

Consolidated Financial Results

for the First Quarter of the Fiscal Year Ending March 31, 2026

(Under Japanese GAAP)

August 7, 2025

Company name : Sun Frontier Fudousan Co., Ltd.
 Stock exchange listings : Tokyo Stock Exchange
 Stock code : 8934
 URL : <https://www.sunfrt.co.jp/en/>
 Representative : Seiichi Saito, President and CEO
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 General Manager of Corporate Planning Department
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 Scheduled date for dividend payment : None
 Supplementary materials for financial summaries : Yes
 Financial results briefing : Yes (For institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the First Quarter of FY2026/3 (from April 01, 2025 to June 30, 2025)

(1) Consolidated operating results (Cumulative) (Percentage indicates YoY changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|-------------|-------------|-------|------------------|-------|-----------------|-------|---|-------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| FY2026/3 1Q | 27,319 | 74.2 | 6,021 | 112.4 | 5,783 | 111.1 | 3,978 | 111.8 |
| FY2025/3 1Q | 15,685 | -15.0 | 2,834 | -32.6 | 2,739 | -34.5 | 1,878 | -40.1 |

(Note) Comprehensive income for FY2026/3 1Q: 3,598 million yen (58.2%)
 for FY2025/3 1Q: 2,274 million yen (-28.2%)

| | Basic earnings per share | Diluted earnings per share |
|-------------|--------------------------|----------------------------|
| | Yen | Yen |
| FY2026/3 1Q | 81.97 | 72.32 |
| FY2025/3 1Q | 38.68 | 34.13 |

(2) Consolidated financial positions

| | Total assets | Equity | Equity to total assets ratio |
|-------------|--------------|-------------|------------------------------|
| | Million yen | Million yen | % |
| FY2026/3 1Q | 217,865 | 107,662 | 47.7 |
| FY2025/3 | 218,190 | 105,892 | 46.8 |

(Reference) Owner's equity as of FY2026/3 1Q: 103,985 million yen
 as of FY2025/3 : 102,159 million yen

2. Cash dividends

| | Annual dividends per share | | | | |
|---------------------|----------------------------|--------|--------|----------|-------|
| | 1Q end | 2Q end | 3Q end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| FY2025/3 | - | 33.00 | | 33.00 | 66.00 |
| FY2026/3 | | | | | |
| FY2026/3 (Forecast) | | 38.00 | | 38.00 | 76.00 |

(Note) Presence or absence of revisions from the most recently announced dividend forecast: None

3. Consolidated Earnings Forecasts for FY2026/3 (from April 01, 2025 to March 31, 2026)

(Percentages indicate YoY changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | EPS |
|-----------|-------------|------|------------------|------|-----------------|------|---|-----|--------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full Year | 117,000 | 13.4 | 23,840 | 12.0 | 22,500 | 10.0 | 15,500 | 9.4 | 319.37 |

(Note) Correction of financial forecast from the most recent financial forecast: None

※ Notes

(1) Significant changes in the scope of consolidation during the period: None

New companies: -

Excluded companies: -

(2) Application of specific accounting for the consolidated quarterly financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, retrospective restatement

(i) Changes in accounting policies due to changes in accounting standard : None

(ii) Changes in accounting policies other than (i) above : None

(iii) Changes in accounting estimates : None

(iv) Retrospective restatement : None

(4) Number of shares issued (common stock)

1) Number of outstanding shares at the end of the period (including treasury stock):

| | | | |
|----------------|----------------------|----------------|----------------------|
| FY2026/3 1Q | 48,755,500 shares | FY2025/3 | 48,755,500 shares |
| FY2026/3 1Q | 265,447 shares | FY2025/3 | 172,616 shares |
| FY2026/3 1Q | 48,532,193 shares | FY2025/3 1Q | 48,552,292 shares |

2) Number of shares of treasury stock at the end of the period:

3) Average number of shares for the period (April 1, 2024 to June 30, 2024):

(Note) The number of treasury shares for the first quarter of the fiscal year ending March 2026 includes 331 shares acquired through free acquisition due to resignation during the vesting period of Restricted Stock Remuneration System, as well as 92,500 shares acquired for the purpose of granting restricted stock.

