



November 7, 2025

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

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 Scheduled date to file semi-annual securities report: November 12, 2025
 Scheduled date to commence dividend payments: November 26, 2025
 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 six months of the fiscal year ending March 31, 2026 (from April 1, 2025 to September 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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	72,415	13.1	9,010	32.1	8,784	32.0	5,986	32.0
September 30, 2024	64,010	3.2	6,820	16.6	6,656	16.2	4,535	13.6

Note: Comprehensive income Six months ended September 30, 2025: ¥5,986 million [32.0%]
 Six months ended September 30, 2024: ¥4,535 million [13.6%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	76.56	76.53
September 30, 2024	58.08	58.01

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	87,085	49,624	57.0
March 31, 2025	83,329	45,719	54.9

Reference: Equity As of September 30, 2025: ¥49,624 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	—	39.00			
Fiscal year ending March 31, 2026 (Forecast)			—	39.00	78.00

Note: Revisions to the forecasts of dividends most recently announced: Yes

Please refer to the “Notice Regarding Revision of Earnings Forecasts, Dividends of Surplus (Interim Dividend), and Year-End Dividend Forecast (Increase in Dividends) for the Fiscal Year Ending March 31, 2026” announced today (November 7, 2025) for details on the revisions of dividends forecasts.

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
Fiscal year ending March 31, 2026	147,500	13.9	17,800	25.2	17,300	24.7	11,900	24.6	152.11

Note: Revisions to the earnings forecasts most recently announced: Yes

Please refer to the “Notice Regarding Revision of Earnings Forecasts, Dividends of Surplus (Interim Dividend), and Year-End Dividend Forecast (Increase in Dividends) for the Fiscal Year Ending March 31, 2026” announced today (November 7, 2025) for details on the revisions of consolidated earnings forecasts.

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Application of special accounting for preparing semi-annual 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 September 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 September 30, 2025	415,434 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)

Six months ended September 30, 2025	78,203,655 shares	Six months ended September 30, 2024	78,089,342 shares
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*** Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.**

* 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 4 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 Friday, November 7, 2025.

The supplementary materials used for the 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 six 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 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 single-family detached houses that the Group handles rely on domestic demand, the effects of economic fluctuation on the Group resulting from U.S. trade policy 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, to address the rising cost of living, we have steadily maintained the number of inquiries by providing housing that meets customer needs through offering more affordable housing and homes designed for non-family segments. In addition, as a structural factor, due to the increase in costs associated with the aforementioned rise in prices and stronger environmental regulations, the prices of new homes have surged. As a result of an improvement in the price competitiveness of the used housing conventionally provided by the Group in response to this, the number of homes sold amounted to 4,064, an increase of 10.6% year on year.

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 4,736, an increase of 20.5% 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 by 15.1% compared to the end of the previous fiscal year, which ensured that the inventory is sufficient both in quality and quantity for stable growth.

In terms of profit, the gross margin increased 0.9 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 rose 4.9% 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 six months under review, net sales were ¥72,415 million, up 13.1% year on year, operating profit was ¥9,010 million, up 32.1% year on year, ordinary profit was ¥8,784 million, up 32.0% year on year and profit attributable to owners of parent was ¥5,986 million, up 32.0% 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) Assets, liabilities and net assets

(Current assets)

Current assets as of September 30, 2025 amounted to ¥84,791 million, an increase of ¥3,741 million compared to ¥81,050 million at the end of the previous fiscal year. This was mainly due to an increase of ¥9,286 million in real estate for sale and real estate for sale in process, despite a decrease of ¥5,847 million in cash and deposits.

(Non-current assets)

Non-current assets as of September 30, 2025 amounted to ¥2,293 million, an increase of ¥14 million compared to ¥2,278 million at the end of the previous fiscal year. This was mainly due to increases of ¥3 million in property, plant and equipment and ¥20 million in investments and other assets, despite a decrease of ¥9 million in intangible assets.

(Current liabilities)

Current liabilities as of September 30, 2025 amounted to ¥10,882 million, a decrease of ¥146 million compared to ¥11,028 million at the end of the previous fiscal year. This was mainly due to decreases of ¥191 million in accounts payable - trade, ¥49 million in accrued consumption taxes and ¥223 million in provision for bonuses, despite an increase of ¥217 million in income taxes payable.

(Non-current liabilities)

Non-current liabilities as of September 30, 2025 amounted to ¥26,578 million, a decrease of ¥3 million compared to ¥26,581 million at the end of the previous fiscal year. This was mainly due to a decrease of ¥4 million in provision for retirement benefits for directors (and other officers).

(Net assets)

Net assets as of September 30, 2025 amounted to ¥49,624 million, an increase of ¥3,905 million compared to ¥45,719 million at the end of the previous fiscal year. This was mainly due to the recording of ¥5,986 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 57.0%.

(ii) Cash flows

The balance of cash and cash equivalents (hereinafter, “cash”) as of September 30, 2025 decreased by ¥5,847 million from the end of the previous fiscal year to ¥12,919 million.

The situation and factors related to cash flows for the first six months under review are as follows.

(Cash flows from operating activities)

Net cash used in operating activities was ¥3,604 million during the six months ended September 30, 2025, compared to net cash provided by operating activities of ¥2,363 million in the same period of the previous fiscal year. This was mainly due to an increase in inventories of ¥9,291 million, income taxes paid of ¥2,540 million, and a decrease in provision for bonuses of ¥223 million, while recording ¥8,784 million in profit before income taxes.

