English Version

KATITAS Co., Ltd.

Financial Results Presentation

For the First Three Months of the 49th Fiscal Year Ending March 31, 2027 (FY2026)

August 7, 2026

Before

After

(Securities Code: 8919, Prime Market of TSE)

Presentation Highlights

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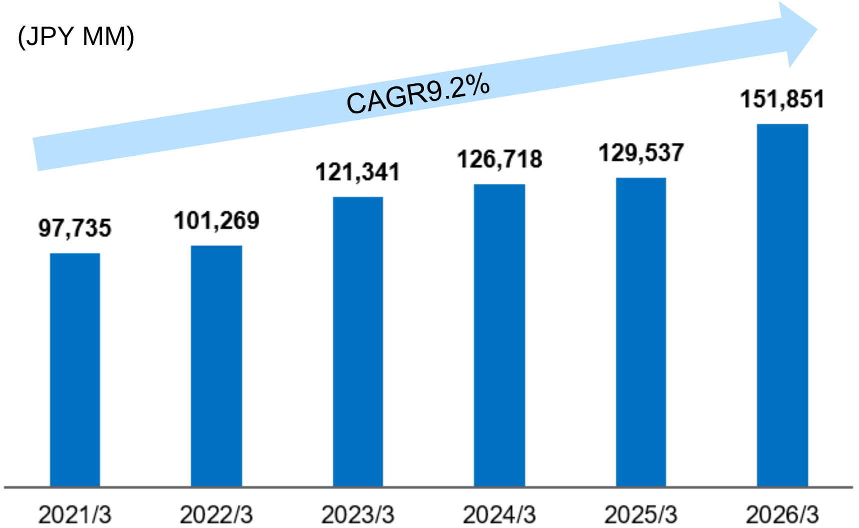
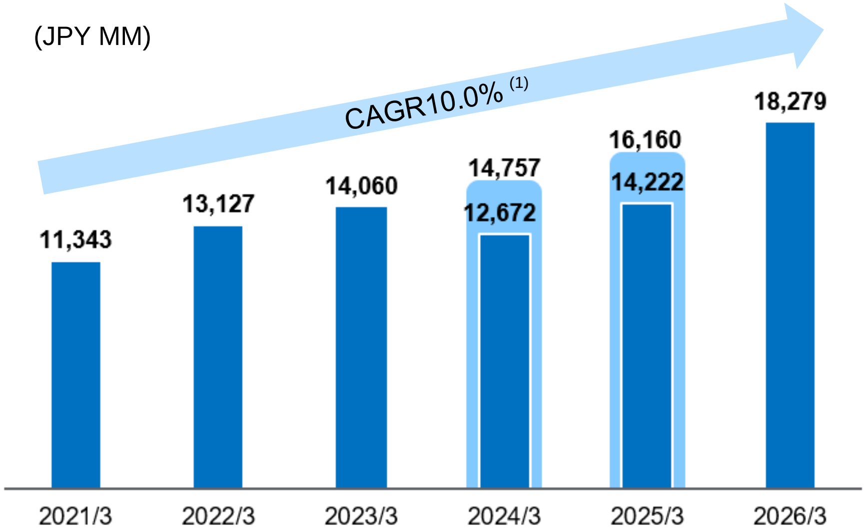
(TSE Prime 8919)

1. Sales and Operating Profit Trend

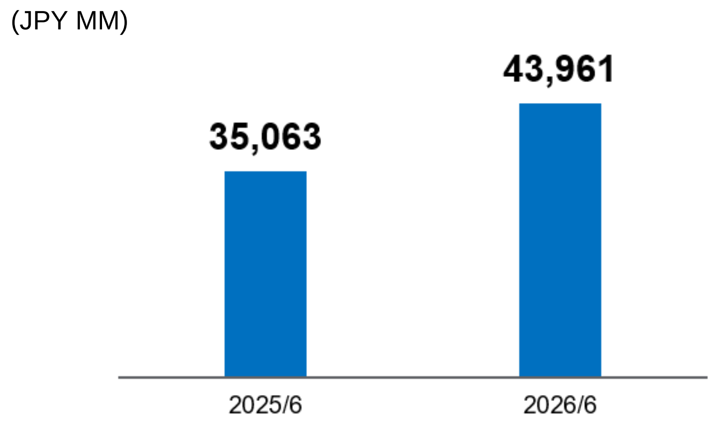
Historical Net Sales (FY-base)



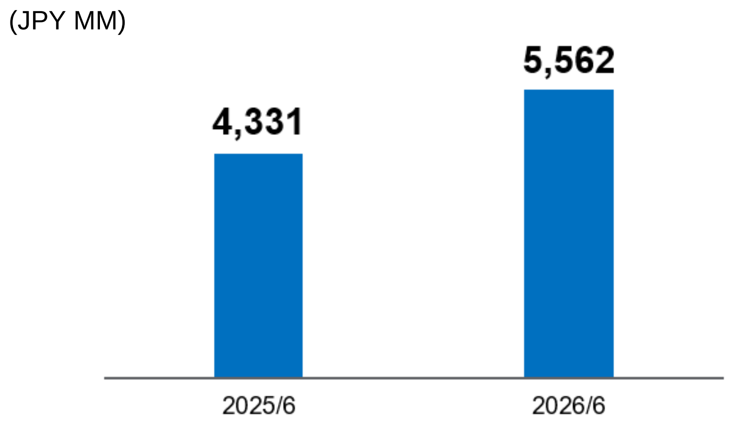
Historical Operating Profit (FY-base)



Historical Net Sales (FY2026 1Q)



Historical Operating Profit (FY2026 1Q)



(1) For 2024/3 and 2025/3, adjusted operating profit (adjusted for differences in consumption taxes, etc. resulting from the unfavorable outcome of the consumption tax litigation) is also presented.

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1. Highlights of Financial Results for 1Q FY2026 (April - June 2026)

	(JPY MM)	FY2025 1Q	FY2026 1Q	YoY
Sales	Net sales	35,063	43,961	+25.4%
	Number of properties sold	**1,976**	**2,381**	**+20.5%**
	Gross profit margin (%)	24.0%	23.5%	-0.5pt
	(Ref) Adjusted gross profit margin (%) [1]	24.8%	24.4%	-0.4pt
Profit	SG&A expenses	4,083	4,762	+16.6%
	Operating profit	**4,331**	**5,562**	**+28.4%**
	Operating profit margin (%)	12.4%	12.7%	+0.3pt
Key indicators	Inventory real estates	64,998	88,592	+36.3%
	ROE (LTM) [2]	**23.9%**	**26.6%**	**+2.7pt**

■ **Increased construction costs for new housing due to inflation and tighter environmental regulations are structural in nature, and the business environment remains favorable**

- KATITAS: Strong performance supported by ample inventory and solid customer inquiries. Deliveries of properties under contract as of the end of the previous 4Q progressed, driving revenue recognition
- REPRICE: Number of deliveries was slightly subdued, but contracts progressed steadily. Implemented a uniform price increase of ¥500,000 in July 1

■ **Gross profit margin remained strong**

- The increase from the previous 4Q (22.6%) was due to sales mix factors (decrease in the REPRICE ratio) and improved gross profit margins at both companies
- Favorable sales conditions enabled even long-term inventory to be sold without price reductions, improving gross profit per property sold

■ **Operating profit reached a record high, achieving a strong start toward fulfilling management plan targets**

- SG&A expenses increased mainly due to higher personnel costs associated with an increase in new graduate hires and greater profit-based incentives. In addition, investment in human capital increased as it has been recognized monthly from this fiscal year, rather than in a lump sum at fiscal year-end
- As the 2026 Kumamoto earthquake occurred in July, its impact is not reflected in the 1Q results. The group's inventories are geographically dispersed across Japan, and some of its properties have been seismically reinforced. Accordingly, the company expects the financial impact to be limited

■ **Inventory increased significantly. This was due to increased purchases and an increase in contracted inventory. The long-term inventory ratio was maintained at a normal level, with no issues**

- Houses purchased in 1Q: 2,722 (+25.8% YoY)
  Sales were strong and the outlook was favorable, leading the company to determine that the risk of long-term inventory buildup was low and to continue actively purchasing
- A 10% valuation loss is recognized for each property one year after acquisition. The unrealized gross profit margin of the Company's long-term inventory remains at a high level of over 20%
- Purchase prices have also risen due to an increase in newer inventory

[1] Adjusted gross profit margin: Gross profit margin the company would have reported if not for deductions of "differences in consumption taxes, etc." from net sales and gross profit undertaken since a May 2025 litigation defeat. Provided as a reference to illustrate the group's underlying competitiveness. This reference value is calculated by adjusted gross profit (JPY 10,870 million) / adjusted net sales (JPY 44,505 million).
[2] ROE (LTM) = Total profit attributable to owners of parent (LTM) / average of balances of shareholders' equity at end-June of previous FY and end-June of current FY

1. Progress Versus Management Plan for FY2026 (Ending March 31, 2027)

- Progress toward target achievement was slightly ahead of expectations and continued to advance at a favorable pace.
  - ✓ Properties sold: In line with target. Given the continued favorable external environment and inventory levels above initial plans, performance is expected to remain solid going forward
  - ✓ Gross profit per property sold: Slightly above target. As sales of long-term inventory are progressing steadily, gross profit per property sold may decline slightly from 1Q in 2Q and settle at the planned level
  - ✓ Operating profit: Slightly above target. For 1H, operating profit is expected to slightly exceed the initial budget. The outlook for achieving the full-year plan is also favorable
- The number of new housing inventory (nationwide) remained limited, down 5.2% YoY as of end-June. The number of housing starts for newly built detached houses remained at a low level
- In regional areas, the supply-demand balance for local construction contractors remains relaxed due to a continued decline in new housing starts, resulting in limited upward pressure on costs
- Rising interest rates have not had a notable impact on sales trends. In addition, there has been no change in the rate of cancellations after contract signing due to mortgage loan application rejections
- The impact of the situation in the Middle East has been limited due to the implementation of countermeasures. As of the financial results announcement date, orders received by building materials manufacturers have been gradually resuming

(JPY MM)	FY2026 1Q (ended June 30, 2026)		FY2026 Plan (ended Mar 31, 2027)					
			The first half			Full-year		
	Results	vs sales (%)	Plan	% of plan	vs sales (%)	Plan	% of plan	vs sales (%)
Sales	43,961	100.0%	86,700	50.7%	100.0%	177,400	24.8%	100.0%
Number of properties sold	**2,381**	**-**	**4,820**	**49.4%**	**-**	**9,700**	**24.5%**	**-**
Gross profit	10,325	23.5%	20,200	51.1%	23.3%	40,500	25.5%	22.8%
Operating profit	**5,562**	**12.7%**	**10,700**	**52.0%**	**12.3%**	**21,000**	**26.5%**	**11.8%**
Ordinary profit	5,418	12.3%	10,500	51.6%	12.1%	20,000	27.1%	11.3%
Profit attributable to owners of parent	3,678	8.4%	7,300	50.4%	8.4%	14,000	26.3%	7.9%

1. Progress of Various Initiatives under the Medium-Term Management Plan

Capture new customer segments

Sales mix ratio of low-priced products

Note: Figures are approximate in 5% increments

	FY2025				FY2026			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
KATITAS	20%	20%	25%	25%	20%			
REPRICE	20%	20%	20%	20%	15%			

Sales mix ratio of strategic inventory

	FY2025				FY2026			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
KATITAS	0%	2%	5%	5%	5%			

Increase sales staff

- We aim to accelerate the increase in sales staff by increasing the number of new graduate and mid-career hires

Number of new graduate hires

	April 2024	April 2025	April 2026	April 2027
	Result	Result	Result	Target
KATITAS	100	129	**152** (plan 150)	150
REPRICE	21	28	**34** (plan 35)	35

Brokerage of properties between KATITAS Group companies

- An initiative through which sales representatives from KATITAS act as brokers for properties marketed by REPRICE
- Properties under construction, including low-priced products and properties under renovation that are difficult to sell through general brokerage firms, are also seeing improved sales

	FY2025				FY2026			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Group brokerage ratio(1)	18%	19%	21%	14%	18%			

Progress associated with other elements of our fourth medium-term management plan's basic strategy

Basic Strategy	Progress
Advance into new markets (Open stores in untapped areas・Open small stores)	• Opened Osaka store in July. New store openings planned in areas near major cities (Chiba, Kanagawa) • Small stores: Opened Masuda and Nayoro stores. Multiple other store openings are currently being prepared
Diversify purchasing channels	• Designated as a "Designated Corporation for the Management and Utilization of Vacant Houses, etc." by five municipalities(2) • Agreement concluded with Setouchi-shi, Okayama Prefecture
M&A	Undisclosed

(1) Percentage of REPRICE sales unit brokered by KATITAS
(2) The five municipalities are Okayama-shi, Okayama Prefecture; Nakano-shi, Nagano Prefecture; Nagasaki-shi, Nagasaki Prefecture; Matsuura-shi, Nagasaki Prefecture and Saga-shi, Saga Prefecture.

1. Financial Highlights

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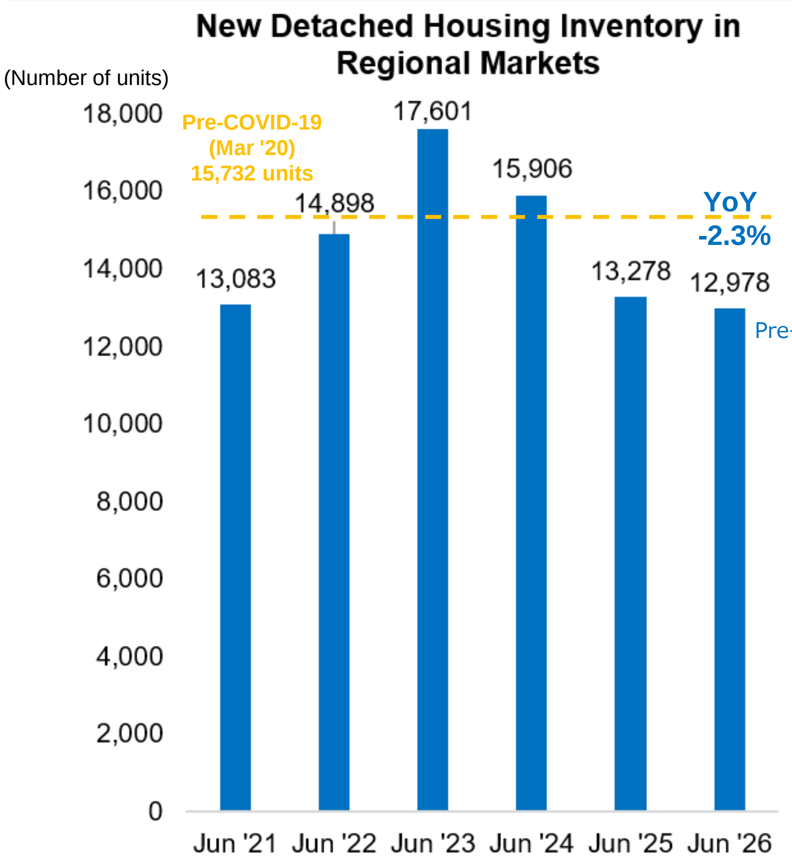
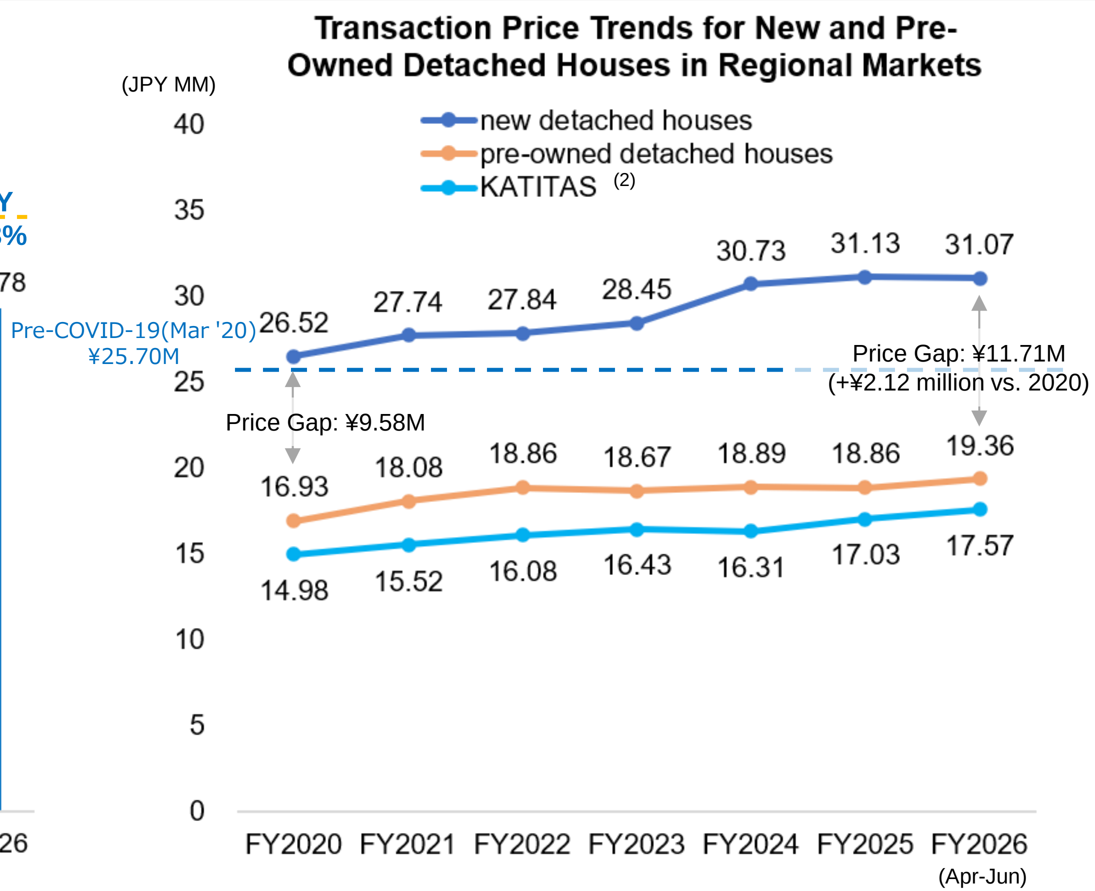
(JPY MM)	FY2025					FY2026					YoY			
	1Q	2Q	3Q	4Q	Full-year	1Q	2Q	3Q	4Q	Full-year	vs Q	vs Q (%)	vs YTD	YTD(%)
Net sales	35,063	37,352	39,998	39,437	151,851	43,961				43,961	+8,898	+25.4%	+8,898	+25.4%
Number of properties sold	1,976	2,088	2,220	2,096	8,380	2,381				2,381	+405	+20.5%	+405	+20.5%
Number of properties purchased	2,163	2,573	2,725	2,343	9,804	2,722				2,722	+559	+25.8%	+559	+25.8%
Gross profit	8,415	8,807	9,217	8,931	35,371	10,325				10,325	+1,910	+22.7%	+1,910	+22.7%
Gross profit margin (%)	24.0%	23.6%	23.0%	22.6%	23.3%	23.5%				23.5%	-0.5pt		-0.5pt	
(Ref) Adjusted gross profit margin (%)[1]	24.8%	24.8%	24.3%	23.9%	24.4%	24.4%				24.4%	-0.4pt		-0.4pt	
SG&A expenses	4,083	4,127	3,980	4,900	17,091	4,762				4,762	+679	+16.6%	+679	+16.6%
Operating profit	4,331	4,679	5,237	4,031	18,279	5,562				5,562	+1,231	+28.4%	+1,231	+28.4%
Operating profit margin (%)	12.4%	12.5%	13.1%	10.2%	12.0%	12.7%				12.7%	+0.3pt		+0.3pt	
Ordinary profit	4,199	4,585	5,121	3,903	17,809	5,418				5,418	+1,219	+29.0%	+1,219	+29.0%
Ordinary profit margin (%)	12.0%	12.3%	12.8%	9.9%	11.7%	12.3%				12.3%	+0.3pt		+0.3pt	
Net income	2,857	3,128	3,499	2,984	12,470	3,678				3,678	+820	+28.7%	+820	+28.7%
Net income margin (%)	8.2%	8.4%	8.7%	7.6%	8.2%	8.4%				8.4%	+0.2pt		+0.2pt	
EPS (JPY)	36.55	40.01	44.73	38.14	159.43	47.01				47.01	+10.46	+28.6%	+10.46	+28.6%
											vs 25/6	vs 25/6(%)	vs 26/3	vs 26/3(%)
Cash and deposits	13,646	12,919	10,156	8,228		7,871					-5,774	-42.3%	-356	-4.3%
Real estate for sale	41,812	44,063	46,915	48,390		52,899					+11,087	+26.5%	+4,509	+9.3%
Real estate for sale in process	23,186	26,758	30,285	32,813		35,692					+12,506	+53.9%	+2,879	+8.8%
Inventory real estates	64,998	70,822	77,200	81,203		88,592					+23,593	+36.3%	+7,389	+9.1%
Inventory turnover ratio (LTM)	1.74	1.69	1.63	1.63		1.61					-0.14		-0.02	
Total assets	81,682	87,085	90,566	93,245		100,397					+18,714	+22.9%	+7,151	+7.7%
ROA (LTM) (%)[2]	19.7%	19.8%	20.9%	20.7%		21.4%					+1.7pt		+0.7pt	
Interest-bearing liabilities	26,500	26,500	29,500	26,500		35,500					+9,000	+34.0%	+9,000	+34.0%
Shareholders' equity	46,387	49,624	50,073	53,059		53,536					+7,148	+15.4%	+476	+0.9%
Equity-to-asset ratio (%)	56.8%	57.0%	55.3%	56.9%		53.3%					-3.5pt		-3.6pt	
ROE (LTM) (%)[3]	23.9%	23.8%	25.3%	25.2%		26.6%					+2.7pt		+1.4pt	
		1H		2H	Full-year		1H		2H	Full-year	vs 1H	vs 2H	Full-year	
Decrease in Inventory real estates		-9,291		-10,379	-19,670									
Cash flows from operating activities		-3,604		-1,592	-5,197									
Cash flows from investing activities		-52		-56	-108									
Cash flows from financing activities		-2,190		-3,041	-5,232									
Net increase (decrease) in cash and cash equivalents		-5,847		-4,690	-10,538									