※ Consolidated Financial Results is not eligible for review by Certified Public Accountants or auditors.

※ Explanation for appropriate use of forecast and other special matters

Earnings per share in the forecast of consolidated financial results for FY2026/3 are calculated based on the average number of shares for the period, 48,532,193 shares.

Forward-looking statements, such as forecasts of consolidated financial performance, stated in this document are based on information currently possessed by the Company as well as certain assumptions deemed rational. It does not mean that the Company assures that the contents mentioned in these forward-looking statements will ever materialize. Actual financial performance may be significantly different from such expectations due to various factors.

For further information on assumptions used in forecasts, please see Page 7, (3) Explanation regarding forward-looking statements such as consolidated forecasts.

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1. Qualitative information regarding the quarterly financial results

(1) Explanation of operating results

Forward-looking statements in this document are based on the judgments of the Group at the end of the current quarterly consolidated accounting period.

During the first quarter of the consolidated cumulative period (hereinafter, the current period), the Japanese economy maintained a moderate recovery trend, and although the rise in domestic interest rates has shown signs of stabilizing, concerns remain about a slowdown in future economic growth due to factors such as U.S. trade policies and geopolitical risks.

In the real estate market, in the five central wards of Tokyo where our group operates its office building business, the trend of rising rents and improving vacancy rates has continued. In 2025, the supply of large-scale office buildings is expected to increase compared to the previous year; however, at present, there is steady demand driven by proactive expansion needs aimed at developing innovative office environments and securing talented personnel. In the real estate investment market, although there has been a gradual rise in interest rates, high investment appetite among wealthy individuals, particularly in Asia, as well as domestic and international institutional investors, continues, supported by globally low funding costs, rising rents, and expectations for declining vacancy rates. In the hotel and tourism market, the number of inbound foreign travelers to Japan in the first half of 2025 reached 21 million, surpassing 20 million at the fastest pace ever, and the expansion of inbound demand continues. In addition, domestic travel consumption remains strong, with continued increases in room occupancy rates and average daily room rates.

Under such business conditions, our group's office building business is focusing on renovations from the tenant's perspective that contribute to the environment and accommodate diverse work styles and is emphasizing the merchandising of properties with high social value. In property sales for the current period, both net sales and profit increased compared to the same period of the previous year due to the sale of large-scale properties. In property acquisitions, we are also making progress as planned toward future business growth. In the hotel and tourism business, construction work for new openings in the current and subsequent periods is proceeding smoothly, and in hotel operations, we have achieved higher occupancy rates and room rates through strengthened hospitality and marketing under the theme of 'heartwarming and fun hotels,' which has contributed to improved business performance.

(million yen)

| | Results for FY2025/3 1Q | Results for FY2026/3 1Q | Rate of change | Forecast | Progress rate |
|--|----------------------------|----------------------------|-------------------|----------|---------------|
| Net sales | 15,685 | 27,319 | 74.2% | 117,000 | 23.3% |
| Gross profit | 5,194 | 9,134 | 75.9% | 36,420 | 25.1% |
| Operating profit | 2,834 | 6,021 | 112.4% | 23,840 | 25.3% |
| Ordinary profit | 2,739 | 5,783 | 111.1% | 22,500 | 25.7% |
| Profit attributable to owners of parent | 1,878 | 3,978 | 111.8% | 15,500 | 25.7% |

The results of each segment are as follows.

(Real Estate Revitalization Business)

In the Real Estate Revitalization Business, we are engaged in (i) the Replanning Business and (ii) the Rental Building Business.

