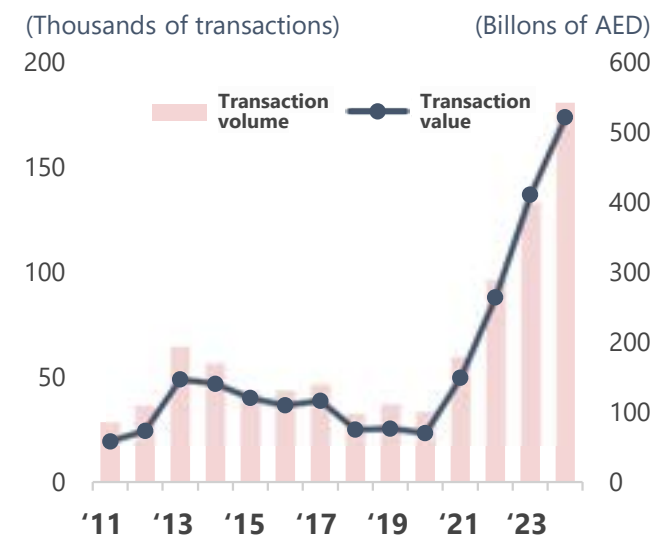
Property is relatively undervalued, with Dubai ranking 14th out of 25 cities worldwide in the UBS Global Real Estate Bubble Index (September 2024)



3 Booming real estate market

According to a Property Finder report, from 2021, Dubai real estate transaction volume increased at a CAGR of 44.6%, while transaction value rose at a CAGR of 51.9%

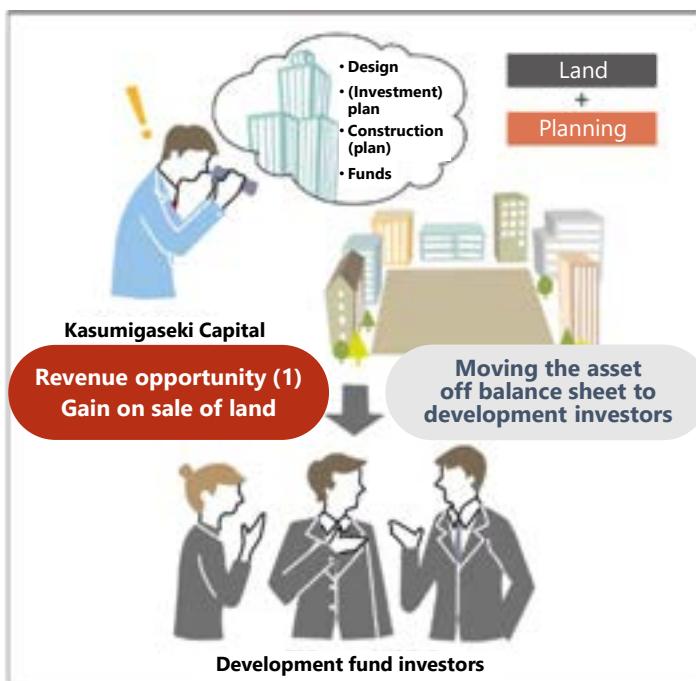
Real estate transactions in Dubai



3 Appendix

Business Model: Summary

We provide an investment platform for real estate development through our unique business model.

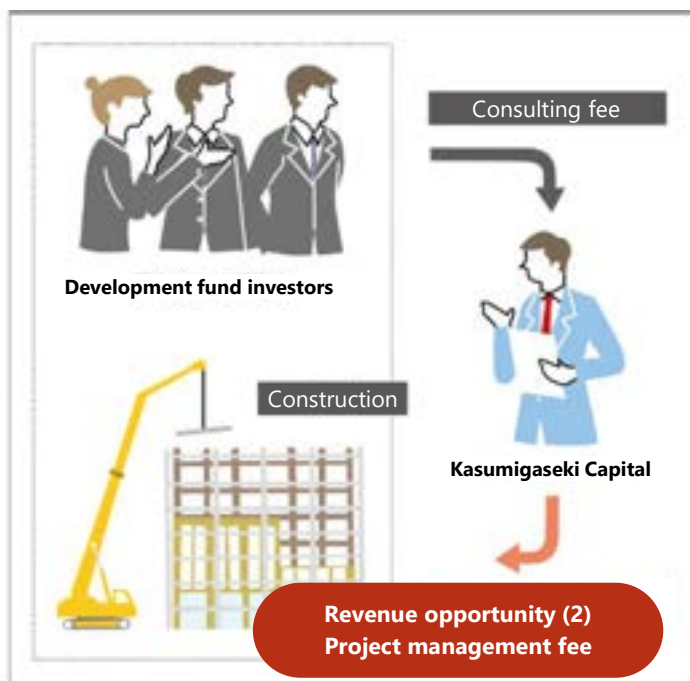


Revenue opportunity (1) (Gain on sale of land)

