



August 7, 2025

Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2026 <under Japanese GAAP>

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Scheduled date to commence dividend payments: —
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: Yes (for institutional investors)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the first three months of the fiscal year ending March 31, 2026 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	35,063	12.4	4,331	39.4	4,199	39.3	2,857	39.5
June 30, 2024	31,195	(1.3)	3,107	8.6	3,014	7.7	2,049	(3.4)

Note: Comprehensive income Three months ended June 30, 2025: ¥2,857 million [39.5%]
Three months ended June 30, 2024: ¥2,049 million [(3.4)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	36.55	36.53
June 30, 2024	26.27	26.22

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	81,682	46,387	56.8
March 31, 2025	83,329	45,719	54.9

Reference: Equity As of June 30, 2025: ¥46,387 million
As of March 31, 2025: ¥45,719 million

2. 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 March 31, 2025	—	28.00	—	28.00	56.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		35.00	—	35.00	70.00

Note: Revisions to the forecasts of dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 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
Six months ending September 30, 2025	71,800	12.2	8,200	20.2	8,000	20.2	5,500	21.3	70.34
Fiscal year ending March 31, 2026	146,000	12.7	16,200	13.9	15,700	13.1	10,800	13.1	138.11

Note: Revisions to the earnings forecasts most recently announced: None

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Application of special accounting for preparing quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - a. Changes in accounting policies in accordance with changes in accounting standards, etc.: None
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatement: None
- (4) Number of issued shares (common shares)
 - a. Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	78,650,640 shares	As of March 31, 2025	78,650,640 shares
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 - b. Number of treasury shares at the end of the period

As of June 30, 2025	453,724 shares	As of March 31, 2025	453,724 shares
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 - c. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	78,196,916 shares	Three months ended June 30, 2024	78,008,160 shares
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*** Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None**

* Proper use of earnings forecasts, and other special matters

Caution regarding forward-looking statements and others

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. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial and other results may differ substantially from the statements herein due to various factors. Please refer to "1. Overview of operating results, (3) Explanation regarding consolidated earnings forecasts and other forward-looking statements" on page 3 of the attached materials for the suppositions that form the assumptions for the earnings forecasts and cautions regarding the use of the earnings forecasts.

Means of access to supplementary material on financial results

The Company plans to hold financial results presentation meeting for institutional investors on Thursday, August 7, 2025. The supplementary materials used for the quarterly financial results briefing on this date is to be posted on the Company's website promptly after the briefing has concluded.

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1. Overview of operating results

(1) Overview of operating results in the period

During the first three months under review, the Japanese economy showed a gradual recovery trend due to improved business performance of companies that passed on higher raw material and import prices to selling prices, along with improvements in income and employment conditions. However, the economic outlook remains uncertain, mainly due to the policy rate hikes by the Bank of Japan and rising living costs for consumers as a result of the aforementioned price increases.

Under these circumstances, the Group aims to provide a “Fourth Option” as an alternative to newly built, “as-is” pre-owned, and rental houses, mainly targeting the middle- and lower-income market. We deal with older pre-owned single-family detached houses that competitors find challenging to bring to market. We add value by refurbishing properties that are difficult to live in as they are, and sell them to customers. Because the Group’s operations rely on domestic demand, the effects of economic fluctuation on the Group resulting from U.S. tariff measures will be limited.

In terms of sales, by providing products that meet the desire to buy inexpensive, high-quality houses against the backdrop of changes in diversifying family compositions, sales have remained strong. Specifically, the number of homes sold amounted to 1,976, an increase of 10.6% year on year through the provision of houses that meet the needs of customers, such as more affordable options to address the rising cost of living, and homes designed for two people with elderly couples in mind.

In terms of purchases, the Company’s policy is to carefully assess the risks associated with used housing and carefully select properties that can be rehabilitated and that will ensure profitability. Under such circumstances, the number of purchases amounted to 2,163, an increase of 21.7% year on year as a result of increasing the level of purchasing activity for the purpose of achieving even greater growth rates as stated in the fourth medium-term management plan that began this fiscal year. In addition, as a result of our efforts to commercialize the properties we purchased, real estate for sale and real estate for sale in process increased compared to the end of the previous fiscal year, ensuring sufficient inventory for stable growth.