- (i) In the Replanning Business, we are engaged in value enhancement initiatives for office buildings whose occupancy rates have declined due to aging and other factors, and which require repairs or improved design, by renovating them with a strong focus on the "customer perspective" to transform them into highly occupied, high value-added buildings. In addition, we are involved in real estate revitalization projects in New York, the provision of fractional real estate merchandise based on the Act on Specified Joint Real Estate Ventures, and the development of new buildings. In the real estate revitalization projects in New York, we leverage the expertise cultivated in Japan to realize a richer lifestyle for local residents and provide Japanese investors with opportunities to invest in overseas real estate. Furthermore, in our initiatives under the Specified Joint Real Estate Ventures, we fractionalize high-quality real estate properties, mainly in central Tokyo, and offer real estate investment merchandise that allows a wide range of investors to start investing with small amounts. In the current period, the number of properties sold was 4 (including 1 newly constructed building, etc.), a decrease of 2 compared to the same period of the previous year. However, due to the sale of a large-scale property, both net sales and profit increased. Contracts for property sales planned for this period are steadily accumulating, and progress is proceeding smoothly toward the full-year forecast.
- (ii) The Rental Building Business aims to establish a stable net sales base as a stock business. Even during the merchandise period of properties in the Replanning Business, we strive to increase rental income by leveraging the know-how accumulated in the real estate services business. In the current period, in addition to progress in property acquisitions, net sales and profits both increased due to factors such as a decrease in rental-related expenses compared to the same period of the previous year.

<Business performance of the real estate revitalization segment/>

(million yen)

| | Results for FY2025/3 1Q | Results for FY2026/3 1Q | Rate of change | Forecast | Progress rate |
|-----------------------------|-------------------------------|-------------------------------|-------------------|---------------|---------------|
| Net sales | 8,711 | 17,857 | 105.0% | 81,340 | 22.0% |
| Replanning Business | 8,020 | 17,045 | 112.5% | 78,440 | 21.7% |
| Rental Building Business | 690 | 812 | 17.5% | 2,900 | 28.0% |
| Gross profit | 2,638 | 5,459 | 106.9% | 25,560 | 21.4% |
| Replanning Business | 2,591 | 5,226 | 101.7% | 25,160 | 20.8% |
| Rental Building Business | 47 | 232 | 390.8% | 400 | 58.2% |
| Segment profit | 2,348 | 4,695 | 100.0% | - | - |
| Replanning Business | 2,300 | 4,462 | 94.0% | - | - |
| Rental Building Business | 47 | 232 | 390.8% | - | - |

(Real Estate Services Business)

In the Real Estate Services Business, we are engaged in (i) the Property Management Business, (ii) the Building Maintenance Business, (iii) the Sales Brokerage Business, (iv) the Leasing Brokerage Business, (v) the Rental Conference Room Business, and (vi) the Rent Guarantee Business.

- (i) In the Property Management Business, by accurately identifying tenant needs and managing buildings accordingly, we strive to improve the profitability and maximize the real estate value of owners' properties, thereby supporting highly occupied and highly profitable building operations. During the current period, the number of contracted buildings increased by 14 compared to the end of the previous period, reaching a total of 556 buildings. The occupancy rate also rose to 94.79% compared to the previous period, resulting in increases in both net sales and profit. The number of contracted buildings is expected to reach 600 by the end of this period, and we are working to expand our business toward the target of 700 buildings set in the Medium-Term Management Plan 2028. We will continue to enhance customer satisfaction and foster enthusiastic fans by providing prompt and high-quality services.
- (ii) The Building Maintenance Business, under the slogan "Making Tokyo the Most Beautiful City in the World," is engaged in inspection, cleaning, renovation work, and surveys, among other services, to maintain and manage buildings. During the current period, both net sales and profit increased due to the rise in the number of properties managed through collaboration with various departments within the group. We will continue to improve our business performance by absorbing the increasing costs with appropriate management fees.
- (iii) The Sales Brokerage Business, as part of our real estate consulting services, provides speedy solutions for issues such as property sales and purchases faced by customers from various departments, including the Property Management Business and the Leasing Brokerage Business. In the current period, due to the handling of several large-scale projects, both net sales and profits increased significantly compared to the same period of the previous year.
- (iv) The Leasing Brokerage Business has established a service network of 12 locations in major central city areas, providing services that support tenants in opening new locations or relocating, while also solving any issues related to building management in accordance with the needs of building owners. In the current period, against the backdrop of a robust office market, the number of contracts concluded for properties managed by the Company increased, resulting in higher net sales and profits. Going forward, we will continue to actively expand our business, including opening new branches, solve the issues faced by even more building owners.
- (v) The Rental Conference Room Business operates 18 locations in central Tokyo and Yokohama, providing spaces that meet a wide range of customer needs such as training, seminars, exhibitions, examination venues, and parties. During the period, one location was closed due to redevelopment in the store area, while "Vision Center Shinagawa Annex" was opened, resulting in a total of 18 locations with 9,688 tsubo in operation. Net sales and profits both increased year on year, due to factors such as an increase in large-scale projects including training for new graduates and long-term use by repeat customers, as well as steady acquisition of new customers at locations opened less than a year ago. We will continue to enhance the overall profitability of the business under the policy of "not just selling rooms, but ensuring the success of events," and, aiming for the 16,000 tsubo scale set forth in the Medium-Term Management Plan 2028, we will promote business expansion through new openings and expansion of existing locations.