[1] Adjusted gross profit margin: Gross profit margin the company would have reported if not for deductions of "differences in consumption taxes, etc." from net sales and gross profit undertaken since a May 2025 litigation defeat. Provided as a reference to illustrate the group's underlying competitiveness. This reference value is calculated by adjusted gross profit (JPY 10,870 million) / adjusted net sales (JPY 44,505 million).
[2] ROA (LTM) = Total operating profit (LTM) / average of total assets at end-June of previous FY and end-June of current FY
[3] ROE (LTM) = Total profit attributable to owners of parent (LTM) / average of balances of shareholders' equity at end-June of previous FY and end-June of current FY

1. Market Conditions for New and Pre-owned Detached Houses in Regional Areas (KATITAS Areas)

- The number of newly built detached housing inventory has been declining since peaking in 2023, and recently remains consistently below pre-COVID-19 levels
- The gap in transaction prices between new and pre-owned detached houses has been widening. From April to June 2026, new housing prices increased by 17% compared to pre-COVID-19 levels. The average floor area of newly started built-for-sale housing nationwide in 2025 declined to 88.5 m², continuing a downward trend. This is nearly 30 m² smaller than the Company's homes[1]
- Due to the decrease in new housing inventory, which limits customers' options, and the widening price gap between new and pre-owned detached houses, more customers are likely to choose pre-owned houses.





Source: Prepared by our company based on REINS Data Library (Real Estate Information Network System) and internal company data.
Regional markets: all areas other than Tokyo, Kanagawa, Saitama, Chiba, Aichi, and Osaka prefectures.
[1] Compiled by the Company based on the Ministry of Land, Infrastructure, Transport and Tourism's "Housing Starts Statistics (2025)" [2] Prices for KATITAS include tax.

1. Market Conditions for New and Pre-owned Detached Houses in Urban Areas (REPRICE Areas)

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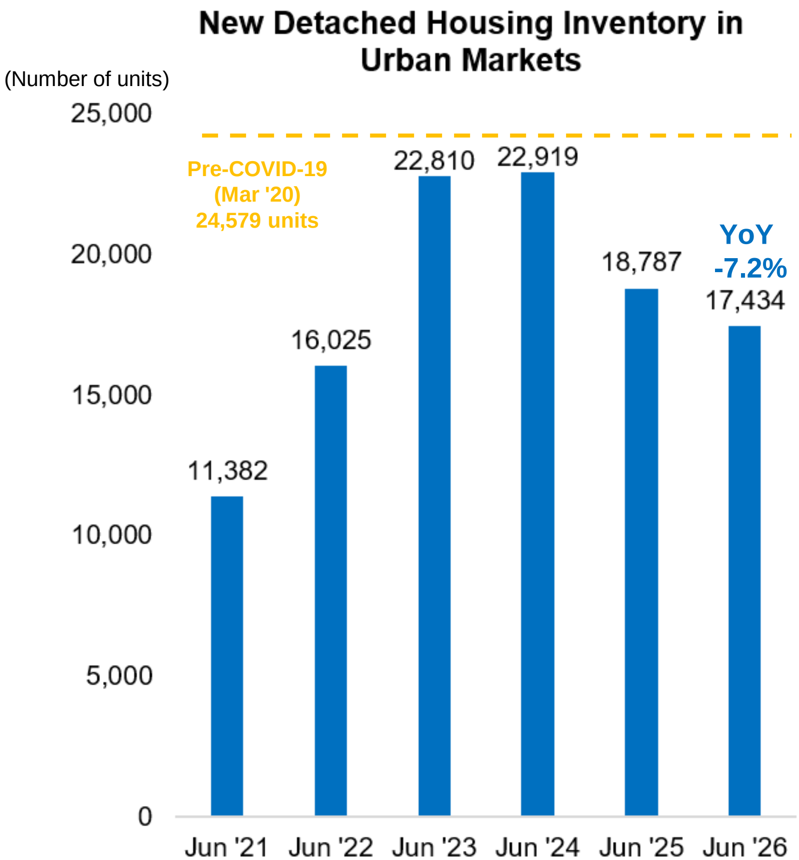
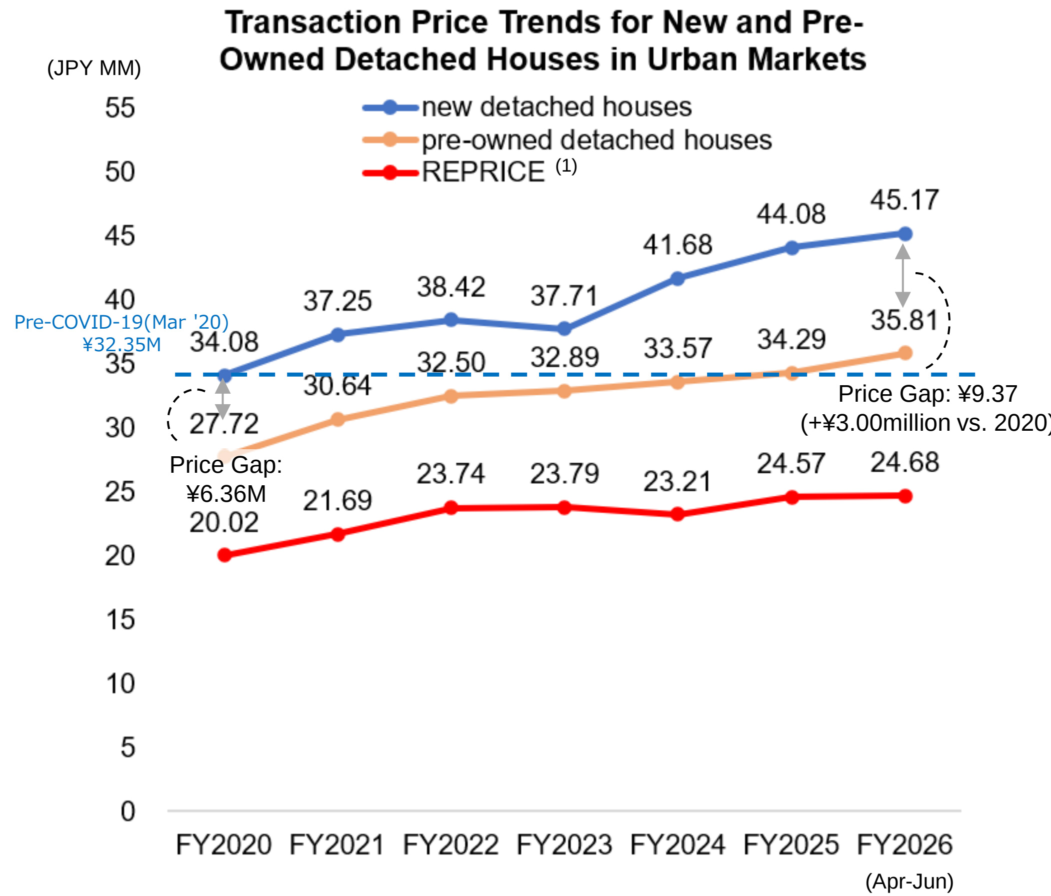
(TSE Prime 8919)

- The number of newly built detached housing inventory has been declining since peaking in 2024, and recently remains consistently below pre-COVID-19 levels
- The gap in transaction prices between new and pre-owned detached houses has been widening. From April to June 2026, new housing prices increased substantially by 33% compared to pre-COVID-19 levels
- Due to the decrease in new housing inventory, which limits customers' options, and the widening price gap between new and pre-owned detached houses, more customers are likely to choose pre-owned houses





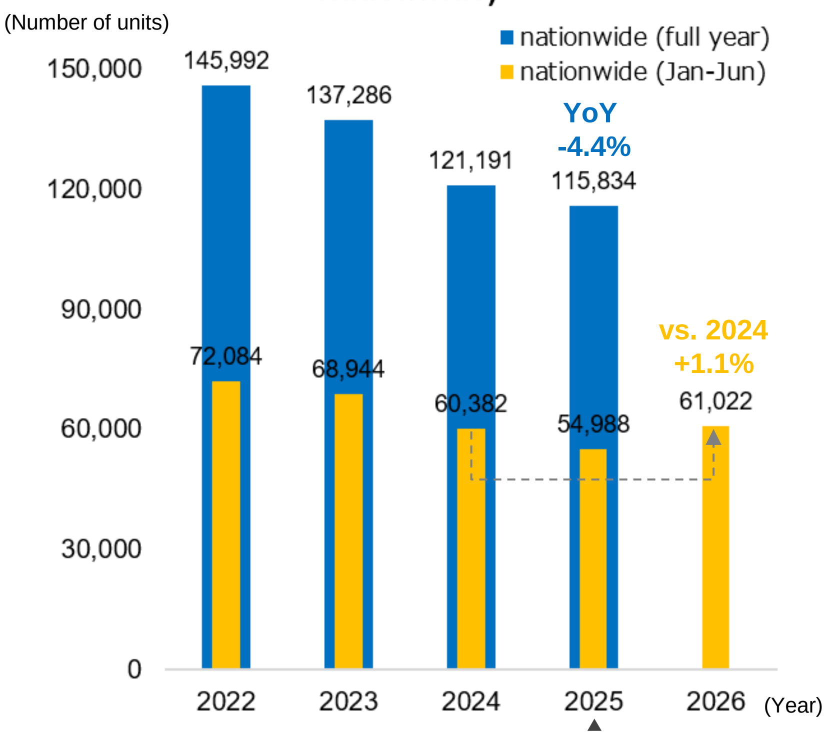
Source: Prepared by our company based on REINS Data Library (Real Estate Information Network System) and internal company data.
Urban markets: Tokyo, Kanagawa, Saitama, Chiba, Aichi, and Osaka prefectures.
(1) Prices for REPRICE include tax.

1. Trends in New Housing Starts (Detached Houses in Subdivisions)

(TSE Prime 8919)

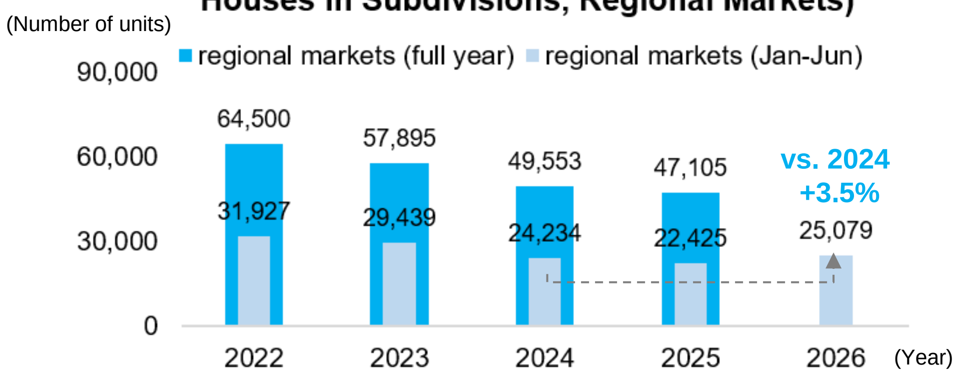
- The number of new housing starts is on a downward trend, driven by structural factors, including rising construction costs for new housing and stricter environmental regulations
- The number of housing starts (nationwide) remained at a low level in 1H 2026. The decline in the previous year reflected the impact of tighter environmental regulations and other factors
- Even in terms of total housing starts, including housing other than built-for-sale detached houses, 2025 marked the lowest level in the past 61 years, amid soaring construction costs and other factors[1]

Trends in New Housing Starts (Detached Houses in Subdivisions, Nationwide)

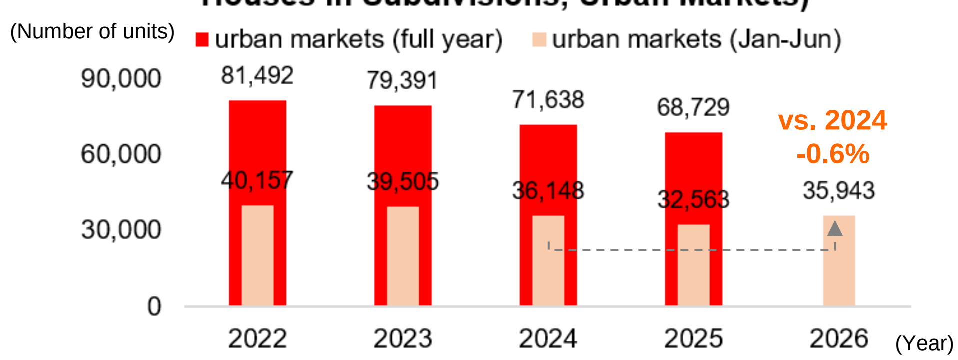


Temporarily declined sharply due to tighter environmental regulations and other factors

Trends in New Housing Starts (Detached Houses in Subdivisions, Regional Markets)



Trends in New Housing Starts (Detached Houses in Subdivisions, Urban Markets)



Source: Prepared by our company based on the Building Starts Statistics Survey (Housing Starts Statistics) conducted by the Ministry of Land, Infrastructure, Transport and Tourism.
Regional markets: all areas other than Tokyo, Kanagawa, Saitama, Chiba, Aichi, and Osaka prefectures. Urban markets: Tokyo, Kanagawa, Saitama, Chiba, Aichi, and Osaka prefectures.
(1) Nihon Keizai Shimbun: "740,000 new housing starts in 2025, the lowest level in the past 61 years; the 'myth of new construction' collapses."

Presentation Highlights

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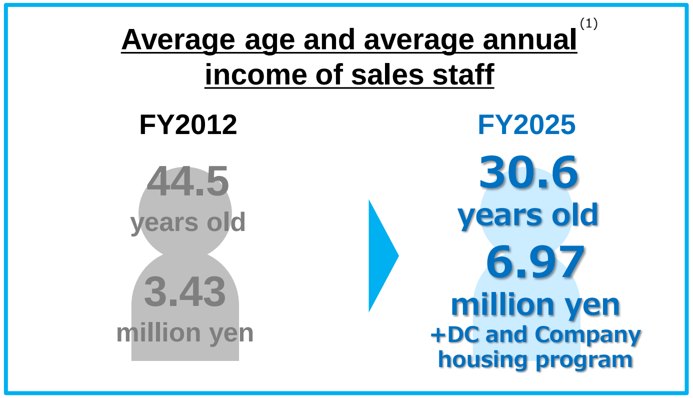
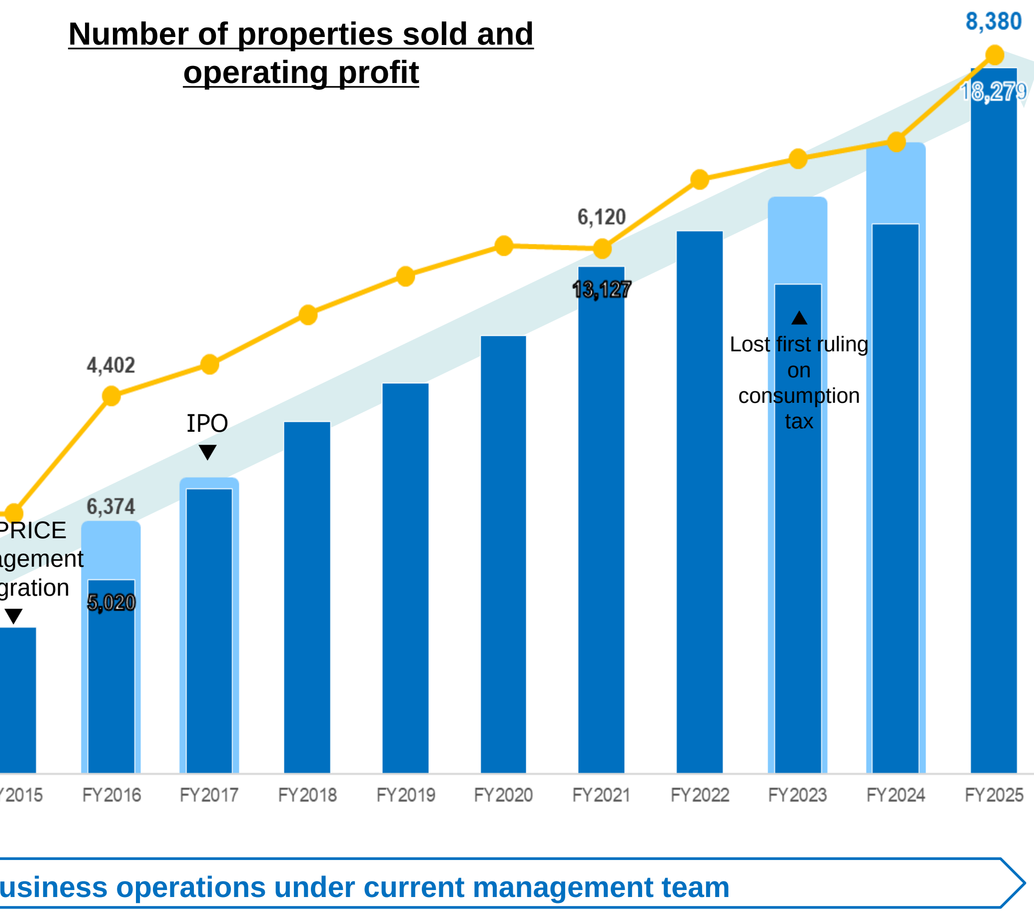
2. Continuing Steady Business Growth Since Launch of Current Management Team

(Reposted from FY2025 4Q)

- Current management team established in FY2012. Achieved continuous growth while improving profitability
- Number of properties sold rose approx. 3x and operating profit rose approx. 15x (adjusted operating profit approx. 13x) compared to FY2011
- Substantially improved employee treatment, with average age of sales staff becoming 14 years younger and average annual income increasing by 103% compared to FY2012





(1) At KATITAS parent for second-year employees onward. Employees on leave are excluded.
(2) Conducted fair value assessment of inventory at the time of the REPRICE integration. Adjusted operating profit reflects operating profit assuming no such assessment had been made (FY2016–2017)
(3) Adjusted operating profit reflects the difference in consumption tax resulting from the loss of the consumption tax-related litigation (FY2023–2024)

2. Long-Term Vision and Positioning of Fourth Medium-Term Management Plan

(Reposted from FY2025 4Q)

- Our long-term vision is to become the company that enriches people's lives the most in Japan
- We achieved tangible results in our third medium-term management plan, which ended in FY2024, establishing a foundation for growth by improving the quantity and quality of human resources, etc.
- In the fourth medium-term management plan, we aim to achieve an operating profit CAGR of 17% and reach our medium-term target of 10,000 houses sold per year set in 2012

Achievement of medium-term targets under current management team

Medium-term targets set upon launch of current management team in 2012

- Annual number of houses sold: 10,000
- Net sales: 100 billion yen * Achieved in FY2021
- Operating profit: 10 billion yen * Achieved in FY2019

Realized the vision of "The company to buy or sell your home through."