We hold acquired land as real estate for sale. Then we sell the land to development fund investors after adding value to it through the planning process

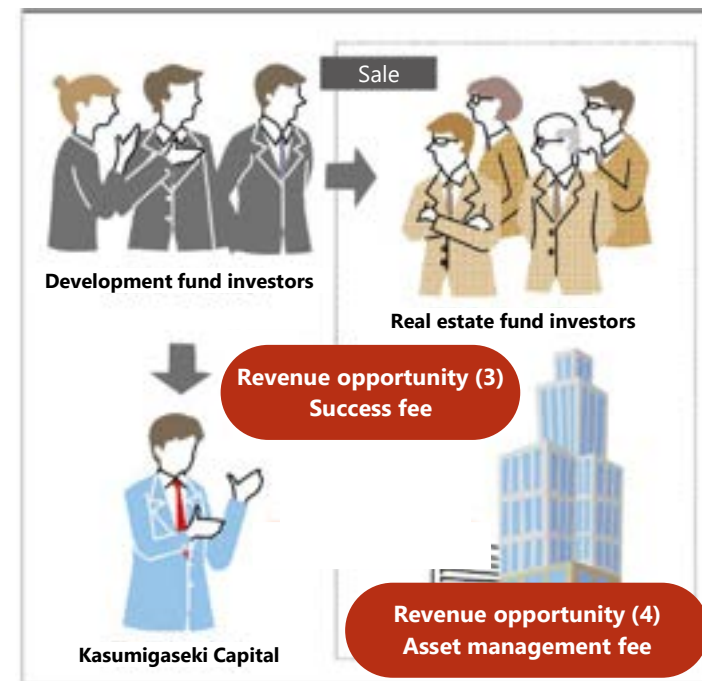
Off balance sheet

The sale of real estate for sale allows us to move the asset off balance sheet, enabling the development of the asset while maintaining financial soundness



Revenue opportunity (2) (Project management fee)

Development fund investors take initiative in construction. We take on the management of construction costs and schedule as a project manager and receive a project management fee as remuneration



Revenue opportunity (3) (Success fee)

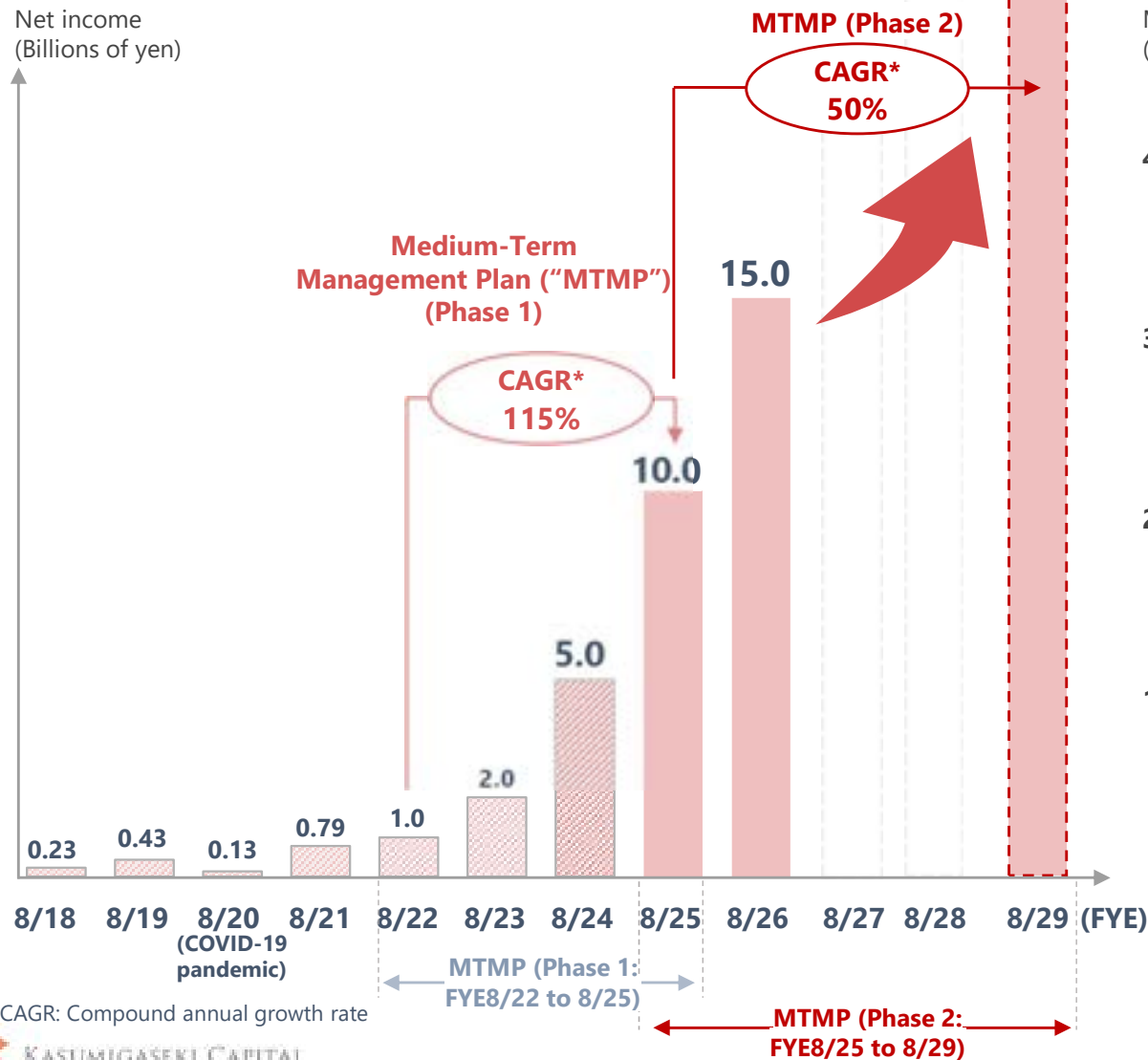
We receive a success fee from development fund investors if the proceeds from the sale exceed expected revenue when the development fund investors sell the property to the real estate fund investors