- (vi) The Rent Guarantee Business provides "TRI-WINS," a comprehensive rental guarantee service that covers tenant screening, examination, delinquency guarantee, eviction litigation, and move-out procedures for offices and retail stores. By offering this service, we strive to resolve the risks and challenges faced by both owners and tenants, thereby contributing to economic growth and social stability. In the current period, both the number of new contracts in the core credit guarantee business and re-guarantee contracts increased, resulting in an increase in both net sales and profit compared to the same period of the previous year.

<Performance of the Real Estate Services Business/>

(million yen)

| | Results for FY2025/3 1Q | Results for FY2026/3 1Q | Rate of change | Forecast | Progress rate |
|-----------------------|-------------------------------|-------------------------------|-------------------|---------------|---------------|
| Net sales | 3,119 | 4,289 | 37.5% | 14,000 | 30.6% |
| Gross profit | 1,699 | 2,310 | 36.0% | 6,940 | 33.3% |
| Segment profit | 1,696 | 2,306 | 35.9% | - | - |

(Hotel and Tourism Business)

The Hotel and Tourism Business engages in (i) the Hotel Development Business and (ii) the Hotel Operation Business, among other activities.

- (i) The Hotel Development Business is promoting the development and revitalization of hotels with rich appeal that contribute to the revitalization of cities and society. As there were no property sales during the period, as was the case in the same period of the previous year, net sales remained flat, while profit decreased due to increased expenses related to the opening of new hotels. As of now, the total number of hotels scheduled to open, under construction, or in the planning stage is 17 properties with 2,642 rooms. Among them, the main hotels scheduled to open during this period and the next period are as follows.

| Hotel name | Number of rooms | Scheduled to open |
|-----------------------------------|--------------------|-------------------|
| Tabino Hotel Kakogawa | 172 | In September 2025 |
| Tabino Hotel Ishikari | 175 | In October 2025 |
| Tabino Hotel Kumamoto Ozu | 213 | In Spring 2026 |
| Tabino Hotel Aomori Rokkashomura | 210 | In Autumn 2026 |
| Tabino Hotel Ito Toyokawa | 110 | In Autumn 2026 |
| Tabino Hotel Utsunomiya Yuinomori | 201 | In Autumn 2026 |
| Tabino Hotel Ito Sakata | 175 | In Winter 2026 |
| Tabino Hotel Ito Akita Ekimae | 233 | In Winter 2026 |

- (ii) In the Hotel Operation Business, we operate hotels that value the culture and history of the local community and develop together with the region, while providing natural and friendly services under the theme of "heartwarming and fun hotels." As of the end of the period, the number of hotel rooms operated was 29 buildings with 3,166 rooms. In addition to the expansion of inbound demand, both the occupancy rate and average daily rate continued to rise based on our group's high value-added strategy, resulting in a significant increase in both net sales and profit compared to the same period of the previous year.