Annual houses sold: 10,000
Operating profit CAGR: 17%

Reacceleration of growth

Management foundation strengthening period

COVID-19 response period

Foundation-building period

Annual houses sold: 20,000

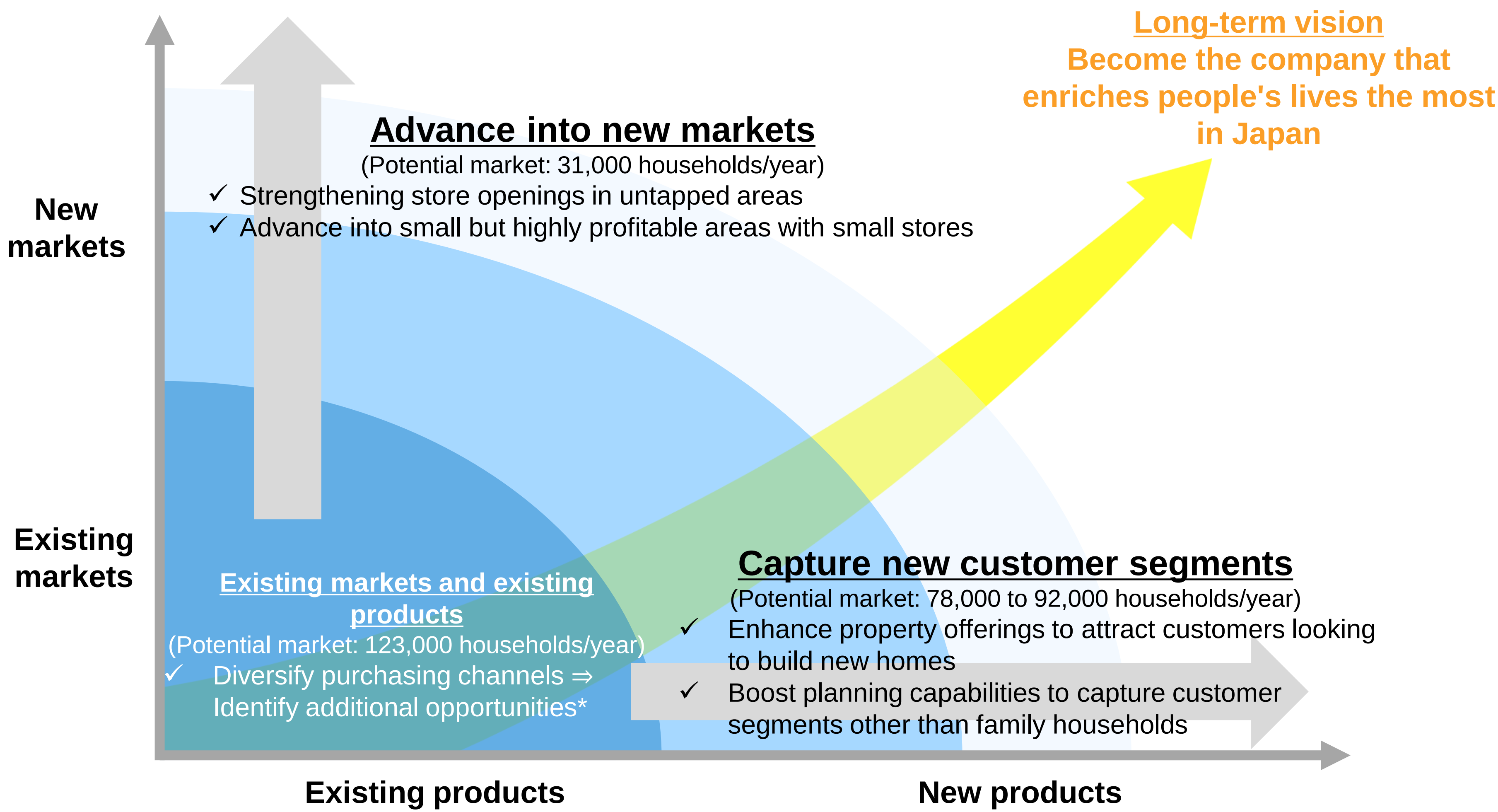
Achieve further growth and social impact

Become the company that enriches people's lives the most in Japan

First Medium-Term Management Plan			Second Medium-Term Management Plan			Third Medium-Term Management Plan			Fourth Medium-Term Management Plan			…	2035	…	Long-term Vision
17.3	18.3	19.3	20.3	21.3	22.3	23.3	24.3	25.3	26.3	27.3	28.3				

2. Aiming to Expand Growth Potential and Accelerate Growth In the Fourth Medium-Term Management Plan

- We will deepen our existing businesses while advancing into new geographical markets and developing new products that enable us to reach new customer segments
- We will expand our growth potential and accelerate growth by developing new markets and new customer segments



*See page 28 for the definition and calculation method of the number of households in the potential market

2. Vision for the Fourth Medium-Term Management Plan (Financial KGI)

(Reposted from FY2025 4Q)

- With a focus on vacant houses, rural areas, and adding value to the lifestyle of middle- and low-income earners, our long-term vision is to become the company that enriches people's lives the most in Japan
- The earnings plan for FY2027 (ending March 2028) was revised upward to reflect structural changes in the external environment and an increase in personnel exceeding the initial plan
- Maintain ROE of at least 20% and target 25%
- The dividend payout ratio remains unchanged from the plan prior to revision

	FY2024		FY2027		FY2027	
	Results		Plan	CAGR	Post-revision	CAGR
Number of properties sold	7,372	···	10,000	10.7%	Over 10,000	Over 10.7%
Operating profit	14,222 Million yen	···	20,000 Million yen	12.0%	23,000 Million yen	17.4%
ROE	22.2%	···	20% or more	-	Maintain at least 20% Aim for 25%	-
Dividend payout ratio	45.8%	···	50.0% or more & progressive dividend payment	-	50.0% or more & progressive dividend payment	-

2. External Environment and Challenges in the Fourth Medium-Term Management Plan

(Reposted from FY2025 4Q)

- Industry and business structure remains resistant to the external environment. Furthermore, changes in the external environment (society and competitive environment) creates additional growth opportunities
- We identified the following challenges to be addressed in order to take advantage of growth opportunities and continue the initiatives from the previous medium-term plan

Growth is driven by our own efforts as the external environment has limited impact	Growth opportunities driven by changes in external environment	
Industry and business structure (permanent factors)	**Changes in society**	**Changes in competitive environment**
● **Many vacant houses resulting from declining birthrate and aging population** ⇒There will continue to be ample target properties available for purchase ● **High demand for low-priced, high-quality housing** ⇒There is substantial underlying demand ● **Difficulty in handling regional/pre-owned/detached houses** ⇒There are many new entrants, but most companies exit without scaling up, resulting in no increase in supply	● **High cost of new housing** • Increased costs and reduced supply of new housing due to inflation, stricter environmental regulations, etc. • Rise in mortgage interest rates due to increase in policy interest rates ● **Increase in demand for low-priced products due to rising living expenses** ● **Changes in household composition (decline in family households, increase in single-person households)**	● **Policies to promote market circulation of vacant houses** • Making inheritance registration mandatory • Revision of the Act on Special Measures for Vacant Houses • Relaxation of brokerage fee regulations for low-priced vacant houses

Challenges to be addressed during the fourth medium-term management plan period + ongoing challenges from the previous medium-term management plan (third medium-term management plan)

- [Ongoing] Increase sales staff and improve productivity to fulfill substantial underlying demand
- Shrinking household sizes and diversifying lifestyles: Address diversifying customer needs (acquire customers other than traditional family households)
- Build a purchasing channel to acquire target properties as more vacant homes become available
- [Ongoing] Explore M&A opportunities
- Curb the impact of changes in the market for newly built detached houses on REPRICE business results

くらしに価値タス
カチタス
(TSE Prime 8919)

2. Basic Strategy in Response to Management Challenges

(Reposted from FY2025 4Q)

■ We formulated a basic strategy to address the challenges we will focus on during the fourth medium-term plan period and the ongoing challenges from the previous medium-term plan. We aim to accelerate growth by implementing this basic strategy.

Challenges to be addressed during the fourth medium-term management plan period + ongoing challenges from the previous medium-term plan (third medium-term management plan)

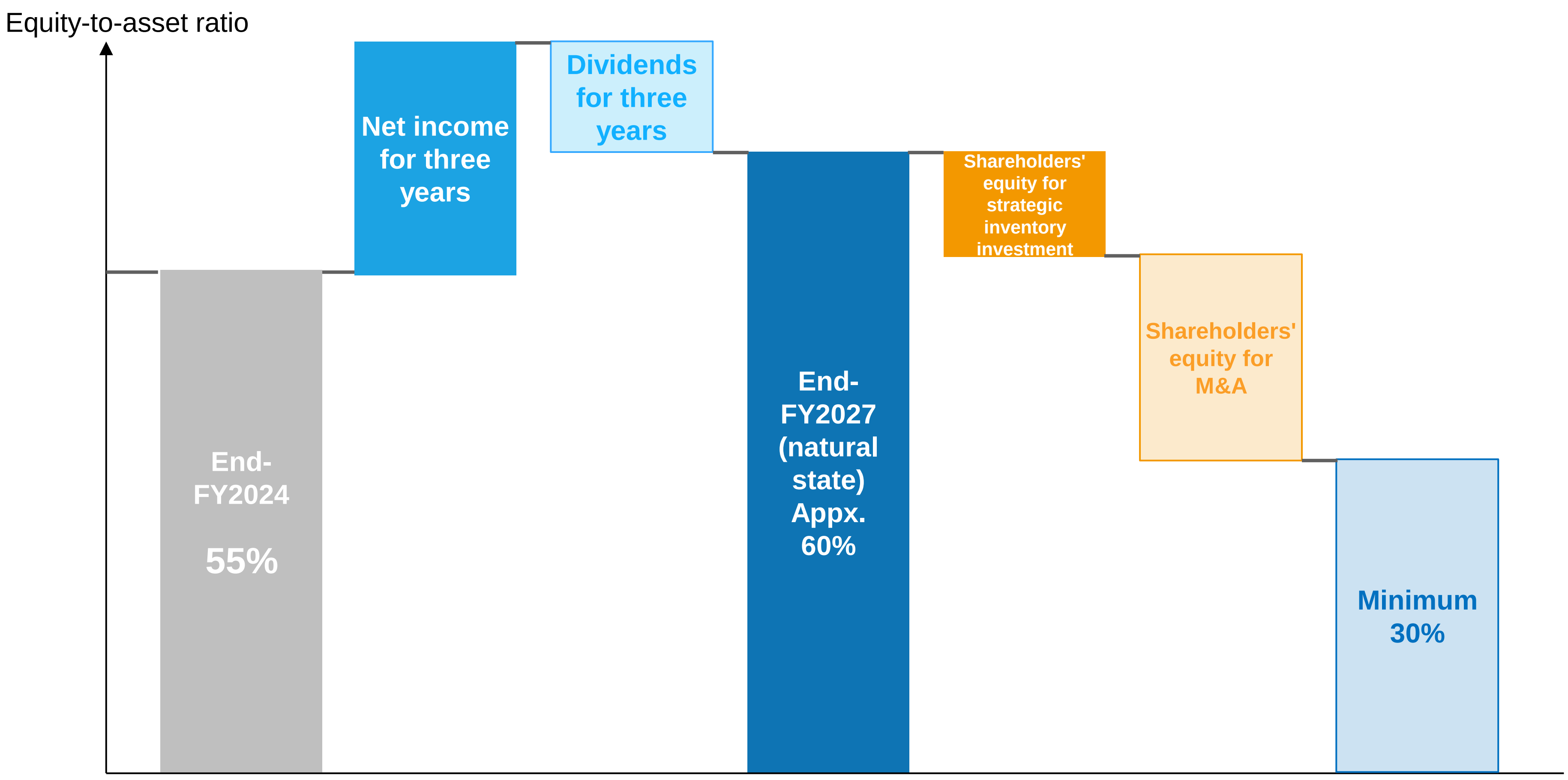
	Fourth Medium-Term Management Plan: Basic Strategy	Overview
①	**Increase sales staff and strengthen training** ∟Open stores in untapped areas ∟Open small stores	• Aim to accelerate personnel growth by increasing the number of new graduate hires and enhancing retention efforts • Leverage our robust human capital to tap into areas without existing stores and small but highly profitable areas • Establish a Organizational Strategy Promotion Office to strengthen organizational capabilities at stores facing challenges
②	**Improve productivity** ∟Set strategic inventory budget	• Continue efforts to improve productivity by investing in various systems • Set a strategic inventory budget for inventory with high turnover potential. Aim to boost the number of properties handled while keeping sales staff workload to a minimum
③	**Diversify renovation projects** ∟Capture new customer segments	• Shrinking household sizes and diversifying lifestyles: Enhance renovation projects that address customer needs • Continue efforts to expand construction capacity by finding new contractors
④	**Diversify purchasing channels**	• Maintain brokerage channel while diversifying purchasing channels through collaboration with local governments and other industries
⑤	**M&A**	• Objective is to leverage KATITAS sales capabilities and diversify purchasing channels • Currently reviewing multiple companies. Planning to fund M&A deals using debt
⑥	**Improve REPRICE earnings stability**	• Market impact on business results decreased due to various measures implemented in FY2024 • Aim to strengthen renovation cost control capabilities by finding new contractors

2. Capital Allocation

(TSE Prime 8919)

(Reposted from FY2025 4Q)

- During the three-year-period of the fourth medium-term management plan, we will invest in strategic inventory (properties with high turnover potential) and pursue the possibility of M&A implementation
- Our minimum required equity-to-asset ratio is approximately 30%. We are currently reviewing multiple M&A opportunities and will retain the shareholders' equity necessary for these investments on our balance sheet for the time being (planning to fund investments through debt).



2. Management Plan for FY2026 (Ending March 31, 2027)

(Reposted from FY2025 4Q)

- We aim for growth of 15.8% in the number of properties sold and 14.9% in operating profit.
  The operating profit plan incorporates Human capital investment at the same level as in FY2025 from the outset.
  - ✓ Average selling price: Expected to increase slightly. The sales composition ratio of strategic inventory is expected to increase YoY, while the sales ratio of low-priced products is expected to remain flat compared with the previous year
  - ✓ Properties sold: Demand is expected to remain strong. We have ample initial inventory and expect growth of more than 15%
  - ✓ Gross profit per property sold: Expected to remain flat from the fiscal year ended March 2026. Gross profit margin is expected to decline due to rising selling prices
  - ✓ REPRICE: Inventory is sufficient for growth, but the YoY growth rate is lower than KATITAS. While maintaining a high gross profit per property sold, we do not expect the same level of improvement as in the fiscal year ended March 2026, and therefore expect operating profit growth of around 10%. We will continue to improve the ratio of group brokerage to enhance profitability across the group
- We expect inventory in the new housing market to gradually increase toward the second half of the fiscal year. However, we anticipate that the impact on the group will be minimal due to rising new housing costs associated with environmental regulations
- Mortgage interest rates for buyers are trending upward. However, the impact on the Company is expected to be neutral, as an inflow of prospective new-build homebuyers is anticipated
- The impact of cost increases due to inflation is minimal. This is due to the fact that we use few materials and that the supply and demand for carpenters is easing in regional areas due to a decline in new housing starts
- <u>While there could be an impact from higher crude oil prices and order suspensions by housing equipment manufacturers due to concerns about the worsening situation in the Middle East, we are preparing countermeasures and expect the impact to be minor</u>

(JPY MM)	FY2025 (ended Mar 31, 2026)						FY2026 (ended Mar 31, 2027)								
	1H		2H		Full-year		1H			2H			Full-year		
	Results	vs sales (%)	Results	vs sales (%)	Results	vs sales (%)	Plan	YoY (%)	vs sales (%)	Plan	YoY (%)	vs sales (%)	Plan	YoY (%)	vs sales (%)
Net Sales	72,415	100.0%	79,436	100.0%	151,851	100.0%	86,700	+19.7%	100.0%	90,700	+14.2%	100.0%	177,400	+16.8%	100.0%
Number of properties sold	**4,064**	-	**4,316**	-	**8,380**	-	**4,820**	**+18.6%**	-	**4,880**	**+13.1%**	-	**9,700**	**+15.8%**	-
Gross profit	17,222	23.8%	18,149	22.8%	35,371	23.3%	20,200	+17.3%	23.3%	20,300	+11.8%	22.4%	40,500	+14.5%	22.8%
Operating profit	**9,010**	**12.4%**	**9,268**	**11.7%**	**18,279**	**12.0%**	**10,700**	**+18.7%**	**12.3%**	**10,300**	**+11.1%**	**11.4%**	**21,000**	**+14.9%**	**11.8%**
Ordinary profit	8,784	12.1%	9,024	11.4%	17,809	11.7%	10,500	+19.5%	12.1%	9,500	+5.3%	10.5%	20,000	+12.3%	11.3%
Profit attributable to owners of parent	5,986	8.3%	6,483	8.2%	12,470	8.2%	7,300	+21.9%	8.4%	6,700	+3.3%	7.4%	14,000	+12.3%	7.9%

* The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Please refer to the disclaimer on the last page of this presentation.

