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April 2, 2026

Consolidated Financial Results for the Six Months Ended February 28, 2026 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 3498
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 Scheduled date to file semi-annual securities report: April 13, 2026
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended February 28, 2026 (from September 1, 2025 to February 28, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended February 28, 2026	61,116	81.1	8,065	67.8	7,435	79.0	4,951	101.8
February 28, 2025	33,750	62.1	4,805	141.3	4,154	114.1	2,453	89.8

Note: Comprehensive income For the six months ended February 28, 2026: ¥5,644 million [108.6%]
 For the six months ended February 28, 2025: ¥2,705 million [95.3%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
February 28, 2026	220.08	217.20
February 28, 2025	124.67	122.73

Note: The Company conducted a 2-for-1 share split of its common shares on September 1, 2025. “Basic earnings per share” and “Diluted earnings per share” are calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended August 31, 2025.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
February 28, 2026	163,413	75,531	45.7
August 31, 2025	121,688	38,193	29.7

Reference: Equity
 As of February 28, 2026: ¥74,643 million
 As of August 31, 2025: ¥36,171 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended August 31, 2025	–	0.00	–	240.00	240.00
Fiscal year ending August 31, 2026	–	0.00			
Fiscal year ending August 31, 2026 (Forecast)			–	165.00	165.00

- Notes: 1. Revisions to the forecast of cash dividends most recently announced: None
2. The Company conducted a 2-for-1 share split of its common shares on September 1, 2025. The amounts shown for the dividends for the fiscal year ended August 31, 2025 are the dividend amounts based on the number of shares before the share split.

3. Consolidated earnings forecasts for the fiscal year ending August 31, 2026 (from September 1, 2025 to August 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending August 31, 2026	150,000	55.4	26,500	40.0	24,000	40.1	16,500	61.0	672.41

- Notes: 1. Revisions to the earnings forecasts most recently announced: None
2. As the Group manages business performance on an annual basis, only full year results are disclosed.

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
Newly included: – companies
Excluded: – companies
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of February 28, 2026	24,587,530 shares
As of August 31, 2025	19,811,258 shares

- (ii) Number of treasury shares at the end of the period

As of February 28, 2026	49,158 shares
As of August 31, 2025	47,482 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended February 28, 2026	22,497,126 shares
Six months ended February 28, 2025	19,680,269 shares

Note: The Company conducted a 2-for-1 share split of its common shares on September 1, 2025. Total number of issued shares (common shares) is calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended August 31, 2025.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Caution concerning forward-looking statements

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors.

Attached Material

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1. Overview of operating results and others

(1) Overview of operating results for the period under review

During the six months ended February 28, 2026, the Japanese economy has been on the path to a gradual recovery, against the backdrop of the expansion of inbound demand driven by the weaker yen and improvements in the employment and income environments due to wage rises, with signs of moves towards passing through increases in personnel expenses and raw materials costs to prices. On the other hand, the economic outlook remains uncertain due to geopolitical risks and trends in domestic and international financial conditions.

In the real estate market, the primary business domain of the Group, despite concerns about rising interest rates, market conditions remain firm against the backdrop of strong investment demand from domestic and foreign investors.

In the hotel business, the Group is engaged in developing hotels for group guests where there is a supply-demand gap, with the aim of making Japan a top tourism destination and contributing to regional revitalization. As Group brands, we are expanding “fav,” “FAV LUX,” “edit x seven,” “seven x seven,” and culture business hotel “BASE LAYER HOTEL” nationwide. These hotels are characterized by a revenue structure that can generate profits even with low occupancy rates by minimizing services and improving the efficiency of operations. Anticipating further increases in inbound demand and diversification of needs, we are working on developing facilities with added value while promoting brand diversification. During the period under review, we have been making steady progress on projects including the opening of the “edit x seven Fuji Gotemba” in September 2025, as well as the acquisition of six development sites, the transition of four projects to the development phase, the sale of one plot of land of renovation project, and the transition of one project to the management phase.