During the period, in June 2025, we opened "STITCH HOTEL Kyoto" in Kyoto Kawaramachi. The hotel is based on the concept of "TRADITION, ELEVATED.", which aims to create new value by reinterpreting Kyoto's traditions with a modern sensibility. We have dynamically enhanced the value of the hotel by effectively utilizing the resources of an existing business hotel, achieving both comfort and design. By revitalizing existing properties with declining occupancy and profitability into hotels and converting them into high-profit assets, we are also working to address real estate challenges facing Japan. In addition, through an M&A in August, "Nagano Linden Plaza Hotel" is scheduled to join our group, and we are steadily expanding our business with the goal of operating 10,000 rooms by 2033.

<Operating results of the hotel and tourism business>

(million yen)

| | Results for FY2025/3 1Q | Results for FY2026/3 1Q | Rate of change | Forecast | Progress rate |
|-----------------------------------|-------------------------------|-------------------------------|-------------------|---------------|---------------|
| Net sales | 3,681 | 4,598 | 24.9% | 21,490 | 21.4% |
| Hotel Development Business | - | - | - | 3,000 | - |
| Hotel Operation Business, etc. | 3,681 | 4,598 | 24.9% | 18,490 | 24.9% |
| Gross profit | 888 | 1,234 | 39.0% | 4,340 | 28.5% |
| Hotel Development Business | (0) | (0) | - | 520 | - |
| Hotel Operation Business, etc. | 888 | 1,235 | 39.0% | 3,820 | 32.3% |
| Segment profit | 845 | 1,108 | 31.2% | - | - |
| Hotel Development Business | (22) | (43) | - | - | - |
| Hotel Operation Business, etc. | 867 | 1,152 | 32.8% | - | - |

(Others)

In addition, (i) the Overseas Development Business and (ii) the Construction Business, etc. are conducted.

- (i) The Overseas Development Business has entered Da Nang, the largest city in central Vietnam with high growth potential, and is consistently engaged in the development and sale of high-rise condominiums, as well as rental brokerage and property management services. During the current period, construction of the No. 2 project, "HIYORI Aqua Tower," which began in the previous period, progressed as planned. Sales are scheduled to begin in the fall of 2025, with completion expected in the second half of the financial year ending March 31, 2027. As the results from this project will be recorded in the next period and beyond, both net sales and profit for the current period remained at levels similar to the previous period.
- (ii) The Construction Business mainly focuses on renovation planning for office spaces, exteriors, and entrances, and also undertakes interior work for offices and residences, as well as office communication network construction.

In the current period, both net sales and profit increased due to a rise in the number of orders received as well as the acquisition of large-scale projects.

<Other Performance Results>

(million yen)

| | Results for FY2025/3 1Q | Results for FY2026/3 1Q | Rate of change | Forecast | Progress rate |
|-----------------------|-------------------------------|-------------------------------|-------------------|--------------|---------------|
| Net sales | 481 | 756 | 57.3% | 2,230 | 33.9% |
| Gross profit | 172 | 208 | 20.5% | 530 | 39.2% |
| Segment profit | 157 | 193 | 22.9% | - | - |

The sustainability initiatives undertaken during the current period are as follows.

Under our sustainability vision, which states, "We value altruism as our Credo and contribute to the realization of a sustainable society through our business activities," our group is promoting initiatives to solve social issues through our business. Recently, in order to further promote the effective use of resources and environmental conservation through our business activities, as well as to strive for the conservation of natural capital and biodiversity, we have expressed our support for the Keidanren Declaration of Biodiversity and Action Guidelines and have joined the Keidanren Initiative for Biodiversity. Going forward, we will continue to address the three key issues we have identified—"environmental protection," "regional revitalization," and "human resource development"—and promote activities aimed at contributing to the realization of a sustainable society and enhancing our corporate value over the medium to long term.

Please refer to the following sustainability website for information on our group's sustainability initiatives.

(<https://www.sunftr.co.jp/sustainability/en/>)

(2) Explanation regarding financial positions

At the end of the fiscal year, total assets were 217,865 million yen (down 0.1% from the end of the previous fiscal year), liabilities were 110,203 million yen (down 1.9% from the end of the previous fiscal year), and net assets were 107,662 million yen (up 1.7% from the end of the previous fiscal year).