2. Dividend Forecast

(Reposted from FY2025 4Q)

- The Fourth Medium-Term Management Plan stipulates a dividend payout ratio of 50% or more and a policy of progressive dividends
- The year-end dividend for the fiscal year ended March 2026 is expected to be ¥41.0 per share, an increase of ¥2.0 from the initial plan
- For the fiscal year ending March 2027, we plan to pay an interim dividend of ¥45.0 per share and a year-end dividend of ¥45.0 per share, for a total annual dividend of ¥90.0
  (The annual dividend of ¥90.0 per year is 3.5 times the dividend paid shortly after listing in 2017 (equivalent to ¥26.0 per year))

	FY2024		FY2025 (Revised forecast for the first half)		FY2025 (Finalized)		FY2026 (Forecast for the new fiscal year)			
	Interim	Year-end	Interim	Year-end	Interim	Year-end	Interim	Compared with initial forecast	Year-end	Compared with initial forecast
Dividends per share	28.0円	28.0円	39.0円	39.0円	39.0円	**41.0円**	**45.0円**	**+6.0円**	**45.0円**	**+4.0円**
Dividend payout ratio	45.8%		51.3%		50.2%		**50.3%**			

* The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Please refer to the disclaimer on the last page of this presentation.

2. Growth Drivers for KATITAS (1): Enhance Sales Force (FY2025 Results)

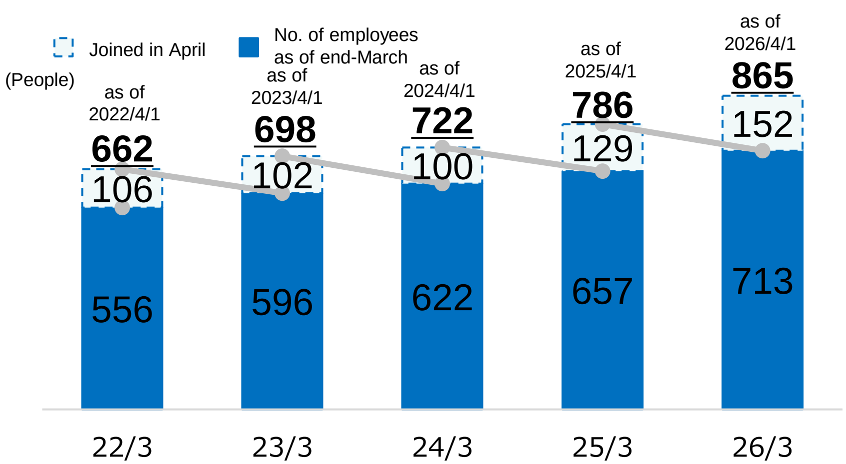
(Reposted from FY2025 4Q)

- The potential market is sizable both for purchases and sales: A large number of vacant properties exist in Japan, and there is sufficient demand for low-priced housing
- Expansion of our supply capacity through an increase in sales personnel and the maintenance and improvement of productivity is a growth driver
- Under the current mid-term management plan, we plan to accelerate the increase in sales staff. Due to increased hiring, the number of sales staff as of April 2026 grew 10.1% YoY, representing a higher growth rate than before

Sales Staff		Productivity		Capacity (FY2025 Results)
Sales employees[1] (average during the fiscal year) 685.0	×	Purchases 11.2 / sales employee	=	Number of properties purchased: 7,682
	×	Sales 9.4 / sales employee	=	Number of properties sold: 6,422

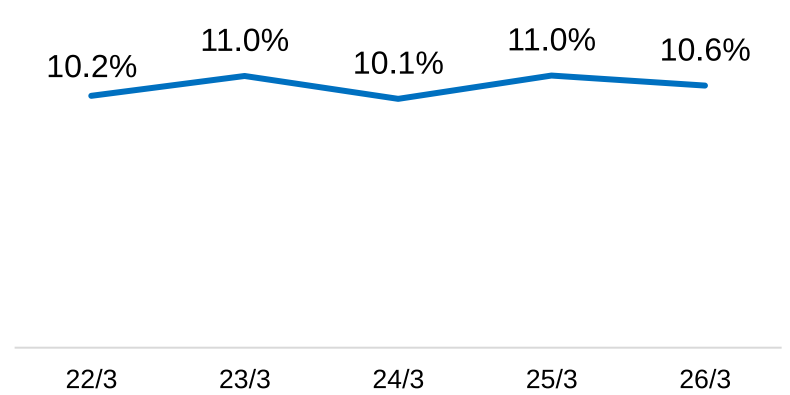
Number of sales staff [1]

- ✓ As of April 1, 2026, our sales force had expanded 10.1% YoY.
- ✓ We continue to focus primarily on recruiting new graduates. Under the current mid-term management plan, we plan to accelerate the pace of personnel expansion compared with before



Turnover rate[2]

- ✓ Turnover rate in FY2025 came in as expected at 10.6%.
- ✓ Employee engagement survey results exceeded the benchmark "BBB," earning the company the BMC (Best Motivation Company Award) 2026.[3]



(1) Number of sales staff = Number of store staff (incl. contract and part-time) + number of deputy sales managers and section managers
(2) Turnover rate = number of employees who resigned or retired during the fiscal year / number of employees at the beginning of the fiscal year
(3) Award for companies with high employee engagement presented by Link and Motivation Inc.; KATITAS Co., Ltd. press release (4) Figures represent historical results of KATITAS (non-consolidated)

2. Growth Drivers for KATITAS (2): Productivity Improvement (FY2025 Results)

(TSE Prime 8919)

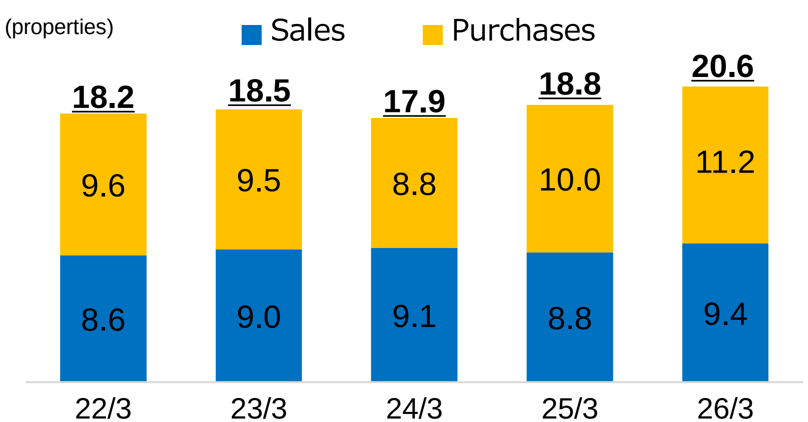
(Reposted from FY2025 4Q)

- Supported by a favorable business environment, strong sales and proactive purchasing drove productivity in the fiscal year ended March 2026 to a record high
- Going forward, we aim to improve productivity by reducing the administrative workload of sales staff through the use and automation of AI, allowing them to focus on customer negotiations and property viewings, which are difficult to replace with AI

Sales Staff		Productivity		Capacity (FY2025 Results)
Sales employees[1] (average during the fiscal year) 685.0	×	Purchases 11.2 / sales employee	=	Number of properties purchased: 7,682
	×	Sales 9.4 / sales employee	=	Number of properties sold: 6.422

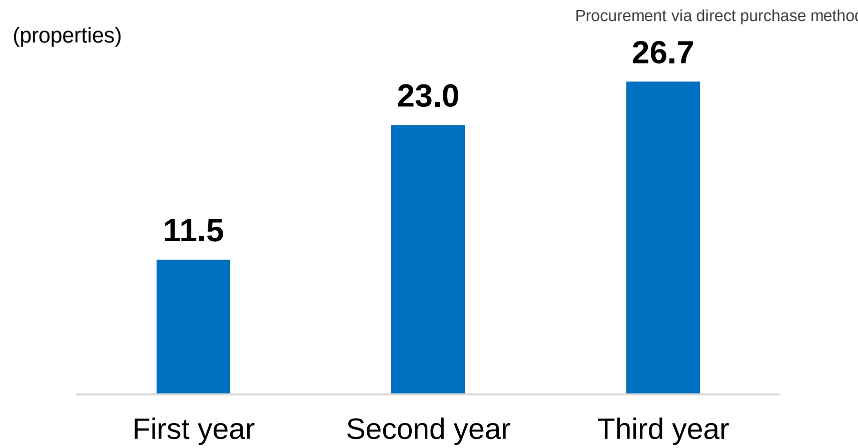
Productivity of sales staff[2]

- ✓ Growth in contracts for which renovations are underway (and also those sold in the present condition) continued
- ✓ We will continue improving productivity while aiming to boost gross profit per property



Productivity of new graduate employees[3]

- ✓ By increasing the number of employees at store-manager level, we increased capacity for training and accelerated the time it takes until new employees start contributing to the business.
- ✓ Effective from FY2023, the target productivity of sales employees raised from 24 properties (purchased and sold) to 32 properties.



(1) Number of sales staff = Number of store staff (incl. contract and part-time) + number of deputy sales managers and section managers
(2) Productivity= sum of the number of homes purchased and the number of homes sold by KATITAS over a period, divided by the average of the number of sales employees of KATITAS at the beginning and end of the period
(3) Average calculated from the results of the last three fiscal years (5) Figures represent historical results of KATITAS (non-consolidated)

2. Growth Drivers for REPRICE (FY2025 Results)

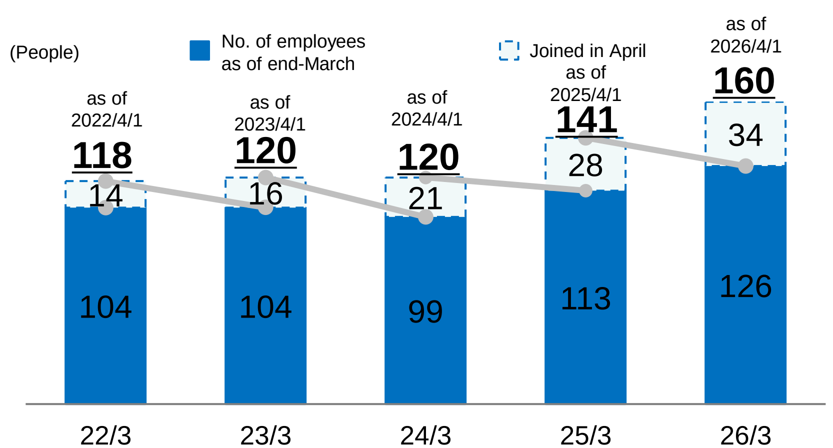
(Reposted from FY2025 4Q)

- As with KATITAS, an increase in sales staff and the maintenance and improvement of productivity are growth drivers
- Sales staff headcount increased significantly due to strengthened hiring
- Productivity remained at a high level. Low-priced products and changes in sales channel strategy continued to contribute

Sales Staff		Productivity		Capacity (FY2025 Results)
Sales employees [1] (average during the fiscal year) 119.5	×	Purchases 17.8 / sales employee	=	Number of properties purchased:2,122
	×	Sales 16.4 / sales employee	=	Number of properties sold:1,958

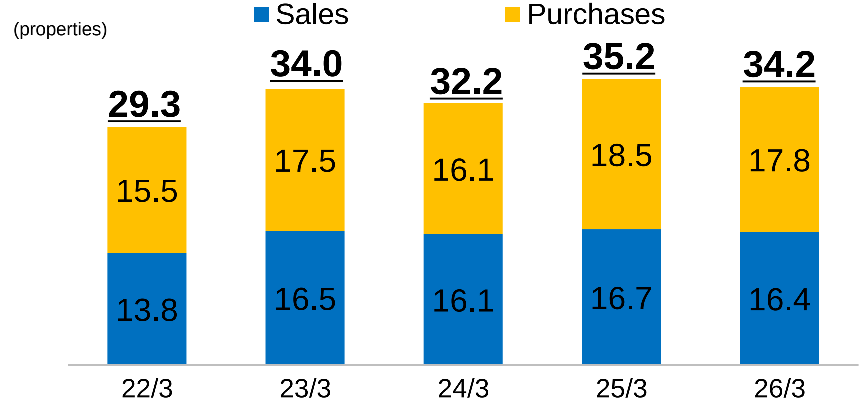
Number of sales staff

- ✓ As of April 1, 2026, our sales force had expanded 13.5% YoY.
- ✓ Hired 34 new graduates in April 2026.
- ✓ Employee engagement survey results exceeded the benchmark “BBB,” and there were no resignations among new employees hired in April 2024



Productivity[2]

- ✓ Maintained a high level in the fiscal year ended March 2026
- ✓ From the fiscal year ending March 2027 onward, a slight decline is expected as the ratio of new employees increases



(1) Number of sales staff = Number of sales representatives + Number of sales block managers and area managers
(2) Productivity= sum of the number of homes procured and the number of homes sold by REPRICE over a period, divided by the average of the number of sales employees of REPRICE at the beginning and end of the fiscal year

Presentation Highlights

1.	Overview of Financial Results for the First Three Months of the FY2026 (Ending March 31, 2027)	P3-P10
2.	Fourth Medium-Term Management Plan and Management Plan for FY2026 (Ending March 31, 2027) (Reposted from Financial Results Presentation For the 48th Fiscal Year Ending March 31, 2026)	P12-P23
3.	**Overview of Business Model**	**P25-P40**
4.	APPENDIX	P42-P50

3. Business Model of KATITAS

- KATITAS purchases pre-owned detached houses in regional areas, and renovate them to accommodate today's living styles before selling them at half the price of newly built houses.
- About 80% of properties we purchase are empty, vacant houses. We create social value by resolving the issue of vacant houses and providing affordable housing.

Procurement → **Renovation** → **Sale**

Seller → **KATITAS Group** → Buyer

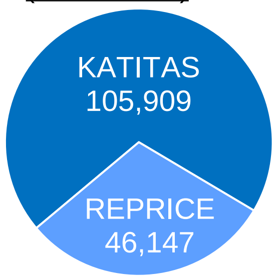
Ability to procure properties

Ability to assess property purchase risks

Before

After

FY2025 Revenue (JPY millions)

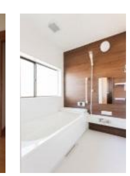


	KATITAS	REPRICE
Operating areas	Suburban areas and Regional Cities	Cities and Suburban areas
Number of properties sold	6,422 Houses	1,958 houses
Ratio of single-family detached houses	94.8%	76.5%
Average price per property sold (1)	16.48MM	23.79M

Large-volume orders ↓ Price discounts ↑ **Building materials manufacturers**

Price discount ↑ Regular orders ↓ **Contractors**

Ability to plan renovation work → Ability to implement renovation work



(1) Excluding tax

3. Business Development Areas and Building Ages of the Group

- KATITAS focuses on regional cities (population 50,000-300,000) and buildings with an average 30 years. It has strengths in in-house sales ability, survey ability, renovation planning ability, and renovation implementation ability.
- REPRICE focuses on urban and suburban areas (population 300,000-500,000) and buildings with an average 20 years. It has strengths in its broker network, speed, and pricing accuracy

Building age

old | 50 years | 40 years | 30 years | 20 years | 10 years | New

Area

Area	
Lightly populated areas, holiday home and sightseeing areas (1)	985 municipalities 15.4 million people
Regional cities (2)	236 municipalities 24.7 million people
Suburban (3)	476 municipalities 48.6 million people
Cities (4)	10 municipalities 10.6 million people
Metropolitan city centers (5)	11 municipalities 27.0 million people

KATITAS
populations of 50,000-300,000
Average building age 30 years
Strengths: In-house sales ability, survey ability, renovation planning ability, and renovation implementation ability

REPRICE
populations of 300,000-500,000
Average building age 20 years
Strengths: Relationships with brokers, speed, pricing

Properties that are not eligible for purchasing

Source: Created by KATITAS based on the Ministry of Internal Affairs and Communications' Population Census/ -Data Table by Prefecture and Municipality 2020

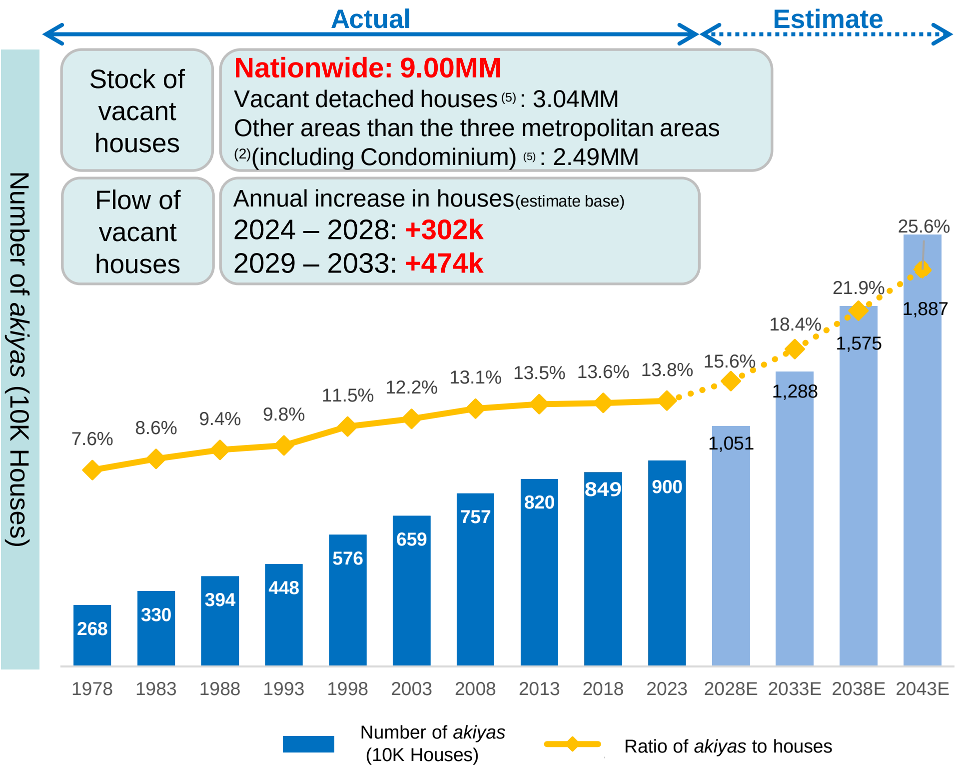
(1) Lightly populated areas, holiday home and sightseeing areas: Municipalities with populations under 50,000 excluding areas within the three metropolitan areas
(2) Regional cities: Municipalities with populations of 50,000-300,000 excluding areas within the three metropolitan areas
(3) Suburban areas : Areas within three metropolitan areas excluding Tokyo 23 wards, ordinance-designated cities same as above and municipalities with populations of 300,000-500,000
(4) Cities: Ordinance-designated cities outside the Tokyo 23 wards and three metropolitan areas (Sapporo-shi, Fukuoka-shi, Hiroshima-shi, Sendai-shi, Kitakyushu-shi, Niigata-shi, Hamamatsu-shi, Kumamoto-shi, Okayama-shi, Shizuoka-shi)
(5) Metropolitan city centers: Tokyo 23 wards and ordinance-designated cities within three metropolitan areas (Osaka-shi, Nagoya-shi, Kyoto-shi, Yokohama-shi, Kobe-shi, Kawasaki-shi, Chiba-shi, Saitama-shi, Sakai-shi, Sagamihara-shi)

3. Medium and Long Term Expansion with Opportunities for Procurement Based on Increased Supply of Vacant Houses

- There is a large number of vacant houses and the number is expected to increase, which provides KATITAS with procurement opportunities
- Although a large majority of such vacant houses cannot be distributed in the housing market on an “as-is” basis, KATITAS is capable of acquiring such houses with a low level of competition

Abundance in Stock and Flow of Vacant Houses[1]

Number and Predicted Rate of Increase of Vacant Houses



Source: Ministry of Internal Affairs and Communications, “2023 Housing and Land Survey Approximate Tabulation of Dwellings (Revised Report)”, Estimates are prepared by KATITAS based on the news release, “The Housing Market in 2040 and Challenges: Changing Trends in Housing Starts and Initiatives to Respond to Change (June 12, 2025)” issued by Nomura Research Institute, Ltd.