In the logistics business, the Group is primarily engaged in the development of rental-type frozen & chilled warehouses. We view “the 2024 problem,” fluorocarbon regulations, and the market environment with its increasing demand for frozen goods as opportunities. By expanding our development areas and actively advancing the development of automated frozen warehouses as further added value, we are contributing not only to improvements in efficiency and profitability but also to addressing social issues in the logistics industry, such as labor shortages and improvements in working conditions. During the period under review, we undertook the acquisition of four development sites, including the first project in Malaysia, acquired one existing logistics facility to enhance asset value through value-enhancement strategies, transitioned one project to the development phase, and commenced one new construction project, making steady progress in our business operations.

In the healthcare business, the Group sees potential in hospice housing, which can meet the two needs of a “sense of security provided by hospitals” and the “comfort of home” that many people in Japan, which is a super aging society, tend to desire in the final stages of life. As such, the Group is focusing on the development of hospice housing among healthcare facilities. We consistently manage operations while differentiating from existing services through “prime locations near railway stations,” “space designs that provide comfort,” and “highly functional facility planning capacity” that utilizes the know-how we have developed through hotel development. During the period under review, we have been steadily expanding our business operations, including the opening of “CLASWELL Shirokanedai” in November 2025, “CLASWELL Fuchu Nakagawara” in December 2025, “CLASWELL Omiya” in January 2026, and “CLASWELL Toyonaka Kita Sakurazuka” in February 2026.

In the overseas business, the Group has been expanding primarily in the United Arab Emirates (Dubai). The Group has established a local subsidiary, and is participating in the Dubai real estate market. Through the acquisitions and sales of residential properties, we have been creating opportunities to generate capital gains as well as cultivating our knowhow, network, and track record with the goal of creating an environment enabling Japanese investors to invest in Dubai. During the period under review, similar to the business model in Japan, we made a full-scale entry into the self-driven development business in September 2025, and launched a real estate development business with our joint partners. Taking this opportunity, the Company will build a sustainable real estate development platform with international competitiveness in Dubai, while establishing a foothold for future global market development.

As a result, net sales were ¥61,116 million (up 81.1% year on year), operating profit was ¥8,065 million (up 67.8% year on year), ordinary profit was ¥7,435 million (up 79.0% year on year), and profit attributable to owners of parent was ¥4,951 million (up 101.8% year on year) for the period under review.

Information by segment is omitted because the Group has only one segment, namely the real estate consulting business.

(2) Overview of financial position for the period under review

The positions of assets, liabilities, net assets as of February 28, 2026 are as follows.

Assets

Total assets as of February 28, 2026 increased by ¥41,724 million from the end of the previous fiscal year to ¥163,413 million.

Current assets increased by ¥36,280 million from the end of the previous fiscal year to ¥123,620 million. This was mainly attributable to increases of ¥18,832 million in cash and deposits and ¥7,709 million in advance payments.

Non-current assets increased by ¥5,458 million from the end of the previous fiscal year to ¥39,700 million. This was attributable to an increase of ¥8,408 million in property, plant and equipment mainly due to an increase in buildings and structures, despite a decrease of ¥4,115 million in investments and other assets mainly due to a decrease in investment securities.

Liabilities

Total liabilities as of February 28, 2026 increased by ¥4,387 million from the end of the previous fiscal year to ¥87,881 million.

Current liabilities decreased by ¥1,825 million from the end of the previous fiscal year to ¥38,180 million. This was mainly attributable to a decrease of ¥4,655 million in short-term borrowings, partially offset by an increase of ¥4,585 million in current portion of long-term borrowings.

Non-current liabilities increased by ¥6,212 million from the end of the previous fiscal year to ¥49,701 million. This was mainly attributable to an increase of ¥3,618 million in long-term borrowings.

Net assets

Total net assets as of February 28, 2026 increased by ¥37,337 million from the end of the previous fiscal year to ¥75,531 million. This was mainly attributable to increases of ¥17,553 million in share capital and ¥17,649 million in capital surplus, resulting from the issuance of new shares.

(3) Overview of cash flows for the period under review

Cash and cash equivalents as of February 28, 2026 increased by ¥18,832 million from the end of the previous fiscal year to ¥42,845 million.