The main factors for the decrease in total assets were a decrease in cash and deposits of 4,140 million yen and a decrease in real estate for sale in process of 4,200 million yen, despite an increase in real estate for sale of 5,985 million yen.

The main factors for the decrease in liabilities were an increase in short-term borrowings of 1,035 million yen and an increase in current portion of long-term borrowings of 878 million yen, although there was a decrease in income taxes payable of 2,936 million yen, among other factors.

The main factors for the increase in net assets were the recording of profit attributable to owners of parent of 3,978 million yen, despite the payment of year-end dividends of 1,607 million yen, among other factors.

In addition, the equity to total assets ratio was 47.7% (up of 0.9 percentage points YoY).

(3) Explanation regarding forward-looking statements such as consolidated forecasts

There are no changes to the earnings forecasts for the fiscal year ending March 2026, as announced on May 9, 2025.

2. Quarterly Consolidated Financial Statements and Main Notes

(1) Quarterly Consolidated Balance Sheet

(Unit: Million yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|---|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposit | 44,920 | 40,779 |
| Notes and accounts receivable - trade, and contract assets | 2,105 | 2,700 |
| Real estate for sale | 17,151 | 23,136 |
| Real estate in process for sale | 116,417 | 112,216 |
| Costs of uncompleted construction contracts | 39 | 72 |
| Supplies | 105 | 106 |
| Other | 2,983 | 3,292 |
| Allowance for doubtful accounts | -15 | -21 |
| Total current asset | 183,706 | 182,283 |
| Non-current assets | | |
| Property, plant, and equipment | | |
| Buildings, (net) | 11,116 | 10,948 |
| Land | 9,888 | 9,899 |
| Other (net) | 3,285 | 4,875 |
| Total property, plant and equipment, net | 24,290 | 25,723 |
| Intangible assets | | |
| Goodwill | 923 | 849 |
| Other | 1,365 | 1,373 |
| Total intangible assets | 2,288 | 2,222 |
| Investment Other assets | | |
| Guarantee deposits | 3,958 | 4,052 |
| Long-term loans receivable | 1,459 | 1,455 |
| Deferred tax assets | 1,966 | 1,518 |
| Others | 617 | 706 |
| Allowance for doubtful accounts | -97 | -96 |
| Total investment and other assets | 7,904 | 7,635 |
| Total non-current assets | 34,484 | 35,581 |
| Total assets | 218,190 | 217,865 |

(Unit: Million yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|---|----------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payables | 3,521 | 3,138 |
| Short-term borrowings | 100 | 1,135 |
| Current portion of long-term borrowings | 10,140 | 11,019 |
| Income taxes payable | 4,994 | 2,057 |
| Provision for bonuses | 328 | 186 |
| Provision for directors' bonuses | 80 | 22 |
| Performance of guarantees | 34 | 34 |
| Others | 7,464 | 7,175 |
| Total current liabilities | 26,663 | 24,769 |
| Non-current liabilities | | |
| Bonds payable | 9,999 | 9,999 |
| Long-term borrowings | 72,219 | 71,804 |
| Retirement benefit liability | 1 | 1 |
| Provision for share-based remuneration | 113 | 115 |
| Others | 3,299 | 3,512 |
| Total non-current liabilities | 85,634 | 85,433 |
| Total liabilities | 112,298 | 110,203 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 11,965 | 11,965 |
| Capital surplus | 6,462 | 6,457 |
| Retained earnings | 82,723 | 85,094 |
| Treasury shares | -202 | -401 |
| Total shareholders' equity | 100,949 | 103,115 |
| Other accumulated comprehensive income | | |
| Valuation difference on available-for-sale securities | 2 | 3 |
| Foreign currency translation adjustment | 1,207 | 867 |
| Total other accumulated comprehensive income | 1,210 | 870 |
| Share acquisition rights | 30 | 30 |
| Non-controlling interests | 3,702 | 3,647 |
| Total net assets | 105,892 | 107,662 |
| Total liabilities and net assets | 218,190 | 217,865 |