Revenue opportunity (4) (Asset management fee)

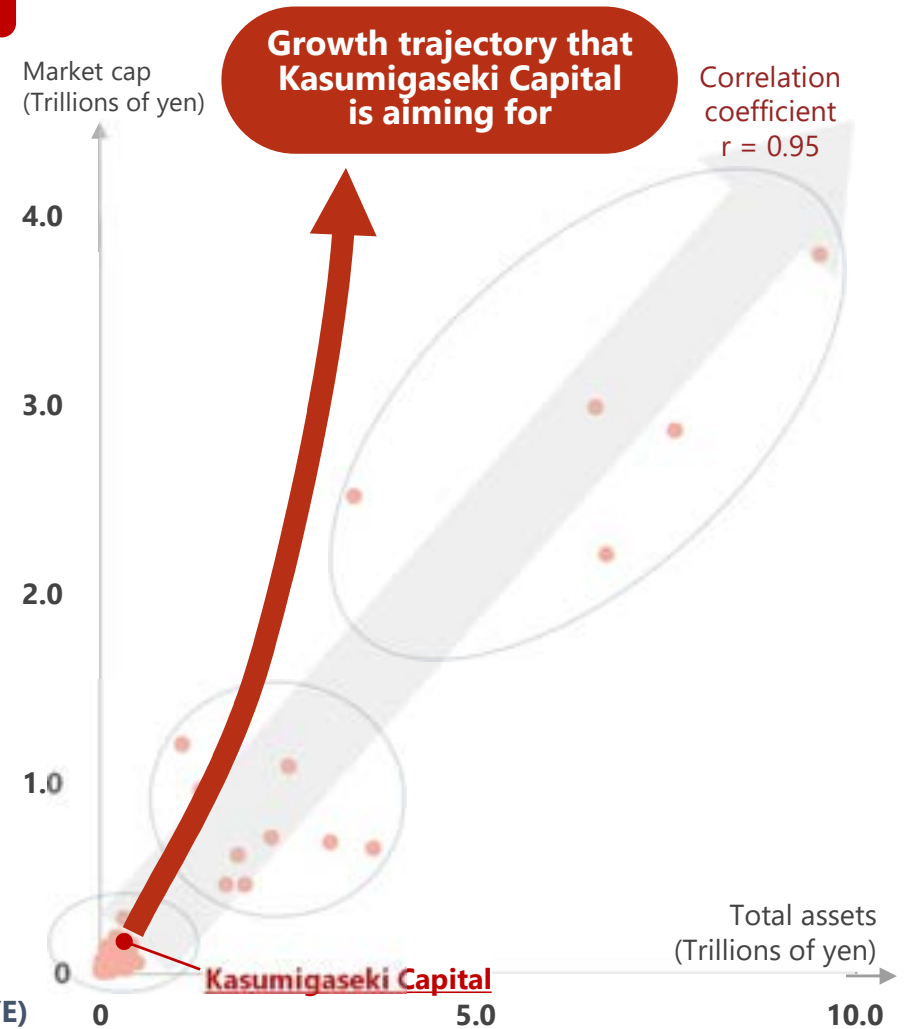
Managing assets of the real estate fund will increase the value of the property as real estate on an ongoing basis. We then receive an asset management fee in return for the service