Cash flow positions for the six months ended February 28, 2026 and the factors thereof are as follows.

Cash flows from operating activities

Net cash provided by operating activities was ¥1,577 million for the six months ended February 28, 2026, compared with net cash used in operating activities of ¥1,659 million in the same period of the previous fiscal year. This mainly reflected factors such as profit before income taxes of ¥7,387 million.

Cash flows from investing activities

Net cash used in investing activities was ¥17,043 million for the six months ended February 28, 2026, compared with net cash used in investing activities of ¥7,046 million in the same period of the previous fiscal year. This mainly reflected factors such as loan advances of ¥8,374 million and purchase of property, plant and equipment of ¥8,286 million.

Cash flows from financing activities

Net cash provided by financing activities was ¥34,241 million for the six months ended February 28, 2026, compared with net cash provided by financing activities of ¥21,079 million in the same period of the previous fiscal year. This mainly reflected factors such as proceeds from issuance of shares of ¥34,700 million.

(4) Explanation of consolidated earnings forecasts and other forward-looking statements

As for the consolidated earnings forecasts for the full year, there is no change to the forecasts announced on October 2, 2025 based on recent performance trends.

If it becomes necessary to revise the forecasts, the revision will be disclosed promptly.

2. Semi-annual consolidated financial statements and significant notes

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of August 31, 2025	As of February 28, 2026
Assets		
Current assets		
Cash and deposits	24,016	42,849
Accounts receivable - trade	1,417	1,885
Contract assets	844	869
Costs on development business and other	16,940	18,083
Real estate for sale	36,381	38,337
Advance payments	3,199	10,909
Other	4,566	10,711
Allowance for doubtful accounts	(26)	(26)
Total current assets	87,339	123,620
Non-current assets		
Property, plant and equipment	12,914	21,323
Intangible assets	798	1,963
Investments and other assets	20,528	16,413
Total non-current assets	34,241	39,700
Deferred assets	106	92
Total assets	121,688	163,413
Liabilities		
Current liabilities		
Short-term borrowings	13,612	8,957
Current portion of bonds payable	292	233
Current portion of long-term borrowings	13,594	18,180
Income taxes payable	5,663	2,555
Provision for bonuses	518	513
Provision for shareholder benefit program	145	60
Other	6,178	7,678
Total current liabilities	40,005	38,180
Non-current liabilities		
Bonds payable	392	280
Convertible-bond-type bonds with share acquisition rights	22,000	22,000
Long-term borrowings	16,193	19,812
Deferred tax liabilities	436	2,259
Asset retirement obligations	450	705
Other	4,015	4,643
Total non-current liabilities	43,488	49,701
Total liabilities	83,494	87,881

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(Millions of yen)

	As of August 31, 2025	As of February 28, 2026
Net assets		
Shareholders' equity		
Share capital	9,523	27,077
Capital surplus	9,478	27,128
Retained earnings	17,251	19,830
Treasury shares	(42)	(43)
Total shareholders' equity	36,210	73,993
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	106	5
Foreign currency translation adjustment	(145)	645
Total accumulated other comprehensive income	(39)	650
Share acquisition rights	442	441
Non-controlling interests	1,580	446
Total net assets	38,193	75,531
Total liabilities and net assets	121,688	163,413

(2) Semi-annual consolidated statement of income and semi-annual consolidated statement of comprehensive income

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended February 28, 2025	Six months ended February 28, 2026
Net sales	33,750	61,116
Cost of sales	21,256	41,440
Gross profit	12,493	19,675
Selling, general and administrative expenses	7,687	11,610
Operating profit	4,805	8,065
Non-operating income		
Interest income	51	152
Foreign exchange gains	76	630
Other	24	100
Total non-operating income	152	883
Non-operating expenses		
Interest expenses	542	1,039
Arrangement fees	17	12
Commission expenses	188	438
Other	55	23
Total non-operating expenses	803	1,513
Ordinary profit	4,154	7,435
Extraordinary income		
Gain on sale of non-current assets	0	5
Gain on reversal of provision for contingent loss	16	-
Gain on bargain purchase	72	-
Total extraordinary income	88	5
Extraordinary losses		
Loss on sale and retirement of non-current assets	3	8
Loss on sale of investment securities	-	44
Total extraordinary losses	3	52
Profit before income taxes	4,239	7,387
Income taxes - current	2,583	2,555
Income taxes - deferred	(887)	(122)
Total income taxes	1,696	2,433
Profit	2,543	4,953
Profit attributable to non-controlling interests	89	2
Profit attributable to owners of parent	2,453	4,951