In terms of profit, the gross margin increased 1.6 percentage points year on year as a result of the continued contribution of measures to improve gross profit, including the aforementioned measures to provide houses in a lower price range. Selling, general and administrative expenses increased 5.6% year on year as a result of higher personnel expenses due to continued investment in human resources for future stable growth.

As a result, in the first three months under review, net sales were ¥35,063 million, up 12.4% year on year, operating profit was ¥4,331 million, up 39.4% year on year, ordinary profit was ¥4,199 million, up 39.3% year on year and profit attributable to owners of parent was ¥2,857 million, up 39.5% year on year.

As disclosed in the “Notice Regarding Decision of Non-Acceptance of Appeal in the Lawsuit for Revocation of Consumption Tax Reassessment Penalty, etc.” dated May 13, 2025, following the date of the decision of non-acceptance, the consumption tax difference recorded as selling, general, and administrative expenses has been calculated after being deducted from net sales. Although net sales and gross profit have decreased as a result of this change in calculation method, there is no impact on operating profit and subsequent stages of profit.

The Group’s sole reportable segment is the “used housing refurbishing and remodeling business.” Other businesses have been omitted due to a lack of materiality.

(2) Overview of financial position in the period

(i) Current assets

Current assets as of June 30, 2025 amounted to ¥79,668 million, a decrease of ¥1,382 million compared to ¥81,050 million at the end of the previous fiscal year. This was mainly due to a decrease of ¥5,120 million in cash and deposits, despite an increase of ¥3,463 million in real estate for sale and real estate for sale in process.

(ii) Non-current assets

Non-current assets as of June 30, 2025 amounted to ¥2,014 million, a decrease of ¥264 million compared to ¥2,278 million at the end of the previous fiscal year. This was mainly due to decreases of ¥5 million in intangible assets and ¥266 million in investments and other assets.

(iii) Current liabilities

Current liabilities as of June 30, 2025 amounted to ¥8,713 million, a decrease of ¥2,315 million compared to ¥11,028 million at the end of the previous fiscal year. This was mainly due to decreases of ¥1,539 million in income taxes payable, ¥411 million in accounts payable - trade and ¥476 million in provision for bonuses.

(iv) Non-current liabilities

Non-current liabilities as of June 30, 2025 amounted to ¥26,581 million, an increase of ¥0 million compared to ¥26,581 million at the end of the previous fiscal year. This was mainly due to an increase of ¥0 million in other non-current liabilities.

(v) Net assets

Net assets as of June 30, 2025 amounted to ¥46,387 million, an increase of ¥668 million compared to ¥45,719 million at the end of the previous fiscal year. This was mainly due to the recording of ¥2,857 million in profit attributable to owners of parent while paying out dividends of surplus of ¥2,189 million. As a result, the equity-to-asset ratio was 56.8%.

(3) Explanation regarding consolidated earnings forecasts and other forward-looking statements

There are no changes to the consolidated earnings forecasts for the first half and full year for the fiscal year ending March 31, 2026 announced in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025” on May 9, 2025.

2. Quarterly consolidated financial statements and significant notes thereto

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	18,766	13,646
Real estate for sale	39,141	41,812
Real estate for sale in process	22,394	23,186
Income taxes refund receivable	5	4
Other	745	1,022
Allowance for doubtful accounts	(3)	(3)
Total current assets	81,050	79,668
Non-current assets		
Property, plant and equipment	800	807
Intangible assets	155	150
Investments and other assets		
Other	1,324	1,057
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	1,322	1,055
Total non-current assets	2,278	2,014
Total assets	83,329	81,682
Liabilities		
Current liabilities		
Accounts payable - trade	4,534	4,123
Income taxes payable	2,667	1,127
Accrued consumption taxes	81	138
Provision for bonuses	557	80
Construction warranty reserve	378	388
Provision for loss on litigation	2	5
Provision for loss on disaster	54	64
Other	2,751	2,784
Total current liabilities	11,028	8,713
Non-current liabilities		
Long-term borrowings	26,500	26,500
Provision for retirement benefits for directors (and other officers)	71	71
Other	9	10
Total non-current liabilities	26,581	26,581
Total liabilities	37,610	35,294
Net assets		
Shareholders' equity		
Share capital	3,778	3,778
Capital surplus	3,763	3,763
Retained earnings	38,395	39,063
Treasury shares	(219)	(219)
Total shareholders' equity	45,719	46,387
Total net assets	45,719	46,387
Total liabilities and net assets	83,329	81,682