Phase 2 Medium-Term Management Plan: Net Income (FYE8/25 to FYE8/29)

Net income results and forecasts



Industry mapping by total assets and market capitalization*

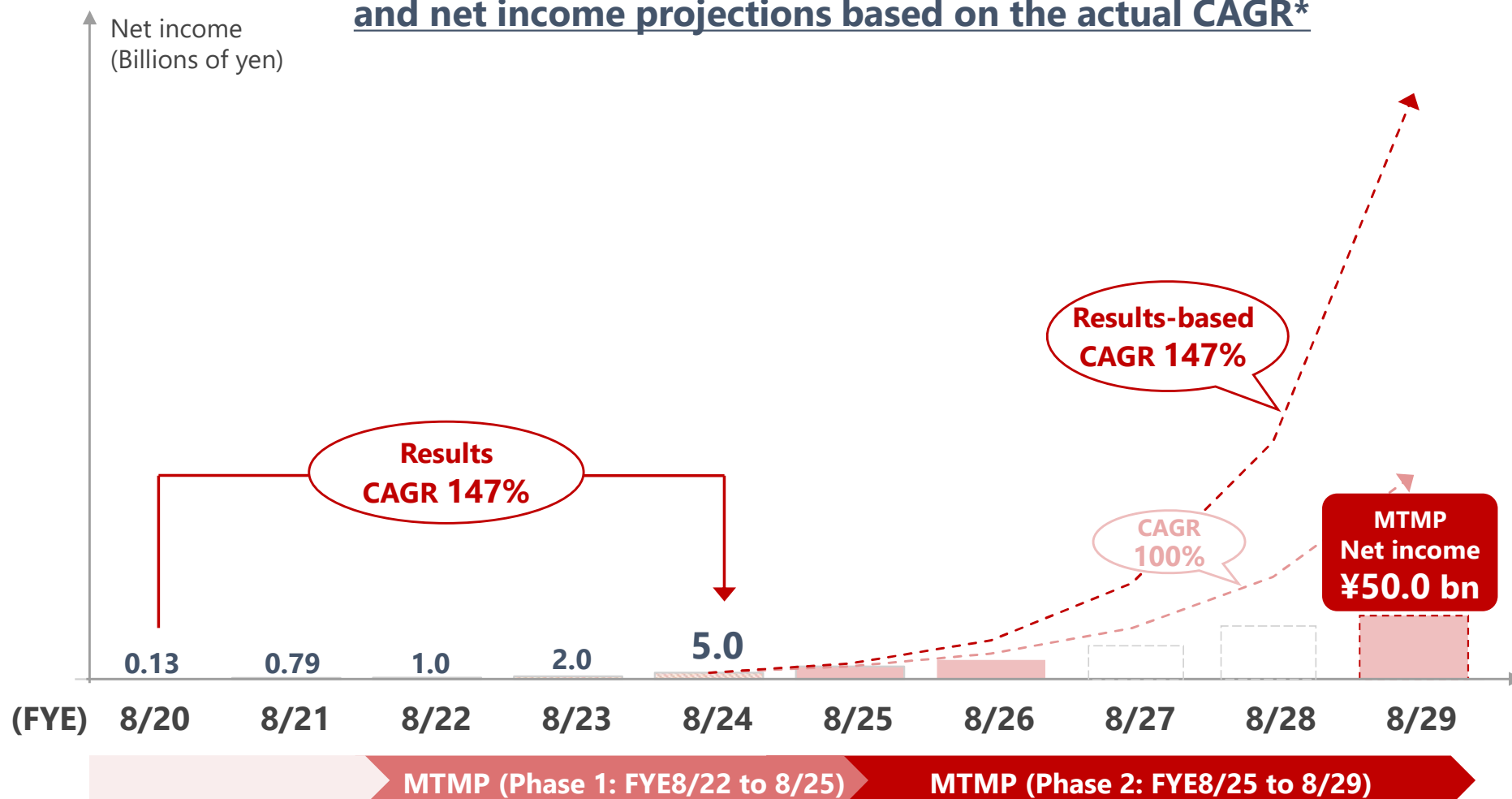


* Source: Prepared by Kasumigaseki Capital based on Annual Securities Reports/market capitalization (as of September 24, 2024) of companies categorized into the real estate industry by Japan Exchange Group

Phase 2 Medium-Term Management Plan: Net Income (FYE8/20 to FYE8/29)

Net income has been growing at a 5-year CAGR of 147%
(from FYE8/2020 to FYE8/2024).