(Cash flows from investing activities)

Net cash used in investing activities was ¥52 million during the six months ended September 30, 2025, compared to net cash used in investing activities of ¥19 million in the same period of the previous fiscal year. This was mainly due to purchase of property, plant and equipment of ¥39 million and purchase of intangible assets of ¥12 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥2,190 million during the six months ended September 30, 2025, compared to net cash used by financing activities of ¥2,081 million in the same period of the previous fiscal year. This was mainly due to ¥2,188 million in dividends paid.

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

We have revised upward the consolidated earnings forecasts for the 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. For details, please refer to the “Notice Regarding Revision of Earnings Forecasts, Dividends of Surplus (Interim Dividend), and Year-End Dividend Forecast (Increase in Dividends) for the Fiscal Year Ending March 31, 2026” announced today (November 7, 2025).

2. Semi-annual consolidated financial statements and significant notes thereto

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	18,766	12,919
Real estate for sale	39,141	44,063
Real estate for sale in process	22,394	26,758
Income taxes refund receivable	5	3
Other	745	1,049
Allowance for doubtful accounts	(3)	(2)
Total current assets	81,050	84,791
Non-current assets		
Property, plant and equipment	800	804
Intangible assets	155	146
Investments and other assets		
Other	1,324	1,344
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	1,322	1,343
Total non-current assets	2,278	2,293
Total assets	83,329	87,085
Liabilities		
Current liabilities		
Accounts payable - trade	4,534	4,342
Income taxes payable	2,667	2,884
Accrued consumption taxes	81	32
Provision for bonuses	557	333
Construction warranty reserve	378	440
Provision for loss on litigation	2	5
Provision for loss on disaster	54	58
Other	2,751	2,783
Total current liabilities	11,028	10,882
Non-current liabilities		
Long-term borrowings	26,500	26,500
Provision for retirement benefits for directors (and other officers)	71	66
Other	9	11
Total non-current liabilities	26,581	26,578
Total liabilities	37,610	37,460
Net assets		
Shareholders' equity		
Share capital	3,778	3,778
Capital surplus	3,763	3,851
Retained earnings	38,395	42,192
Treasury shares	(219)	(198)
Total shareholders' equity	45,719	49,624
Total net assets	45,719	49,624
Total liabilities and net assets	83,329	87,085

(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 September 30, 2024	Six months ended September 30, 2025
Net sales	64,010	72,415
Cost of sales	49,364	55,193
Gross profit	14,645	17,222
Selling, general and administrative expenses	7,825	8,211
Operating profit	6,820	9,010
Non-operating income		
Commission income	2	11
Insurance claim income	0	7
Discount revenue	2	2
Income of compensation	6	2
Other	10	10
Total non-operating income	20	34
Non-operating expenses		
Interest expenses	139	216
Other	46	44
Total non-operating expenses	185	260
Ordinary profit	6,656	8,784
Extraordinary income		
Gain on sale of non-current assets	–	0
Total extraordinary income	–	0
Extraordinary losses		
Loss on sale of non-current assets	6	–
Total extraordinary losses	6	–
Profit before income taxes	6,649	8,784
Income taxes - current	2,019	2,750
Income taxes - deferred	94	47
Total income taxes	2,114	2,797
Profit	4,535	5,986
Profit attributable to owners of parent	4,535	5,986

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	4,535	5,986
Comprehensive income	4,535	5,986
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,535	5,986

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	6,649	8,784
Depreciation	32	53
Increase (decrease) in allowance for doubtful accounts	(0)	(1)
Increase (decrease) in provision for bonuses	(229)	(223)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	–	(4)
Increase (decrease) in construction warranty reserve	(21)	61
Increase (decrease) in provision for loss on litigation	(2)	2
Increase (decrease) in provision for loss on disaster	(0)	4
Interest expenses	139	216
Loss (gain) on sale of property, plant and equipment	6	(0)
Share-based payment expenses	21	34
Decrease (increase) in inventories	(822)	(9,291)
Decrease (increase) in trade receivables	(1)	(0)
Increase (decrease) in trade payables	(945)	(191)
Decrease (increase) in consumption taxes refund receivable	–	0
Increase (decrease) in accrued consumption taxes	(309)	(49)
Other, net	(357)	(249)
Subtotal	4,159	(854)
Interest paid	(136)	(209)
Income taxes paid	(1,646)	(2,540)
Payments associated with disaster loss	(13)	–
Net cash provided by (used in) operating activities	2,363	(3,604)
Cash flows from investing activities		
Purchase of property, plant and equipment	(3)	(39)
Proceeds from sale of property, plant and equipment	7	0
Purchase of intangible assets	(23)	(12)
Proceeds from collection of loans receivable	0	0
Other, net	–	(0)
Net cash provided by (used in) investing activities	(19)	(52)
Cash flows from financing activities		
Repayments of finance lease liabilities	(2)	(1)
Dividends paid	(2,108)	(2,188)
Proceeds from disposal of treasury shares	29	–
Net cash provided by (used in) financing activities	(2,081)	(2,190)
Net increase (decrease) in cash and cash equivalents	261	(5,847)
Cash and cash equivalents at beginning of period	22,027	18,766
Cash and cash equivalents at end of period	22,289	12,919

(4) Notes on the semi-annual consolidated financial statements

(Notes to segment information, etc.)

Segment information

I. Six months ended September 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. Six months ended September 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.

(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.