Unique Business Segment

	Metropolitan city centers (3)	Urban areas (4)	Regional cities / Regional areas (Areas excluding metropolitan city centers and suburban areas)
Single-family houses	# of vacant houses(4): 0.220 million	# of vacant houses(5): 0.766 million reprice	# of vacant houses(5): 2.056 million くらしに価値タス カチタス KATITAS
Condo-miniums	# of vacant houses (5) 0.363 million Competitors’ focused area	# of vacant houses(5): 0.345 million	# of vacant houses(5): 0.432 million

KATITAS Group’s focused areas

✓ KATITAS Group’s business domain is unique and has relatively high barriers to entry

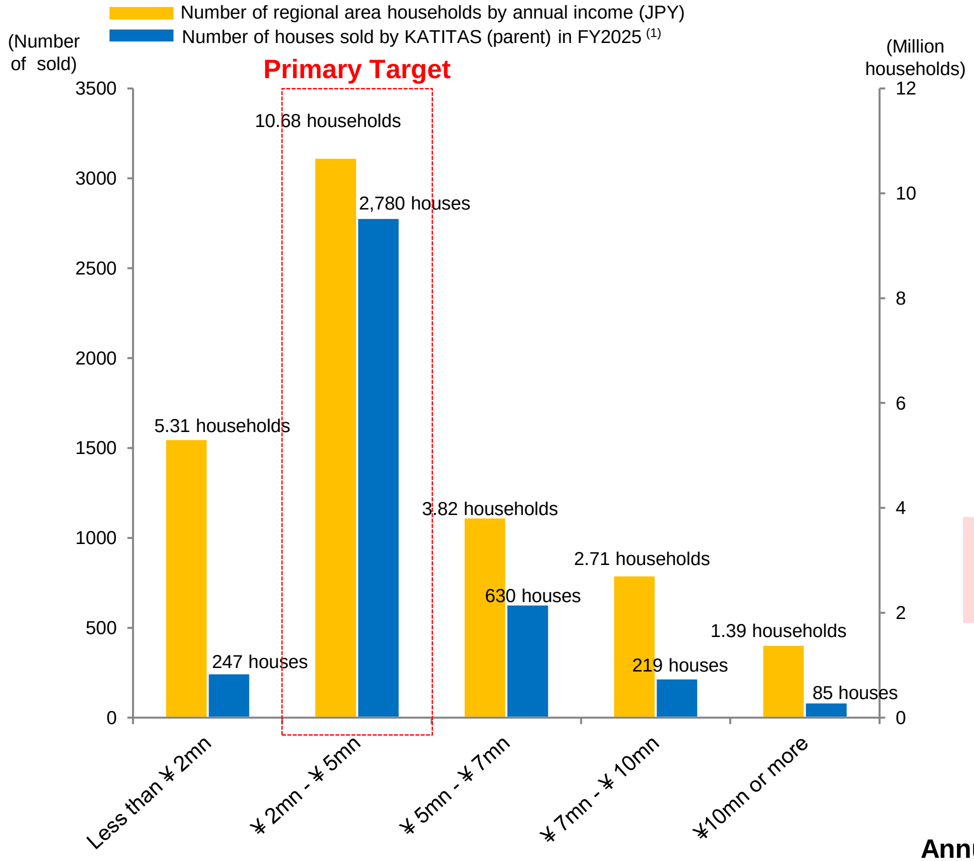
Source: Ministry of Internal Affairs and Communications,“2023 Housing and Land Survey (Revised Report)”

(1) Vacant houses include pre-owned properties and rental houses.
(2) Three Metropolitan Areas (defined by the Ministry of Internal Affairs and Communications): Tokyo area (Saitama, Chiba, Kanagawa and Tokyo prefectures), Nagoya area (Gifu, Aichi and Mie prefectures) and Osaka area (Osaka, Hyogo, Nara and Kyoto prefectures).
(3) Tokyo 23 wards and ordinance-designated cities within three metropolitan areas (Osaka-shi, Nagoya-shi, Kyoto-shi, Yokohama-shi, Kobe-shi, Kawasaki-shi, Chiba-shi, Sakai-shi, Sagamihara-shi).
(4) Areas within three metropolitan areas excluding Tokyo 23 wards and ordinance-designated cities same as above.
(5) Pre-owned properties and rental houses are excluded from the calculation of vacant houses same as above.

3. Fourth Housing Option in Regional Areas: Pre-Owned and Renovated Single-Family Houses

- KATITAS' primary target customer base consists of approximately 1.23 million households currently living in rental houses in regional areas, with annual income of JPY2-5 million and the intention to own a house
- Based on the assumption that there is demand for 123,000 units if the duration of the abovementioned families considering the purchase of housing units is 10 years.
- The number of properties sold by KATITAS in FY2025 was 6,442, which is equivalent to around 5.2% of the estimated market and many potential customers still exist.

Customer Group by Annual Income and Macro Environment



Large Potential Customer Base

Number of households in Japan
55.67 million

Households in regional areas
25.14 million
Approx. 45% of nationwide households

Households with annual income of JPY 2-5 million
10.67 million
Approx. 43% of households in regional areas

Households living in rental houses
3.70 million
Approx. 35% of households with JPY2-5 million annual income are living in rental residence

KATITAS' main target
Households with intention to own a house: 1.23 million
Approx. 33% of the households living in a rental house have the intention to own a house

Based on the assumption that the duration of considering the purchase of housing units is **10 years**.
⇒The size of the market including potential demand is estimated at about **123,000 houses** per year.

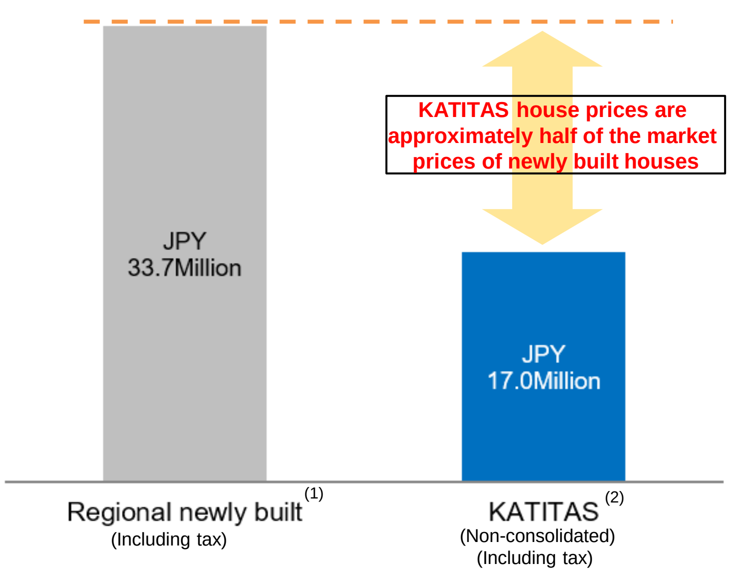
Annual number of houses sold by KATITAS: 6,442(around 5.2% of target)
⇒ There are still many potential customers

Sources: Ministry of Internal Affairs and Communications "2023 Housing and Land Survey (Revised Report)", Ministry of Land, Infrastructure, "Transport and Tourism 2023 Comprehensive Survey on Housing and Living Environments"
(1) Excludes unknown and corporate entities

3. Offering High-Quality Renovated Houses at Reasonable Prices

- KATITAS is able to offer renovated houses at roughly half the price of comparable newly built houses, that also offer lower monthly mortgage payments compared to renting
- Customers can purchase a home with a mortgage within their means, in accordance with the growth of their children and other life stages.
- Mortgage repayments will not increase as much as newly built houses even if interest rates were to rise.

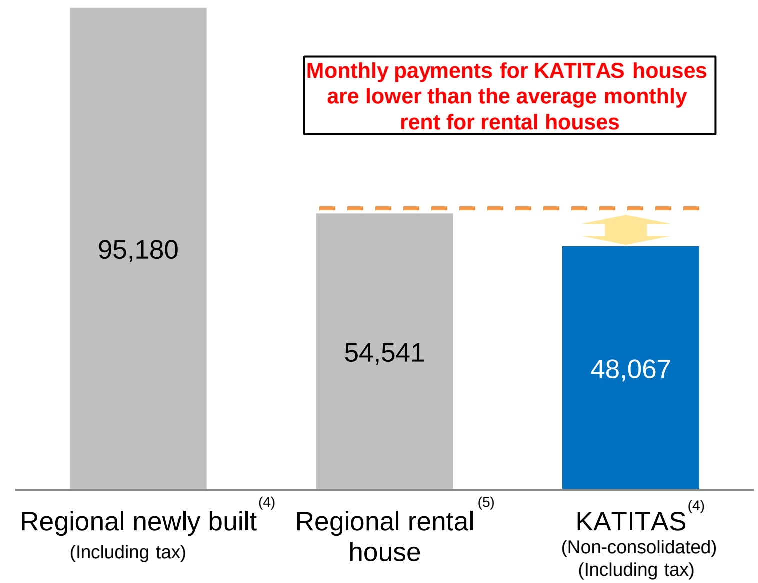
Less Expensive than the Average Selling Price of Newly Built Houses UPDATE



Monthly repayment amount when mortgage interest rate rise

		Regional newly built	KATITAS
Mortgage interest rates	1.0%	¥ 95,180	¥ 48,067
	1.5%	¥ 103,238	¥ 52,136
	2.0%	¥ 111,694	¥ 56,406

Lower Payments than Rental Houses[3] UPDATE



Comparison of Cost per Floor Area for Each Property (Illustrative)

	Regional newly built house	Regional rental house	KATITAS
Total floor area (m^2)	100～110	50～65	110～120
Payment per square meter (KATITAS＝100)	229	233	100

(1)Average prices (including tax) of newly built houses are surveyed under the screening method specified below, based on the "Integrated System of Land Information" operated by Ministry of Land, Infrastructure, Transport and Tourism
Timing of transaction: From April 2025 to March 2026／Timing of construction: In January 2025 and after／Type: Building lot (land and building)／Total floor area : Between 50㎡ and 200㎡ ／Use of building: Housing
(2)The average sales price is calculated based on the sale price of properties delivered during the period between April 2025 and March 2026.

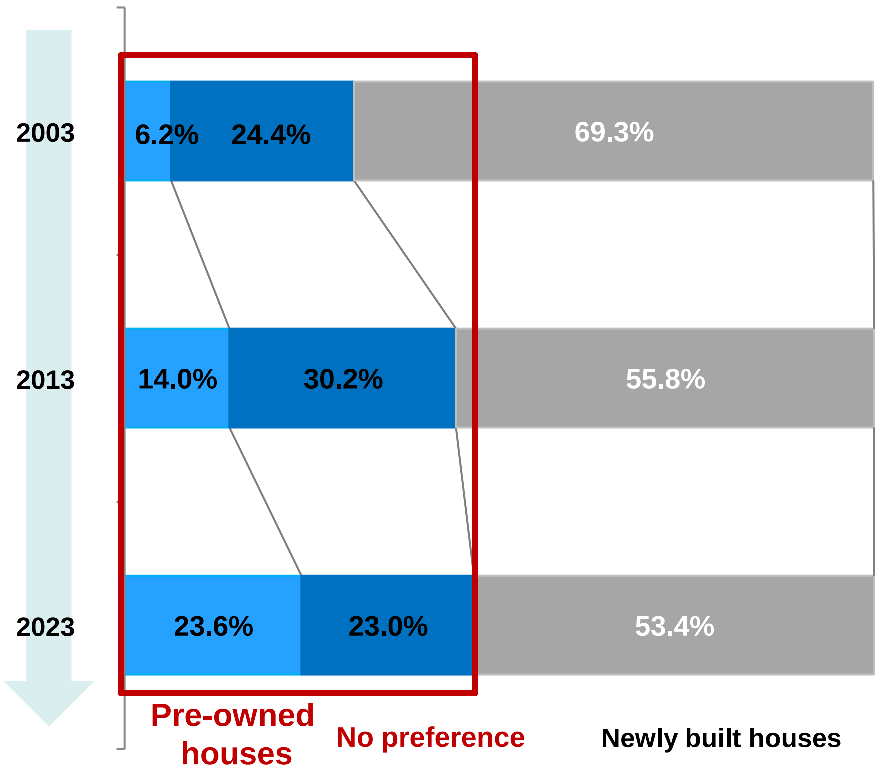
(3) Monthly rent paid by households other than single-person households
(4) Payment amounts for Regional newly built and KATITAS are calculated based on the premise assuming that a buyer pays the average sale price under a 35-year loan with no initial down payment or other incentive payments at a fixed interest rate of 1.0% for the life of the loan
(5) Source: Ministry of Internal Affairs and Communications, "2023 Housing and Land Survey (Revised Report)"

3. Consumer Preferences Have Shifted Toward Accepting Pre-Owned Houses

- Increasing number of households with less preference for newly built houses and increasing preference for pre-owned houses even in the Japanese market where traditionally people tend to prefer newly built houses
- There is huge potential for more pre-owned houses to be distributed in the market if we can supply enough properties that are "clean and inexpensive."
- The pre-owned housing market has been expanding in recent years and is expected to continue growing in the future.

Mindset Change toward Ownership of Pre-owned Houses

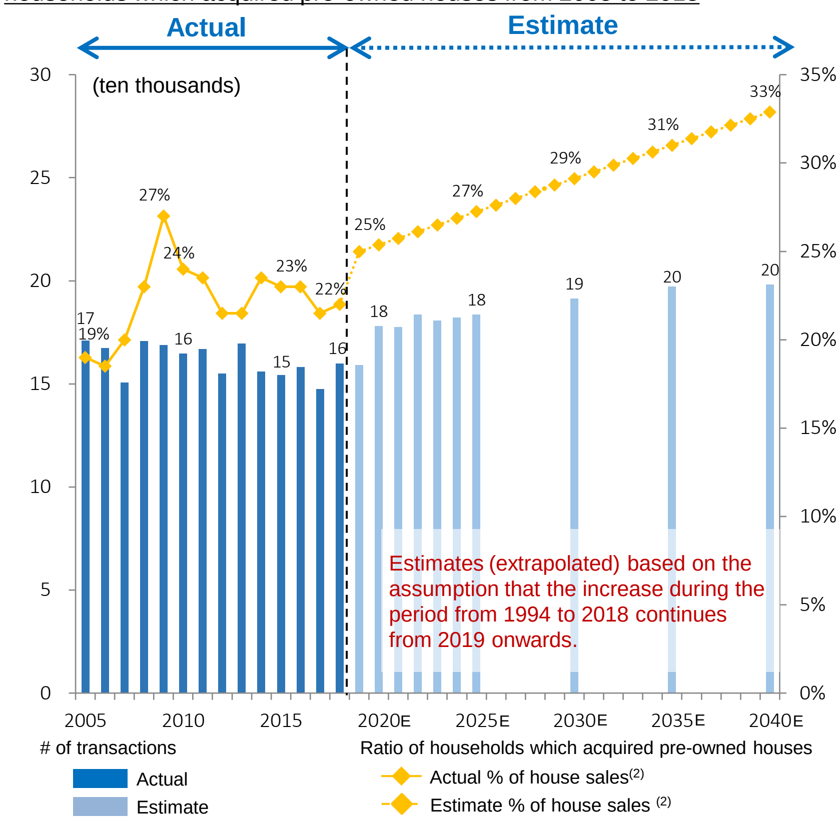
Survey of preference in moving to newly built or pre-owned houses from the current rental houses



Source: Housing Bureau of Ministry of Land, Infrastructure, Transport and Tourism, "Comprehensive Survey on Housing and Living Environments (2018)" and "Comprehensive Survey on Housing and Living Environments (2023)"

Increase in Transactions of Pre-owned Houses

Actual and estimated figures of transactions of pre-owned houses and ratio of households which acquired pre-owned houses from 2005 to 2018



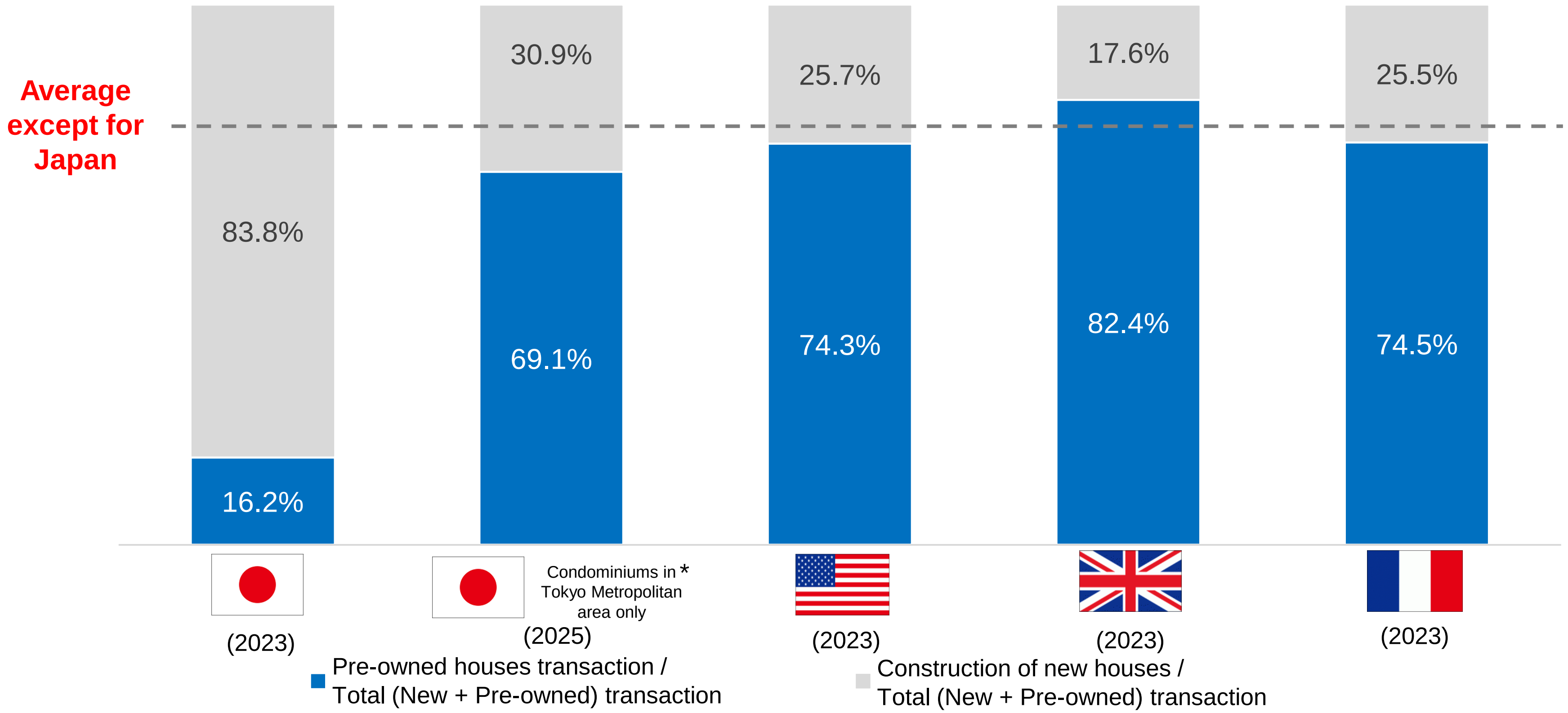
Source: Produced by KATITAS based on data in NRI's June 9, 2022 press release claiming that new housing starts in 2040 are expected to decline to 490,000 units, while pre-owned houses in transactions will increase to 200,000 houses in 2040

(1) NRI estimates / forecasts based on Census, National Social Security and Population Research Institute "Forecast of number of Japan's households", Ministry of Internal Affairs and Communications, "Housing and Land Survey", and NRI Questionnaire on housing purchasers
(2) Questionnaire by NRI : Ratio of households which acquired pre-owned houses (excluding newly built houses) out of households which acquired a house

3. Room for Growth in the Share of Regional Pre-owned Houses in Distribution

- Lower market share of pre-owned houses compared with United States and Europe
- In the Tokyo Metropolitan area, there are many “clean and inexpensive” used condominiums being supplied that their distribution volume has already surpassed that of new condominiums.
- By supplying “clean and inexpensive” detached houses in rural areas, we have a chance of capturing the untapped market for pre-owned houses.