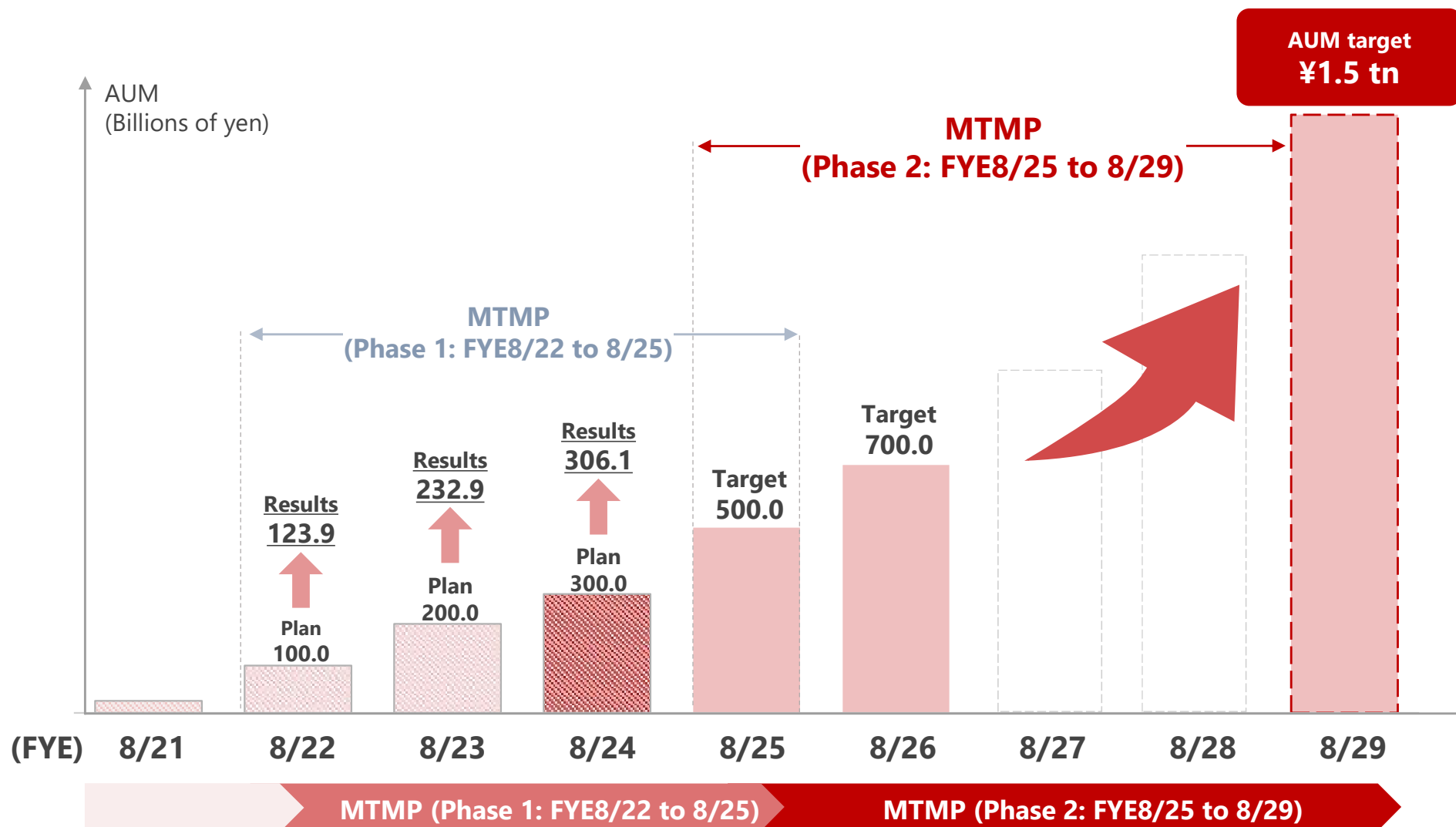
Net income results and forecasts and net income projections based on the actual CAGR*



* Each year's net income projection is calculated by multiplying the actual net income for FYE8/2024 by the results-based CAGR applicable for each year.