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended February 28, 2025	Six months ended February 28, 2026
Profit	2,543	4,953
Other comprehensive income		
Foreign currency translation adjustment	162	790
Valuation difference on available-for-sale securities	-	(100)
Total other comprehensive income	162	690
Comprehensive income	2,705	5,644
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,615	5,641
Comprehensive income attributable to non-controlling interests	89	2

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended February 28, 2025	Six months ended February 28, 2026
Cash flows from operating activities		
Profit before income taxes	4,239	7,387
Depreciation	445	769
Amortization of goodwill	29	72
Share-based payment expenses	330	234
Increase (decrease) in allowance for doubtful accounts	(14)	(0)
Increase (decrease) in provision for bonuses	(34)	(5)
Increase (decrease) in provision for shareholder benefit program	(84)	(84)
Increase (decrease) in provision for contingent loss	(75)	–
Loss (gain) on investments in silent partnerships	7	(509)
Interest income	(51)	(152)
Interest expenses	542	1,039
Arrangement fees	17	12
Commission expenses	188	438
Foreign exchange losses (gains)	(76)	(630)
Loss (gain) on sale and retirement of non-current assets	3	3
Gain on bargain purchase	(72)	–
Loss (gain) on sale of investment securities	–	44
Amortization of bond issuance costs	9	14
Decrease (increase) in trade receivables	(517)	(462)
Decrease (increase) in contract assets	(220)	(25)
Decrease (increase) in inventories	(1,878)	4,651
Decrease (increase) in advance prepayments	(4,007)	(8,346)
Decrease (increase) in deposits paid	7	1
Increase (decrease) in deposits received	798	18
Increase (decrease) in accounts payable - other	33	281
Distributions of profit or loss on silent partnerships	523	3,509
Other	710	(61)
Subtotal	853	8,200
Interest received	11	43
Interest paid	(490)	(1,013)
Income taxes paid	(2,034)	(5,652)
Net cash provided by (used in) operating activities	(1,659)	1,577
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,859)	(8,286)
Proceeds from sale of property, plant and equipment	455	53
Purchase of intangible assets	(82)	(273)
Purchase of investment securities	(1,138)	(1,865)
Proceeds from sale of investment securities	9	1,724
Proceeds from withdrawal of investments in silent partnerships	255	1,283
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(644)	(3,842)
Payments of leasehold and guarantee deposits	(349)	(319)
Proceeds from refund of leasehold and guarantee deposits	49	31
Loan advances	(2,792)	(8,374)
Proceeds from collection of loans receivable	47	2,843
Other	4	(19)
Net cash provided by (used in) investing activities	(7,046)	(17,043)

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(Millions of yen)

	Six months ended February 28, 2025	Six months ended February 28, 2026
Cash flows from financing activities		
Proceeds from issuance of bonds	294	–
Redemption of bonds	(72)	(171)
Proceeds from issuance of convertible-bond-type bonds with share acquisition rights	21,888	–
Net increase (decrease) in short-term borrowings	1,399	(4,655)
Proceeds from long-term borrowings	8,540	15,051
Repayments of long-term borrowings	(8,871)	(7,016)
Proceeds from exercise of employee share options	17	101
Repayments of lease liabilities	(35)	(7)
Proceeds from issuance of shares	–	34,700
Dividends paid	(1,670)	(2,369)
Dividends paid to non-controlling interests	(170)	(1,020)
Payments of commission expenses	(241)	(350)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(21)
Net cash provided by (used in) financing activities	21,079	34,241
Effect of exchange rate change on cash and cash equivalents	(28)	56
Net increase (decrease) in cash and cash equivalents	12,343	18,832
Cash and cash equivalents at beginning of period	11,056	24,012
Cash and cash equivalents at end of period	23,400	42,845

(4) Notes to semi-annual consolidated financial statements

Notes on premise of going concern

Not applicable.