Pre-owned houses Market Share - Japan vs United States and Europe



*Ratio of pre-owned condominium units under contract to new condominium units on the market.

Source: Ministry of Land, Infrastructure, Transport and Tourism “Organizations Utilizing Housing and the Distribution of Existing Housing (September 25, 2024)” / Real Estate Economic Institute “Nationwide New Condominium for Sale Market Trends 2025 (Annual Summary)” / Real Estate Information Network for East Japan “Trends in the Metropolitan Real Estate Distribution Market (2025)”

3. The Company’s Customer Profile

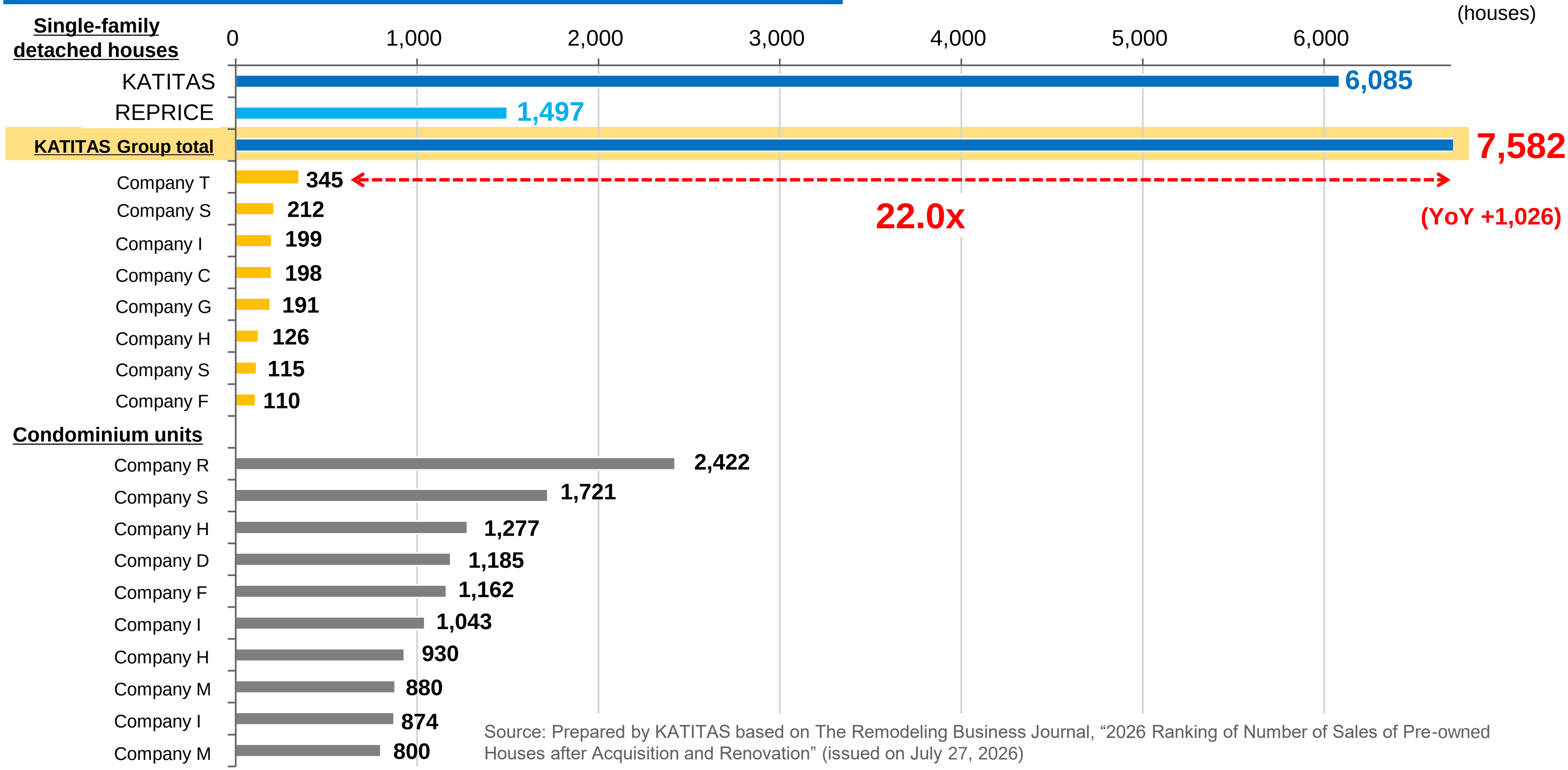
	Customer profile
Business area	**Suburban areas surrounding regional cities** (Targeting regions with populations of 50,000 – 300,000)
Properties handled	Mainly pre-owned single-family **detached houses** which have become vacant due to events such as inheritance
Average selling price	**JPY 17.0 million** (including tax)
Buyers' needs	**Actual demand** (our customers purchase the properties to live in rather than for investment)
Buyers' age range	**30s–50s** (68.2% of the Company's sales results)
Buyers' annual income	**JPY 2-5 million** (62.7% of the Company's sales results) (home loan to annual income ratio is 4.4) * Households with annual incomes between JPY 2-5 million are the largest volume zones in rural areas, excluding the three major cities.
Type of buyers' loan	**Mortgage**
Financial institutions with loan transactions	**Nationwide** regional banks, shinkin banks, credit associations and labor banks, etc.
Source of loan payments	Buyer's **flow income**

(1) Figures for average selling price, buyers‘ age range, and buyers’ annual income are from cumulative results for the fiscal year ended March 31, 2026. Excludes customers with unknown information.
(2) Home loan to annual income ratio = selling price (including tax) / annual income
Annual income based on customer responses. Calculated excluding customers that pay in full in cash, customers with unknown income, and corporations.

3. Number of Houses Sold is Over 20 Times that of No.2 Ranked Company

- No.1 among House Reselling Businesses[1] in terms of number of units sold
- Established unique positioning by focusing on pre-owned single-family detached houses located in regional cities and regional areas that competitors find challenging to bring to the market

Number of Units Sold by Major House Re-sellers (FY2025) UPDATE



Source: Prepared by KATITAS based on The Remodeling Business Journal, "2026 Ranking of Number of Sales of Pre-owned Houses after Acquisition and Renovation" (issued on July 27, 2026)

(1) A "Housing Reselling Business" is defined as one conducted by certified "building lot and transactions" dealers with extensive know-how in renovation so as to efficiently and effectively improve the quality of existing house inventory (Requests for FY2016 Tax Reform (Special Measures Concerning Taxation))

3. Our Greatest Strength is the Know-How We Accumulated by Selling a Cumulative Total of 80,000 Houses. We Approach Even the Tedious Details with Persistent Care, While Managing Risks to Minimize Failures.

- KATITAS has accumulated a stock of "failure cases" through purchasing and selling more than 80,000 houses. These cases frequently occur as a result of errors made at the time of purchasing. The company ensures timely risk management by sharing actual failure cases with all stores nationwide through weekly company-wide morning video conferences.
- Before purchasing a property, we conduct "three-party on-site inspections" with our renovation partners and termite control specialists. Focusing on the three major risks specific to older detached houses, we thoroughly check from the crawlspace to the attic for structural deterioration, past water damage, and renovation feasibility. We also clarify property boundaries, which are a common source of disputes.
- To minimize failures and problems after property delivery, both the sales branches and headquarters, which draws on expertise gained from past cases, conduct thorough double and triple inspections of property rights and each stage of the renovation process (at the time of purchasing, before renovation starts, during renovation, and after completion)

Examples of Pre-purchase Inspections: Inspections concerning Three Major Risks Associated with Older Detached Houses

Termite Risk

The termite exterminator performs an inspection of the underfloor space looking for evidence of termite damage. This avoids unexpected renovation costs, and reduces the risk of procuring a property that is difficult to renovate

Rain Leakage Risk

The renovation contractor will check the entire frame of the building including the roof space looking for evidence of roof leaks and pests. These inspections increase the accuracy of renovation cost estimates.

Risks Associated with Property Rights

A land survey is conducted on every project. This provides comfort to the buyer.
Land surveys are unnecessary for pre-owned condominiums.

3. Examples of Post-Acquisition Failures

- Detached houses tend to have highly individual characteristics, and problems can still arise even after thorough inspection.
- In some failure cases, the holding period becomes extended, with some properties taking over 20 years from purchase to sale. To avoid adverse impact on the profit-and-loss statement at the time of sale, we record valuation losses after a certain period from purchase, in some cases writing down the book value to ¥1.
- The most common reason companies exit the market for purchasing and reselling detached houses is the difficulty in handling the highly individual nature of each property.

Examples of cases which required major repair after purchasing or after sale

Unstable foundations were discovered after purchasing. This needed to be repaired before sale which led to additional costs.

Case in which subsidence under the floor was discovered after purchasing. A major rebuilding of the foundation was necessary.

An instance where termite damage was overlooked, resulting in major restoration work including replacement of parts of the wooden structure.

Case in which the roof leaked after sale. A full repair was carried out under the warranty against defects.

Case in which deterioration in roof materials was noticed after sale. As a partial repair was not possible, the entire roof had to be replaced.

A case where residential land damage caused by erosion from a nearby waterway was discovered after sale. Significant costs were incurred for erosion control measures.

●In some cases, unforeseen defects are discovered after purchase, and the property is deemed beyond repair, forcing the company to exclude it from resale.

●KATITAS regards these failure cases as the “assets of the company,”. They are shared with the entire company on a weekly basis to prevent recurrences (= minimize risk)

Properties with Extended Turnover Periods

	Branch	Turnover (days)	Cause
1	Tochigi	7,245	Ownership/legal rights-related issues
2	Hirosaki	3,990	Ownership/legal rights-related issues
3	Izumo	2,979	Building-related issues
4	Oita	2,317	Ownership/legal rights-related issues
5	Okinawa	1,783	Conditions in the surrounding area
6	Fukui	1,757	Building-related issues
7	Nobeoka	1,483	Conditions in the surrounding area
8	Tsuyama	1,250	Building-related issues
9	Niigata	1,218	Building-related issues
10	Nakatsu	1,194	Ownership/legal rights-related issues

3. Barriers to Entry and Competitive Advantages of Our Business Model: Economies of Scale Do Not Apply Because Renovations Vary From One House to Another

Entry Barrier

Individual property characteristics

Property conditions are extremely varied
Even with properties built by the same home builder, the deterioration of properties differs based on the location and maintenance.

Economies of scale do not apply
In addition to the individual characteristics of the homes themselves, extreme differences in the levels of deterioration make standardized reforms difficult, and economies of scale do not easily apply.

Regional characteristics

Lifestyles by region
Lifestyles differ throughout Japan with its heavy snowfall regions and hot and humid regions, meaning thorough regional knowledge is required to respond to customer needs.

Differing business environments
The presence of competition as well as the number and level of partner companies such as contractors and other licensed professionals differ by region.

We will create our own unique positioning by properly managing the balance between "standardization" and "individual solutions"

Competitive Advantage

Standardization policies

●**Preparation and weekly updates of manuals**
～Organize individual work processes including purchasing, reforms, and sales in detail.
Create manuals for renovation contractors as well.

●**Standardization of knowledge**
～Collect information on good knowledge and bad knowledge through weekly business condition reports.
Standardize and disseminate solution methods to workplaces through weekly company-wide morning video conferences.

●**Checking system at headquarters**
～Check the contents of contracts and reforms at headquarters from a third-party perspective.

Individual solutions policies

●**Sales staff oversees every phase of the business flow**
～By overseeing every phase from the property acquisition to reform plans to sales, the sales staff takes responsibility for everything from property quality to customer support.

●**Hire personnel with ties to each region throughout Japan**
～Hire "exceptional students wishing to work for the region" at local universities and establish positioning as a company that works for the region.

●**Compensation system not reliant on results**
～Compensation system based on fixed salaries to allow employees to work for a long time and accumulate the benefits of experience.

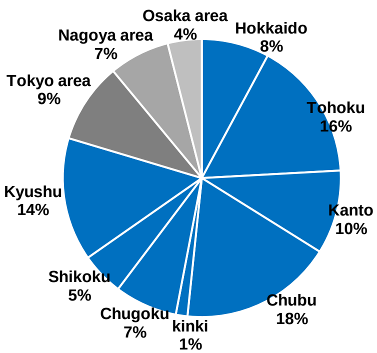
●Accumulate "experiences of success and failure" based on the results of more than 80,000 properties
●By focusing on regional cities and the middle-income range, we will build a platform that, unlike metropolitan city center and high-end markets, is resistant to market conditions
●Prevent employee attrition to competitors, supported by high employee engagement

3. Nationwide Branch Network and High Brand Recognition

- KATITAS maximizes purchasing and sales opportunities by covering geographic areas not or rarely accessed by competitors, including small- and medium-sized cities with populations between 50,000-300,000
- KATITAS has No.1 brand recognition in regional areas

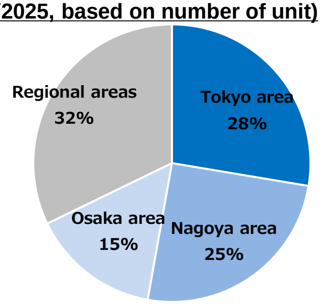
Nationwide Branch Network

KATITAS: Sales by area[1]
(FY2025, based on number of units)



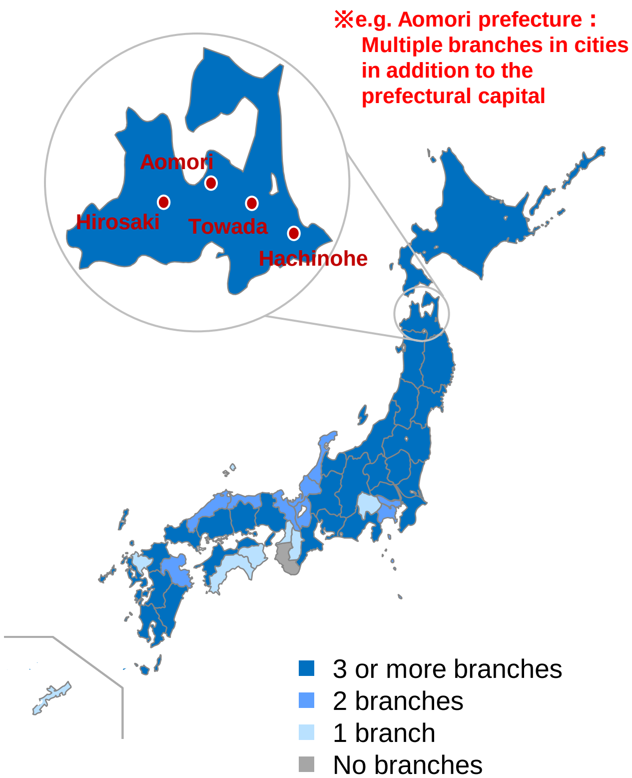
*Number of properties sold (FY2025): 6,422

REPRICE: Sales by area
(FY2025, based on number of unit)



*Number of properties sold (FY2025): 1,958
*"Regional areas" are other areas than the "three metropolitan areas"[2]

Branch Locations[3] of KATITAS
(As of March 31, 2026)



High Brand Recognition in Regional Areas

Survey on Brand Recognition[4]

Q. "Which company comes to mind if you are asked about a company to which one could sell a house?"

1st	くらしに価値タス カチタス KATITAS	10.5%
2nd	Company M	6.0%
3rd	Company S	3.8%
4th	Company T	3.6%
5th	Company D	3.4%

Source: Web-based survey without presenting answers options in February 2026 conducted by a third-party research firm requested by KATITAS. The number of samples of each survey was 1,100. 10 prefectures were selected as target survey areas and the surveys were conducted in rotation. The above chart shows aggregated results of prefectures where KATITAS TV commercials were aired

(1) Tohoku: Aomori, Iwate, Miyagi, Akita, Yamagata and Fukushima prefectures. Kanto: Ibaraki, Tochigi and Gunma Prefectures. Chubu: Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano and Shizuoka prefectures. Kinki: Shiga and Wakayama prefectures. Chugoku: Tottori, Shimane, Okayama, Hiroshima and Yamaguchi prefectures. Shikoku: Tokushima, Kagawa, Ehime and Kochi prefectures. Kyushu: Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima and Okinawa prefectures.
(2) Three Metropolitan Areas (defined by the Ministry of Internal Affairs and Communications): Tokyo area (Saitama, Chiba, Kanagawa and Tokyo prefectures), Nagoya area (Gifu, Aichi and Mie prefectures) and Osaka area (Osaka, Hyogo, Nara and Kyoto prefectures)
(3) Branch list is explained in detail on P43
(4) Surveyed areas in February 2026 were Ishikawa, Kagoshima, Aomori, Akita, Tochigi, Toyama, Siga, Kagawa, Kumamoto prefectures (where TV commercials were aired), as well as Chiba and Saitama prefectures (where no TV commercials were aired)