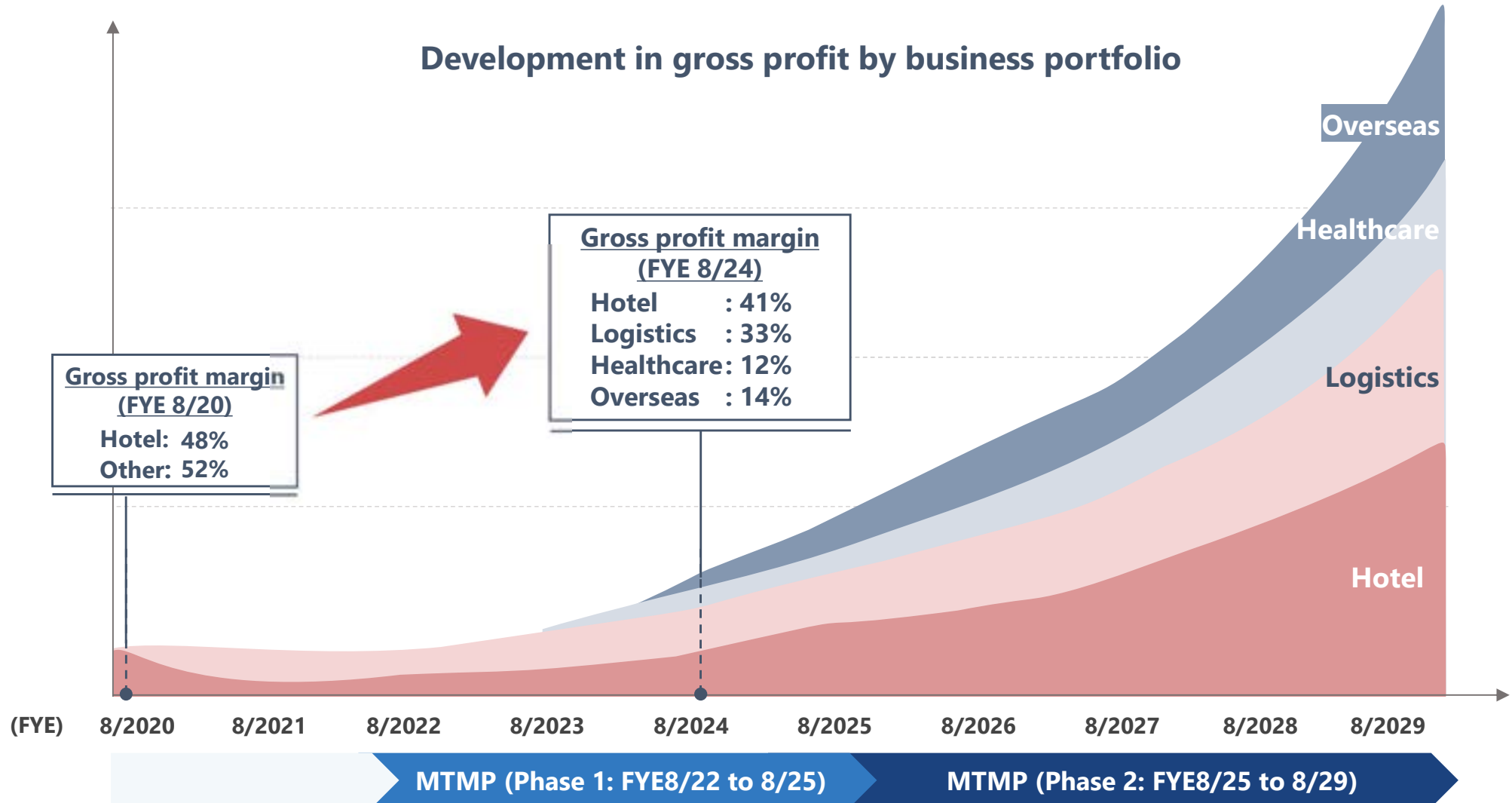
Phase 2 Medium-Term Management Plan: AUM (FYE8/25 to FYE8/29)

We have achieved AUM targets set forth in the MTMP for the period from FYE8/2022 to FYE8/2024. We aim to achieve the AUM target of ¥1.5 trillion for FYE8/2029 by diversifying our business portfolio and scaling up our business size.