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income
Quarterly consolidated statement of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	31,195	35,063
Cost of sales	24,220	26,648
Gross profit	6,975	8,415
Selling, general and administrative expenses	3,868	4,083
Operating profit	3,107	4,331
Non-operating income		
Commission income	1	3
Discount revenue	1	0
Other	4	2
Total non-operating income	7	7
Non-operating expenses		
Interest expenses	68	106
Other	31	33
Total non-operating expenses	100	139
Ordinary profit	3,014	4,199
Extraordinary income		
Gain on sale of non-current assets	—	0
Total extraordinary income	—	0
Extraordinary losses		
Loss on retirement of non-current assets	—	0
Total extraordinary losses	—	0
Profit before income taxes	3,014	4,199
Income taxes - current	774	1,068
Income taxes - deferred	190	272
Total income taxes	964	1,341
Profit	2,049	2,857
Profit attributable to owners of parent	2,049	2,857

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	2,049	2,857
Comprehensive income	2,049	2,857
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,049	2,857

(3) Notes to quarterly consolidated financial statements

(Notes to segment information, etc.)

Segment information

I. Three months ended June 30, 2024

The Group's sole reportable segment is the "used housing refurbishing and remodeling business." Other businesses have been omitted due to a lack of materiality.

II. Three months ended June 30, 2025

The Group's sole reportable segment is the "used housing refurbishing and remodeling business." Other businesses have been omitted due to a lack of materiality.

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

No items to report.

(Notes on premise of going concern)

No items to report.

(Notes on quarterly consolidated statement of cash flows)

Quarterly consolidated statement of cash flows has not been prepared for the first three months under review. Depreciation for the first three months ended June 30, 2024 and June 30, 2025 are as follows.

	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	¥16 million	¥26 million

(Additional information)

(Regarding progress of the ruling on the lawsuit seeking the revocation of the reassessment penalty, etc. received from the Regional Taxation Bureau)

The Company filed a lawsuit (hereinafter, the "Lawsuit") against the Kanto-Shinetsu Regional Taxation Bureau (hereinafter, the "Regional Taxation Bureau"), seeking the revocation of a Written Notice of Reassessment of Consumption Tax and Local Consumption Tax and a Written Notice of Assessment and Determination Regarding Additional Tax (hereinafter, the "Reassessment Penalty, etc.") the Company received from the Regional Taxation Bureau on April 28, 2020. However, on May 9, 2025, the Supreme Court decided not to accept the appeal and we received the decision document on May 12, 2025. As a result, the judgment of the Tokyo High Court dated May 30, 2024, which upheld the dismissal of our claim by the Tokyo District Court, has been finalized.

Based on this decision, the calculation method claimed by the Regional Taxation Bureau will be implemented from the calculation of the sales price for purchase and sale agreements and will be reflected in the tax-exclusive sales price. Therefore, the amount equivalent to the consumption tax difference following the date of this decision was not processed by recording it in selling, general and administrative expenses as was done until the fiscal year ended March 31, 2025, but has been deducted from net sales. As a result, there will be no impact on the operating profit and subsequent stages of profit.

The Company subsidiary, REPRICE Co., Ltd. (hereinafter, "REPRICE") also received a correction notice separately from the Company, and filed a lawsuit seeking the revocation of this correction with the Nagoya District Court on March 26, 2025 (hereinafter, "Reprice lawsuit").

REPRICE has already adopted the same accounting treatment as the Company, and from the date of this decision, the amount equivalent to the consumption tax difference has been deducted from sales.

Since the Reprice lawsuit has some different points from the Company's Lawsuit, we believe there is significance in continuing the lawsuit, and are continuing the Reprice lawsuit.