3. KATITAS' Advantages in Supplying High-Quality Renovated Homes at Reasonable Prices

- Track record of dealing over 80,000 pre-owned single-family homes, leading to accumulation of know-how (Management of failure)
- Conducting efficient procurement and renovation by utilizing organized third parties such as builders and intermediaries
- Advantage in ability to procure vacant pre-owned homes that competitors are unable to acquire, utilizing our ability to judge, procure, plan and renovate

Accumulated Knowhow based on Track Record

Ability to assess property purchase risks

- ✓ Careful inspection and leverage track record to knowledgeably assess properties that on face might seem too risky for competitors to procure
- ✓ Purchase price determined with strong awareness of expected renovation costs and likely selling price

Ability to plan renovation work

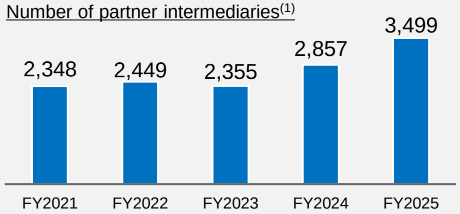
- ✓ Exploit renovation know-how to meet customer needs with a reasonable selling price
- ✓ Plan renovation to make purchased properties sellable, by addressing region specific needs
- ✓ Awarded by the Ministry of Economy, Trade and Industry as an Innovative Renovation Company in 2015(2)

Well-organized Third Parties

Ability to purchase properties

- ✓ Form alliances with local brokers throughout Japan to gain strength of presence in local markets
- ✓ Stable purchase system

Number of partner intermediaries(1)

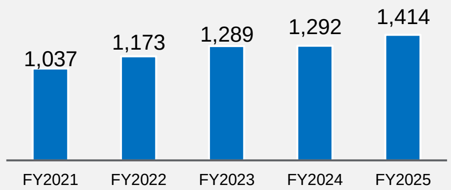


* Number of intermediary companies with which KATITAS concluded one or more purchase transaction annually

Ability to implement renovation work

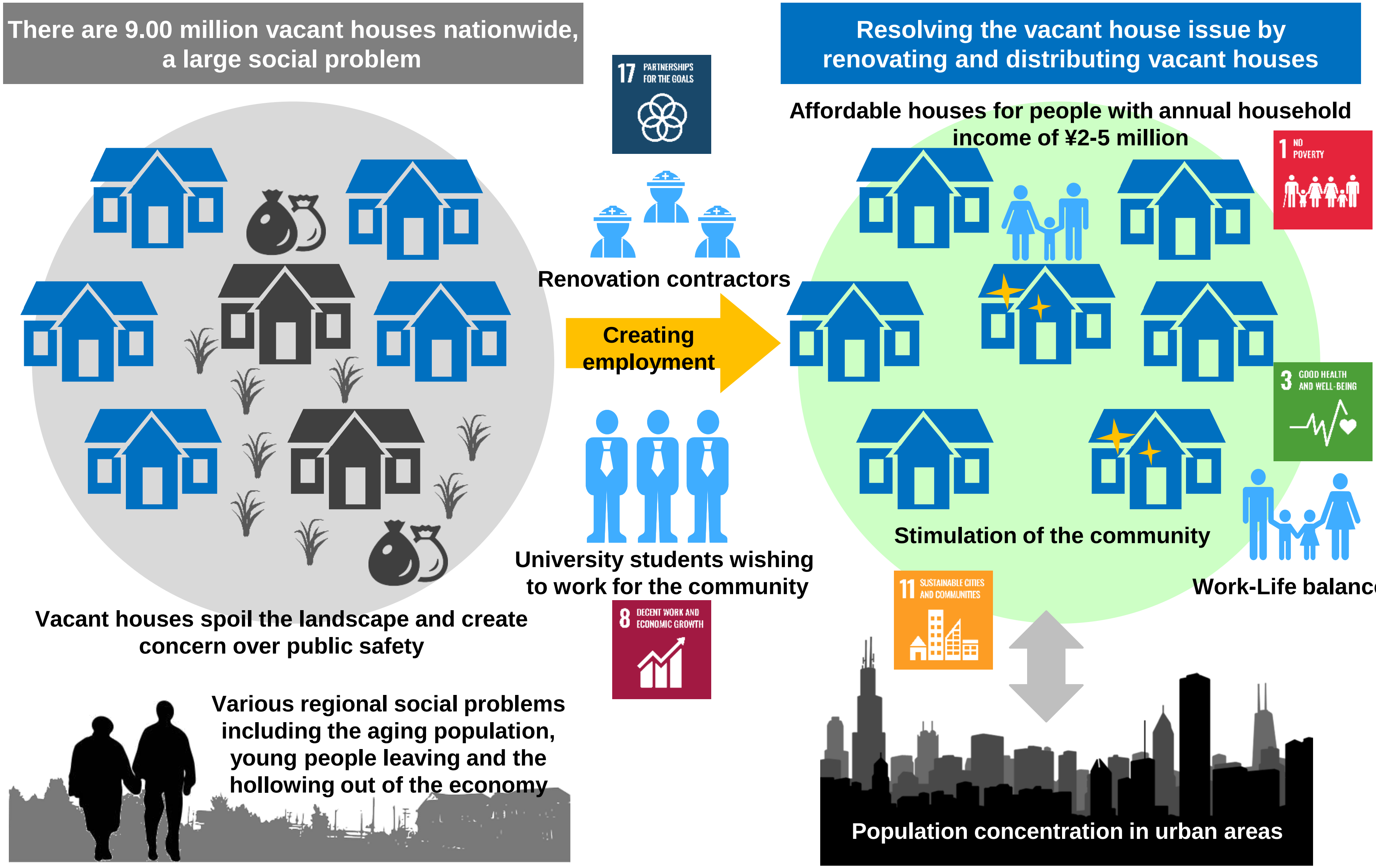
- ✓ Entrust renovation work to partner contractors that are knowledgeable about KATITAS quality
- ✓ Efficiency and quality of renovation work

Number of partner contractors(1)



(1) The number of contractors and intermediary companies are on a non-consolidated basis
(2) Starting in 2014, METI has been granting annual awards to companies that address a variety of needs of consumers with the strengths of their unique business models

3. KATITAS' ESG and SDGs : Contributing to Acquisition of Affordable Housing for Low- and Middle-Income Households



*The UN's Sustainable Development Goals website：https://www.un.org/sustainabledevelopment/

3. KATITAS' ESG and SDGs: Status of Overall Initiatives

KATITAS' pre-owned house renovation business

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Scrap and build new houses

CO2 emissions volume (1)

newly built	283kg-CO2/㎡
KATITAS	76kg-CO2/㎡

CO2

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

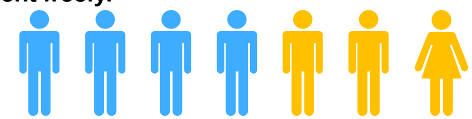
The wooden materials used

newly built	23㎥ (2)
KATITAS	3㎥ (3)

15 LIFE ON LAND

Independent outside directors: 1/3 of the total

- ✓ Of those, three are Independent Outside Directors.
- ✓ Outside Director attendance ratio: 91.7% (4)
- ✓ Flat Board of Directors operations in which Directors can comment freely.



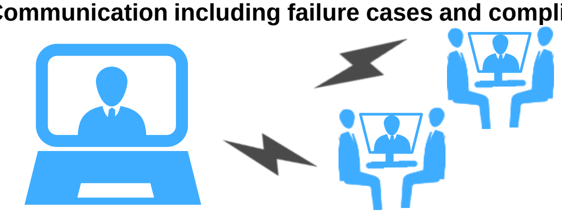
Salaries of sales employees are mainly fixed salaries

- ✓ Incentives make up a small percentage of salaries, which are less likely to become contributors to unreasonable sales activities and sales.

Wage system (5)	Fixed salaries and allowances 70%	Incentives 30%

Weekly video conference connecting all branches nationwide

- ✓ Communication including failure cases and compliance.



The three reporting principles

- ✓ Thorough internal notifications on compliance awareness.

1. **Promptly** report trouble
2. **Report the bad** things first
3. **Do not lie**

- Voluntary Remuneration Advisory Committee
- Monthly partner meetings held with renovation contractors (KRP Meeting)
- Regular distribution of awareness-raising materials related to human rights

(1) Source: Kimoto, Ikaga, Hanaki, Shintani, and Noguchi (2009), "Projection of CO2 Emissions from Construction, Renovation, and Demolition of Housing to 2050"
(2) Source: "Current Status and Issues in the Forestry, Logging, and Timber Industry," Forestry Agency (March 2021)
(3) Our standard remodeling property results, constructed in December 2018
(4) Results for the fiscal year ended March 31, 2026
(5) Results for the fiscal year ended March 31, 2025
(for employees ranging from personnel in charge to sales department managers)

Presentation Highlights

1.	Overview of Financial Results for the First Three Months of the FY2026 (Ending March 31, 2027)	P3-P10
2.	Fourth Medium-Term Management Plan and Management Plan for FY2026 (Ending March 31, 2027) (Reposted from Financial Results Presentation For the 48th Fiscal Year Ending March 31, 2026)	P12-P23
3.	Overview of Business Model	P25-P40
4.	APPENDIX	P42-P50

4. History

Date	Event
Sep. 1978	Established as Yasuragi Co., Ltd., in Kiryu, Gunma Prefecture with ¥10 million in capital to conduct the stone quarrying business
Dec. 1988	Acquired a real estate brokerage license and started the real estate sales and agency business
Aug. 1998	In line with the revised Civil Execution Act, established a business model of purchasing real estate at property auctions and selling refurbished properties
Mar. 1999	Opened the Takasaki Branch (later opened more regional branches, reaching a total of 138 as of March 31, 2026)
Feb. 2004	Listed on the Centrex Market of the Nagoya Stock Exchange
Mar. 2012	Tender offer for the Company's shares by Advantage Partners Inc., a private-equity fund
Jul. 2012	Delisted from the Centrex Market of the Nagoya Stock Exchange
Jul. 2013	Changed company name to KATITAS Co., Ltd.
Feb. 2016	Received the METI Minister Award for "Advanced Rehabilitation Remodeler" from the Ministry of Economy, Trade and Infrastructure
Mar. 2016	Acquired all shares of REPRICE Co., Ltd. (now a consolidated subsidiary)
Apr. 2017	Formed a capital and business alliance with Nitori Holdings Co., Ltd.
Oct. 2017	Received the 17th Porter Prize (sponsored by the School of International Corporate Strategy, Hitotsubashi University Business School)
Dec. 2017	Listed on the First Section of the Tokyo Stock Exchange
Mar. 2020	Due to stable growth post-listing, achieved consolidated operating profit of ¥10.0 billion
May. 2021	Cumulative number of homes sold by REPRICE surpasses 10,000
Apr. 2022	Listed on the Prime Market of the Tokyo Stock Exchange
Feb. 2025	Cumulative number of homes sold by KATITAS surpasses 80,000

4. KATITAS Group Branch List（All Own Branches）

くらしに価値タス カチタス （TSE Prime 8919）

Branches (As of June 30, 2026) UPDATE

KATITAS くらしに価値タス カチタス ⇒ Nationwide network covering regional small- to medium- sized cities

Hokkaido
Sapporo
Kitami
Nayoro[1]
Asahikawa
Iwamizawa
Otaru
Kushiro
Obihiro
Tomakomai[1]
Muroran
Hakodate

Tohoku
Aomori
Hirosaki
Towada
Hachinohe
Sendai
Osaki
Natori
Ishinomaki
Yamagata
Sakata
Yonezawa
Morioka
Ichinoseki
Hanamaki
Kamaishi
Akita
Odate
Yokote
Fukushima
Koriyama
Iwaki
Aizu

Kanto
Hachioji
Koshigaya
Kumagaya
Kawagoe
Iruma
Higashi-Matsuyama
Honjo
Mito
Tsukuba
Shimotsuma
Hitachi
Ota
Midori
Numata
Takasaki
Maebashi
Hon'atsugi
Chiba
Mobara
Sakura
Kisarazu
Utsunomiya
Oyama
Nasu
Tochigi

Koshinetsu, Hokuriku
Kofu
Nagano
Ueda
Matsumoto
Ina
Suwa
Niigata
Nagaoka
Shibata
Tsubamesanjo
Joetsu
Toyama
Takaoka
Uozu
Nanao
Kanazawa
Fukui
Tsuruga

Tokai
Nagoya
Toyohashi
Toyota
Gifu
Tajimi
Ogaki
Shizuoka
Numazu
Fuji
Iwata
Matsuzaka
Nabari
Yokkaichi

Kansai
Kobe
Himeji
Akaho
Takarazuka
Fushimi
Fukuchiyama
Hikone
Kusatsu
Nara

Chugoku
Tottori
Yonago
Okayama
Tsuyama
Yamaguchi
Shimonoseki
Iwakuni
Izumo
Masuda
Hiroshima
Higashi-Hiroshima
Fukuyama
Miyoshi

Shikoku
Tokushima
Takamatsu
Marugame
Matsuyama
Saijo
Uwajima
Kochi

Kyushu
Fukuoka
Fukuoka-Higashi
Iizuka
Kita-Kyushu
Kurume
Omuta
Nagasaki
Sasebo
Isahaya
Oita
Nakatsu
Kirishima
Kagoshima-Chuo
Satsumasendai
Saga
Kumamoto
Yatsushiro
Uki
Miyazaki
Miyakonojo
Nobeoka
Okinawa

Total 140 Branches

＋

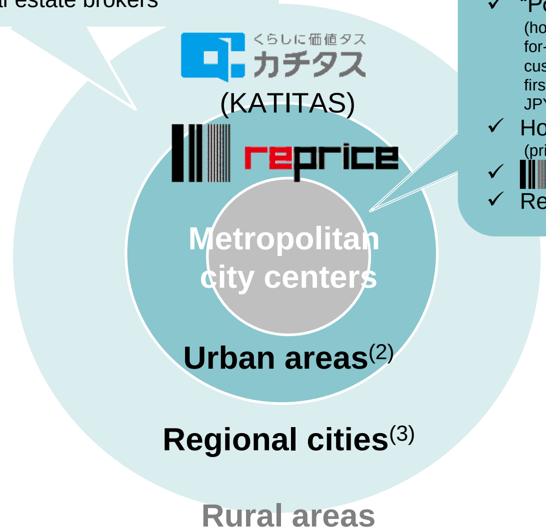
reprice ⇒Focus on urban areas

REPRICE Tokai
REPRICE Tokyo
REPRICE Kanagawa
REPRICE Saitama[1]
REPRICE Hokkaido
REPRICE Tohoku
REPRICE Kita-Kanto
REPRICE Shinshu
REPRICE Shizuoka
REPRICE Mikawa
REPRICE Kansai
REPRICE Hyogo
REPRICE Chugoku
REPRICE Okayama
REPRICE Shikoku
REPRICE Kyushu

Total 16 Branches

Main types of house sellers
✓ Local home builders
✓ カチタス (KATITAS)
✓ Real estate brokers

Main types of house sellers
✓ Home builders
✓ “Power Builders”
(home builders specializing in built-for-sale houses primarily targeting customers purchasing home for the first time in the price range of JPY20MM-30MM)
✓ House re-sellers
(primarily condominium units)
✓ reprice
✓ Real estate brokers



(1) The branches newly opened in FY2026.

(2) Primarily regional cities and suburban areas in proximity to the three major metropolitan cities of Japan (Tokyo, Nagoya and Osaka)
(3) Suburban areas surrounding regional cities across Japan

4. Performance Trend

(Reposted from FY2025 4Q)

	FY2021	FY2022	FY2023	FY2024	FY2025
Net sales	101,269	121,341	126,718	129,537	151,851
YoY	+3.6%	+19.8%	+4.4%	+2.2%	+17.2%
Number of properties sold	6,120	6,927	7,169	7,372	8,380
YoY	-0.6%	+13.2%	+3.5%	+2.8%	+13.7%
Number of properties purchased	6,855	7,311	7,008	8,323	9,804
YoY	+17.0%	+6.7%	-4.1%	+18.8%	+17.8%
Gross profit	24,647	26,855	27,814	30,702	35,371
Gross profit Margin (%)	24.3%	22.1%	21.9%	23.7%	23.3%
Adjusted gross profit	24,647	26,855	27,814	30,702	37,671
Adjusted gross profit margin (%) [1]	24.3%	22.1%	21.9%	23.7%	24.4%
SG&A expenses	11,519	12,795	15,141	16,479	17,091
Operating profit	13,127	14,060	12,672	14,222	18,279
YoY	+15.7%	+7.1%	-9.9%	+12.2%	+28.5%
Operating profit Margin (%)	13.0%	11.6%	10.0%	11.0%	12.0%
Inventory real estates	44,862	54,143	52,252	61,535	81,203
Total number of employees (including part-time employees)	844	895	928	985	1,074
Number of sales staff (including part-time employees)	660	700	721	770	839
YoY	+3.3%	+6.1%	+3.0%	+6.8%	+9.0%

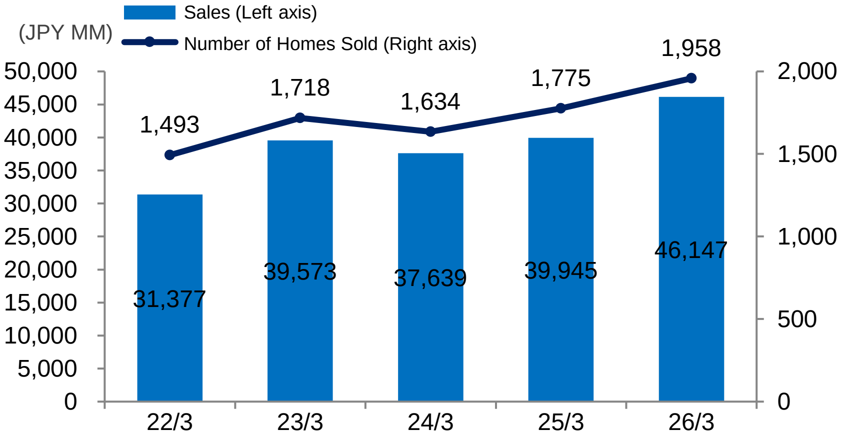
[1] Adjusted gross profit margin: Gross profit margin the company would have reported if not for deductions of “differences in consumption taxes, etc.” from net sales and gross profit undertaken since a May 2025 litigation defeat. Provided as a reference to illustrate the group’s underlying competitiveness

4. Merger and Synergies with REPRICE

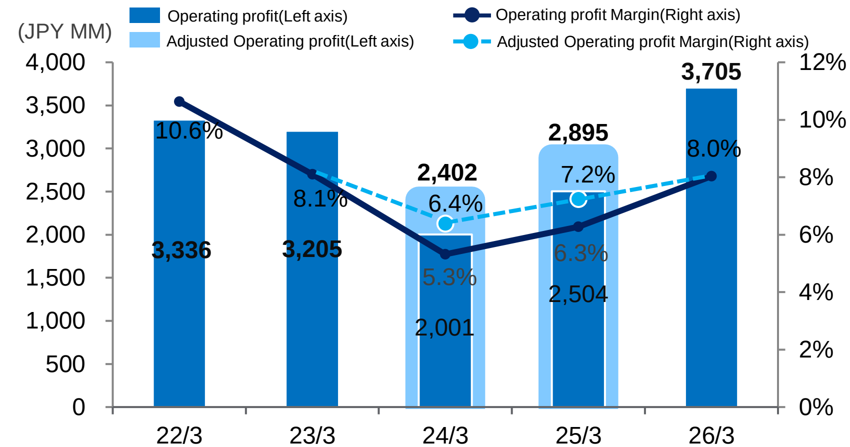
(Reposted from FY2025 4Q)

- In March 2016, we conducted a merger with REPRICE by acquiring 100% of its shares and thereby removed funding constraints, which was the biggest hindrance to REPRICE's growth.
- We injected our know-how to REPRICE and have effectively switched their purchase strategy from auction to direct purchase and shifted property types from condominiums to detached houses.
- Both sales and operating profit have increased since the merger. Unlike KATITAS' operations which are centered around rural areas, REPRICE's operations are in the suburbs of the three major metropolitan areas where there are competitors.