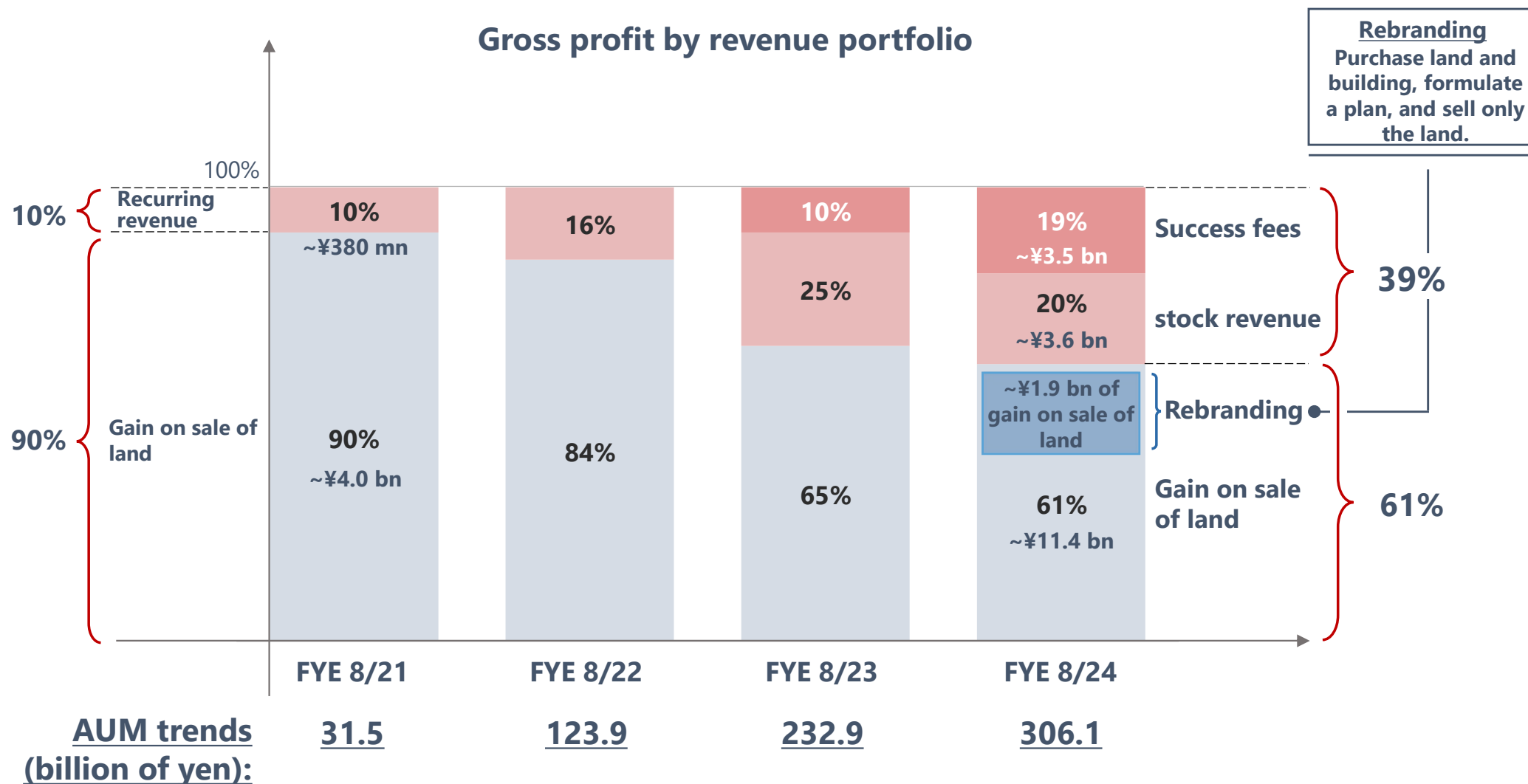
Business Model: Diversification of Business Portfolio

The business portfolio is diversified to match market environment and market challenges.
Gross profit margin is around 25–35% for each business segment.



Business Model: Multi-layered Revenue Portfolio

Our revenue portfolio is developing in multiple layers along with business growth.
Success fees and stock revenue are expected to continue to grow.



Shareholder Returns

We continue to strive to ensure shareholder returns.