Notes when there are significant changes in amounts of equity

Due to the issuance of 4,000,000 new shares through public offering with the payment date set on November 12, 2025, share capital and capital surplus each increased by ¥14,792 million.

In addition, due to the issuance of 691,500 new shares by way of capital increase through a third-party allotment with the payment date set on December 10, 2025, share capital and capital surplus each increased by ¥2,557 million.

Primarily as a result of these impacts, as of February 28, 2026, share capital amounted to ¥27,077 million, and capital surplus amounted to ¥27,128 million.

Notes on segment information, etc.

Segment information

I Six months ended February 28, 2025

Segment information is omitted because the Group has only one segment, real estate consulting business.

II Six months ended February 28, 2026

Segment information is omitted because the Group has only one segment, real estate consulting business.

Revenue recognition

Information on disaggregation of revenue from contracts with customers

The Group operates in only one segment, and a breakdown of the revenue from contracts with customers is as below.

(Millions of yen)

	Six months ended February 28, 2025	Six months ended February 28, 2026
Sale of real estate (Note 1)	22,133	32,119
Real estate consulting (Note 2)	1,438	2,714
Other	1,374	3,524
Revenue from contracts with customers	24,946	38,359
Other revenue (Note 3)	8,803	22,756
Sales to external customers	33,750	61,116

(Notes) 1. Sale of real estate does not include the transfer of real estate (including beneficial interests in real estate trust) subject to the “Practical Guidelines on the Accounting by Transferors for the Securitization of Real Estate Using Special-Purpose Companies” (Transferred Guidance No. 10).

2. Real estate consulting is mainly asset management (AM) and project management (PJM) fee revenue.

3. Other revenue includes translations related to financial instruments based on the “Accounting Standard for Financial Instruments (ASBJ Statement No. 10),” lease income based on the “Accounting Standard for Lease Transactions (ASBJ Statement No. 13),” and

the transfer of real estate (including beneficial interests in real estate trust) that are subject to the “Practical Guidelines on the Accounting by Transferors for the Securitization of Real Estate Using Special-Purpose Companies” (Transferred Guidance No. 10).

Significant subsequent events

Issuance of corporate bonds

On February 24, 2026, the Company submitted a shelf registration statement for corporate bonds to the Director-General of the Kanto Local Finance Bureau. Furthermore, the Company decided to issue the 1st series of unsecured corporate bonds with early redemption clause on March 13, 2026, and completed the payment on March 19, 2026.

Overview of the submitted shelf registration statement

(1) Planned issuance amount	¥10.0 billion
(2) Planned issuance period	From the effective date of the shelf registration to two years thereafter (March 4, 2026 – March 3, 2028)
(3) Use of proceeds	Investments and loans, bond redemptions and working capital

Overview of the 1st series of unsecured corporate bonds with early redemption clause

(1) Name of corporate bonds	Kasumigaseki Capital Co., Ltd. 1st series of unsecured corporate bonds with early redemption clause (with inter-bond pari-passu clause)
(2) Total issue amount	¥1.6 billion
(3) Denomination of each bond	¥100 million
(4) Interest rate	2.668% per annum
(5) Issue price	¥100 per ¥100 principal amount of each bond
(6) Redemption price	¥100 per ¥100 principal amount of each bond (In the case of early redemption, the price shall be separately determined)
(7) Issue date	March 19, 2026
(8) Redemption date	March 19, 2027
(9) Interest payment dates	Twice a year (March 19 and September 19)
(10) Collateral and guarantees	The bonds are unsecured and unguaranteed, and no assets have been specifically set aside for the bonds.
(11) Underwriter	Mizuho Securities Co., Ltd.
(12) Assistant bond administrator	Mizuho Bank, Ltd.
(13) Book-entry transfer institution	Japan Securities Depository Center, Incorporated
(14) Use of proceeds	Investments and loans
(15) Credit rating	None