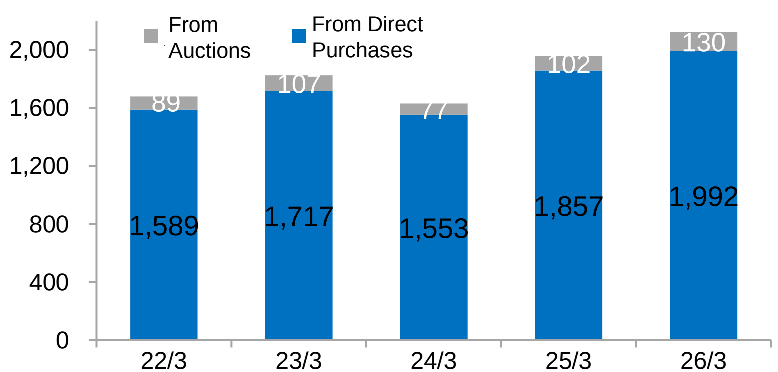
Sales and number of properties sold



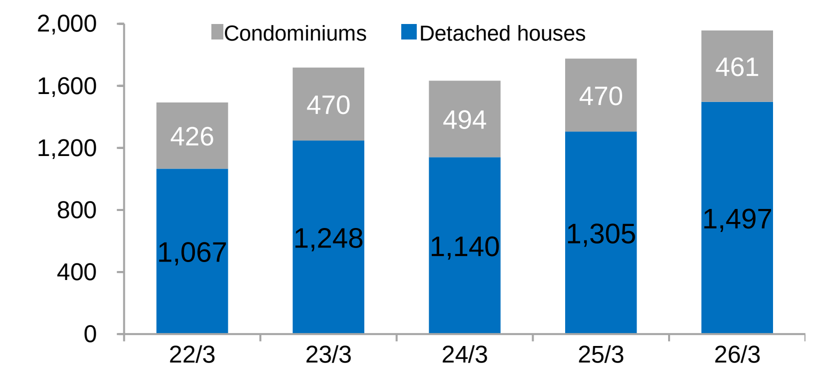
Operating profit and operating profit margin



Number of Houses Procured by Procurement Method



Number of sales by detached houses/condominiums



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4. Alliance with Nitori Holdings (Announced on April 28, 2017)

- Advantage Partners transferred 34% of KATITAS' shares to Nitori Holdings for JPY23,300 MM
- KATITAS and Nitori entered into an alliance that aims to utilize their respective strengths to provide enriched and more comfortable living environments to their customers

Expected Synergies

From House Re-seller to Lifestyle Provider

KATITAS くらしに価値タス カチタス ⟷ **Alliance** ⟷ ニトリ NITORI

Value-add via renovation (KATITAS)		**Value of "Offering the Unexpected"** (NITORI)
138 branches[1]	⟷ **Customer introduction**	830 stores[2]
8,380 units sold in FY2025 (consolidated)	← **Home-staging**	Number of items sold 10,000 items / store
	← **Materials/logistics**	Low-cost logistics system
1,414 partner contractors[1]	**Contractors network** →	Private Brand materials "offering the unexpected"

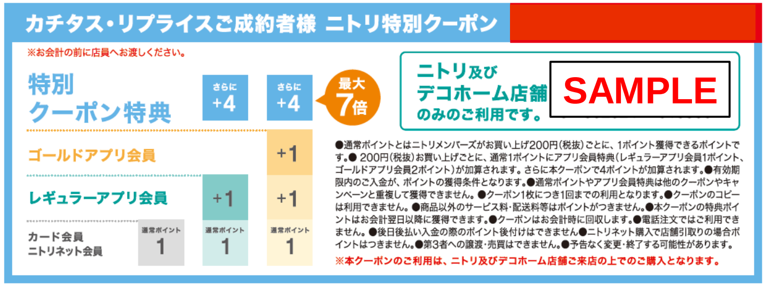
(1) As of March 31, 2026. The number of contractors are on a non-consolidated basis.
(2) Aggregate of "Nitori" stores, "Nitori Deco home" stores, "Nitori Express" stores and "Shimachu" stores in Japan (as of March 31, 2026)

4. Progress of Alliance-based Operations(1/2)

- Pre-owned houses fitted with Nitori furniture and interior items not only convey a more concrete image of the post-move lifestyle and living space to those considering purchasing, but also have the advantage to the purchaser of incorporating the expense into the home loan, so that there is no burden associated with the new lifestyle.
- Buyers of KATITAS Group properties will receive two coupons that multiply reward points received through purchases at NITORI by up to seven.

Sales Service | **Offering and selling pre-owned houses fitted with Nitori furniture and interior items**

Sales Service | **Issuing coupons that can be used for purchases of Nitori products**



Coupons provided to buyers upon conclusion of property contracts and upon delivery

Website banner announcing that coupons will be given

4. Progress of Alliance-based Operations(2/2)

- "VHS (Virtual Home Staging)" virtually installs Nitori furniture in KATITAS properties.
- This can be implemented more easily in terms of cost and furniture delivery logistics than showing a "furnished house“.
- VHS increases the success rate, so using VHS before revising prices helps to curtail price reductions.

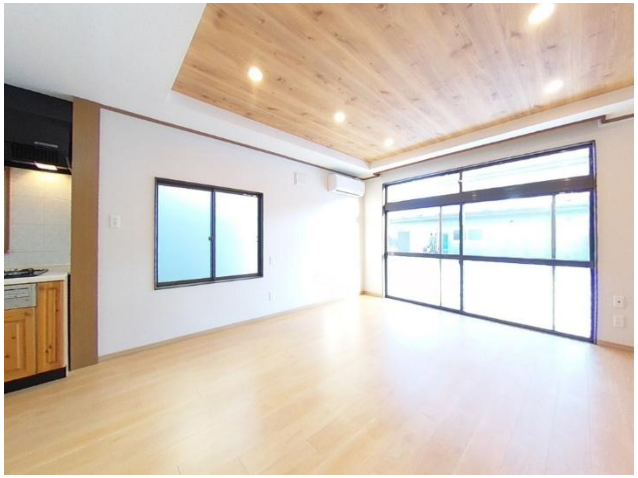
中古戸建 **5-chome, Hoshigaura Odori, Kushiro-shi, Hokkaido (single-family homes)**

【見学会開催】【内外装リフォーム済】【リビングエアコン付き】4LDK住宅で日当たり良好。普通車並列3台駐車可能。各部屋収納付き。前面道路の幅員10m。運転が苦手な方でも楽々駐車。外壁・屋根全面塗装済。

Selling Price
JPY 13.5MM
(Including tax)

Monthly payments
JPY 38,080

Links to a 360° panorama allows viewers to take virtual tour of a property while moving the view around.



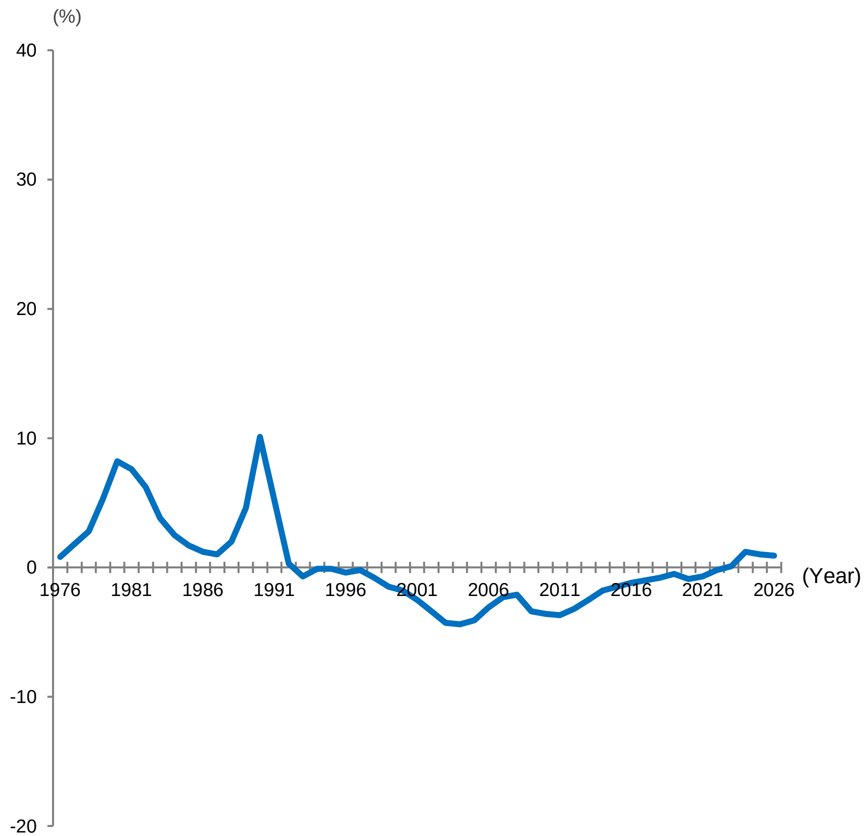
Switchable with one click

Currently, VHS is used mainly for living rooms

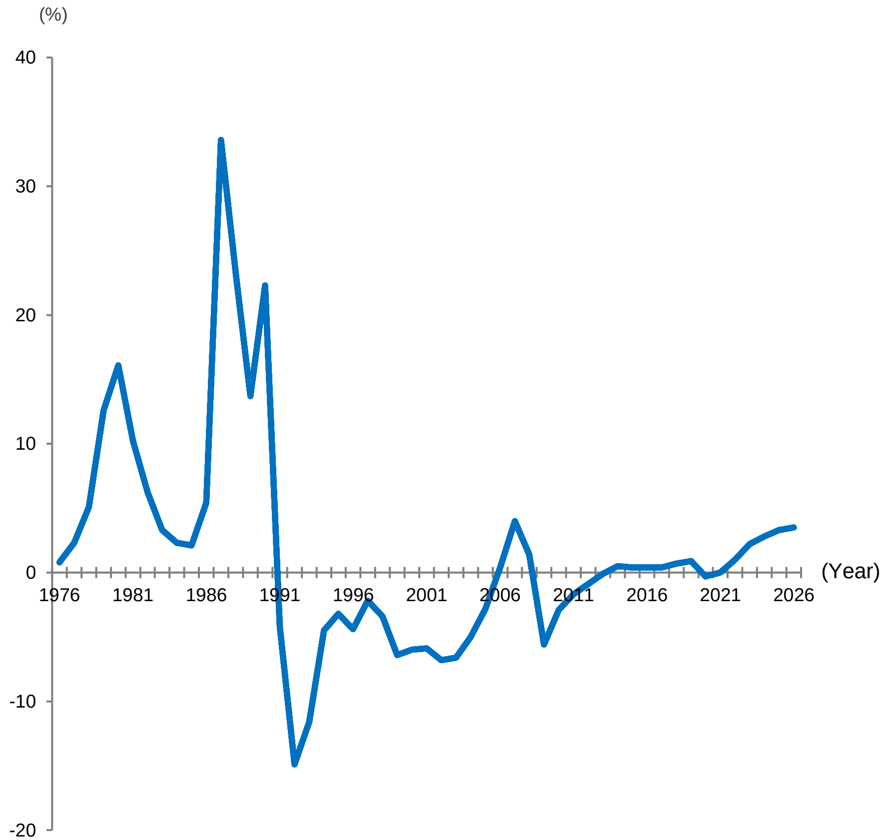
4. Trends in Land Prices - Regional Areas vs Three Metropolitan Areas

- As land prices in regional areas fluctuate based on actual demand, the level of volatility is lower than that in urban areas.
- In addition, with the trend of stable and low land prices, fluctuations in land prices have a limited influence on prices of residential properties in regional areas.
- As a result, buying and re-selling residential properties in regional areas is less subject to market volatility.

Trends in land prices of residential districts in regional areas, compared to the previous year



Trends in land prices of residential districts in the three metropolitan areas, compared to the previous year



Source: Ministry of Land, Infrastructure, Transport and Tourism, "Survey of Land Prices by Prefecture"

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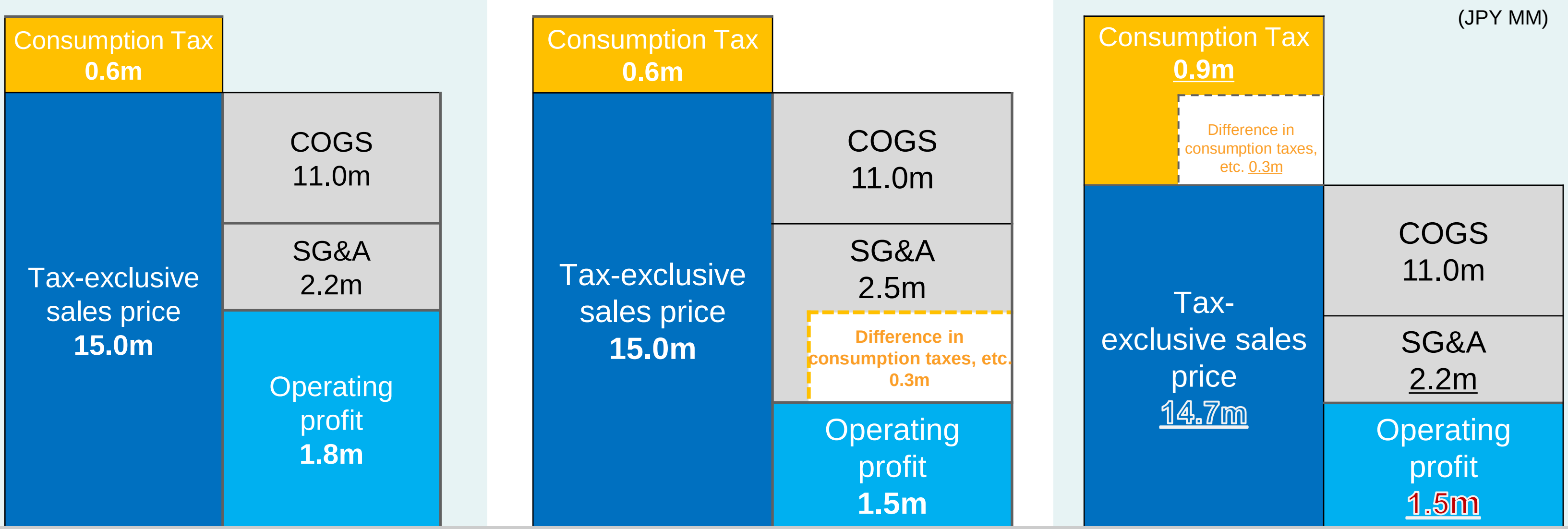
1. Changes in Consumption Tax Calculation Methods Related to Consumption Tax-Related Litigation

* Amounts are for illustrative purposes and not actual figures

(Reposted from FY2025 4Q)

- The method of calculating consumption tax changed as follows in line with the progress of the litigation
- From May 12, 2025 onward, we adopted the calculation method prescribed by the National Tax Agency 3) from the sales contract phase, resulting in a decrease in net sales and gross profit compared with 2). However, since the difference in consumption taxes, etc. has already been recorded under SG&A expenses, there will be no impact on operating profit. Cash flow also remains unchanged from 2).
- The "Adjusted gross profit" and "Adjusted gross profit margin" presented on this material are calculated using the methods described in 1) and 2).

	1) Before April 1, 2023 **(Before the Tokyo District Court ruling against the Company)**	**2) April 1, 2023 to May 11, 2025**	**3) Since May 12, 2025** **(After the Supreme Court ruling against the Company became final)**
Net sales & Gross profit	Our calculation method = consumption tax calculated using an apportionment method based on fixed asset tax amounts	**Unchanged from 1)** (consumption tax calculated using our calculation method / prices in contracts also based on our calculation method)	**Decreased from 2)** (difference in consumption taxes, etc. is deducted from net sales)
Operating profit	Calculated based on our calculation method *From FY2015 (ended March 31, 2016) onward, tax correction orders were issued and recognized as extraordinary losses	**Decreased from 1)** (difference in consumption taxes, etc. is calculated retroactively and recorded under SG&A expenses)	**Unchanged from 2)** (although net sales and gross profit decrease, SG&A expenses also decrease by the same amount due to the difference in consumption taxes, etc.)
Cash flow	Tax payments made based on our calculation method *From FY2015 (ended March 31, 2016) onward, tax correction orders were issued and tax payments were made	**Decreased from 1)** (tax payments made based on the National Tax Agency's calculation method)	**Unchanged from 2)** (as tax payments have already been made based on the National Tax Agency's calculation method since the litigation period)



Gross profit (margin): 4.0m (26.7%)

Gross profit (margin): 4.0m (26.7%)

Gross profit (margin): 3.7m (25.2%)

Disclaimer

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Throughout this presentation, unless otherwise specified, FY refers to the fiscal year ended March 31 of the following year (for example, FY2025 refers to the fiscal year ended March 31, 2026).

In this presentation, unless otherwise specified, references to our “homes” include single-family detached houses and condominium units that KATITAS acquires, renovates and resells as part of its business. Data presented for “homes” is on a gross basis, excluding home returns.

This is a partial English translations of the original Japanese version prepared only for the convenience of shareholders residing outside Japan. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.

On March 30, 2016, KATITAS completed the acquisition of REPRICE Co., Ltd. (“REPRICE”) and its two wholly owned subsidiaries (Comprehensive Urban Development Corporation and Arctive Co., Ltd.), and REPRICE became a wholly owned subsidiary of KATITAS as of the same date. Because the date of the acquisition of REPRICE was deemed to be March 31, 2016 for accounting purposes, the consolidated balance sheet of KATITAS as of March 31, 2016 reflects the consolidation of REPRICE but the consolidated results of operations of REPRICE for the period from March 30, 2016 to March 31, 2016 are not reflected in KATITAS’ consolidated statements of income, comprehensive income, changes in equity and cash flows for the fiscal year ended March 31, 2016. On September 2, 2016, KATITAS sold all of the shares of Comprehensive Urban Development Corporation, and on September 30, 2016, KATITAS sold all of the shares of Arctive Co., Ltd. to third parties. Due to the consolidation of the results of operations of REPRICE and its subsidiaries in KATITAS’ results of operations for the fiscal year ended March 31, 2017, KATITAS’ results of operations for that fiscal year are not directly comparable to the results of operations for prior fiscal years. Further, prior to the completion of the acquisition of REPRICE on March 30, 2016, KATITAS did not have any subsidiaries.