Dividend for FYE 8/2024

170.00 yen per share

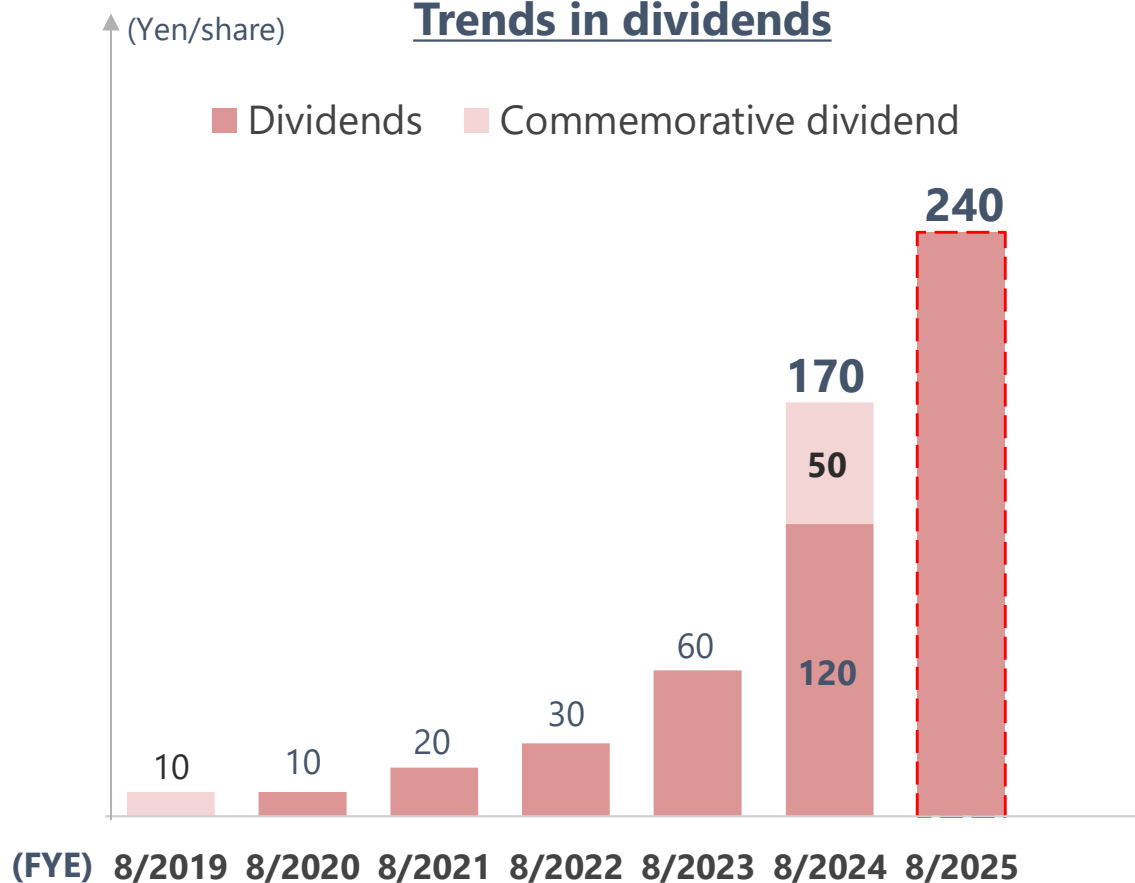
(incl. a dividend of 50 yen per share to commemorate the listing on the TSE Prime Market)



Dividend forecast for FYE 8/2025

240.00 yen per share

Trends in dividends



* As we conducted 2-for-1 stock splits for common shares effective September 1, 2019 and 2021, the figures above reflect the stock splits.

Company Profile

Company name	Kasumigaseki Capital Co., Ltd. (Tokyo Stock Exchange Prime Market: Securities Code 3498)	
Established/fiscal year-end	September 2011 (Fiscal year-end: August 31)	
Representative	Koshiro Komoto, President & CEO	
Head office	3-2-1 Kasumigaseki, Chiyoda-ku, Tokyo	
Paid-in capital	18,540,830 thousand yen (including legal capital surplus) *as of February 28, 2025	
Number of employees	295 (non-consolidated) *as of February 28, 2025	
Main business	<ul style="list-style-type: none"> Real estate consulting business (Logistics facility development, hotel development, healthcare facility development, overseas business, etc.)	
History	Sep. 2011	Established the Company in Sendai City, Miyagi Prefecture and began a shopping center business
	Jun. 2013	Installed solar power panels on the roof of the shopping center and began natural energy business
	Sep. 2014	Began real estate consulting business by offering consulting services related to condominium development
	Aug. 2015	Changed the company name to the current Kasumigaseki Capital Co., Ltd.
	Nov. 2018	Listed on the Tokyo Stock Exchange Mothers Market (currently the TSE Growth Market)
	Dec. 2021	Established a joint venture company as a logistics subsidiary
License registration	Oct. 2023	Changed the listing market to Tokyo Stock Exchange Prim Market
	Type II Financial Instruments Business/Investment Advisory and Agency Business, Director-General of the Kanto Financial Bureau (Financial Instruments and Exchange) No. 3178	
	Money Lender, Governor of Tokyo (2), No. 31747	
	Real Estate Broker, Minister of Land, Infrastructure, Transport and Tourism (1) No. 10307	
Main banks	1st Class Architect Office, Governor of Tokyo No. 64817	
	Specified Joint Real Estate Venture, Commissioner of the Financial Services Agency, Minister of Land, Infrastructure, Transport and Tourism No. 118	



河本幸一郎

Koshiro Komoto
President & CEO
Kasumigaseki Capital Co., Ltd.

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Please note that actual results may differ from the forecasts in this material due to factors such as economic conditions, market trends, and changes in the business environment.

The amounts stated in this material in relation to business performance are rounded down to the nearest million yen. Consequently, the sums of the breakdowns may not match the totals. Please note that, although we have taken the utmost care with the content of this material, we make no guarantees regarding the accuracy or completeness of the information from third-party organizations.

This material is intended for the purpose of providing information and is not intended as a solicitation for investment.