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

Quarterly Consolidated Statement of Income
For the First Quarter ended

(Unit: Million yen)

| | For the First Quarter ended June 30, 2024 | For the First Quarter ended June 30, 2025 |
|--|--|--|
| Net sales | 15,685 | 27,319 |
| Cost of sales | 10,491 | 18,184 |
| Gross profit | 5,194 | 9,134 |
| Selling, general and administrative expenses | 2,359 | 3,113 |
| Operating profit | 2,834 | 6,021 |
| Non-operating income | | |
| Interest and dividend income | 8 | 19 |
| Compensation for relocation received | - | 40 |
| Foreign exchange gains | 52 | - |
| Other | 27 | 31 |
| Total non-operating income | 88 | 90 |
| Non-operating expenses | | |
| Interest expense | 181 | 299 |
| Foreign exchange losses | - | 8 |
| Others | 2 | 21 |
| Total non-operating expenses | 183 | 329 |
| Ordinary profit | 2,739 | 5,783 |
| Extraordinary income | | |
| Government subsidies | 200 | - |
| Total extraordinary income | 200 | - |
| Extraordinary losses | | |
| Loss on retirement of fixed assets | - | 18 |
| Loss on reduction of non-current assets | 200 | - |
| Total extraordinary losses | 200 | 18 |
| Profit before income taxes | 2,739 | 5,764 |
| Income taxes - current | 792 | 1,479 |
| Income taxes - deferred | 70 | 312 |
| Total income taxes | 863 | 1,792 |
| Profit | 1,876 | 3,971 |
| Quarterly net loss attributable to non-controlling interests (-) | -1 | -6 |
| Profit attributable to owners of parent | 1,878 | 3,978 |

Quarterly Consolidated Statement of Comprehensive Income
For the First Quarter ended

(Unit: Million yen)

| | For the First Quarter ended June 30, 2024 | For the First Quarter ended June 30, 2025 |
|--|--|--|
| Profit | 1,876 | 3,971 |
| Other comprehensive income (loss), net of tax | | |
| Valuation difference on available-for-sale securities | -0 | 0 |
| Foreign currency translation adjustment | 398 | -373 |
| Other comprehensive income, net of tax | 398 | -373 |
| Comprehensive income | 2,274 | 3,598 |
| Comprehensive income attributable to | | |
| Quarterly comprehensive income attributable to owners of the parent | 2,237 | 3,638 |
| Quarterly comprehensive income attributable to non-controlling interests | 37 | -39 |

(3) Notes to Quarterly Consolidated Financial Statements
 (Notes Regarding the Assumption of a Going Concern)
 There are no applicable items.

(Notes in Case of Significant Changes in the Amount of Shareholders' Equity)

I For the First Quarter ended June 30, 2024

1.Dividends paid

| Resolution | Class of shares | Total dividends (Millions of yen) | Per share Dividends (yen) | Record Date | Effective date | Source of dividends |
|---|-----------------|-----------------------------------|---------------------------|----------------|----------------|---------------------|
| Board of Directors held on May 21, 2024 | Common stock | 1,553 | 32.00 | March 31, 2024 | June 26, 2024 | Retained earnings |

(Note) 1 The total amount of dividends resolved at the Board of Directors meeting held on May 21, 2024 includes 4 million yen in dividends for the Company's shares held in the stock benefit trust (J-ESOP) trust account.

2 The dividend per share includes a 25th anniversary commemorative dividend of 2.00 yen.

2. Among the dividends with the record date falling within the first quarter of the consolidated cumulative period, those whose effective date of dividend is after the end of the first quarter consolidated accounting period
 There are no applicable items.

II For the First Quarter ended June 30, 2025

1.Dividends paid

| Resolution | Class of shares | Total dividends (Millions of yen) | Per share Dividends (yen) | Record Date | Effective date | Source of dividends |
|---|-----------------|-----------------------------------|---------------------------|----------------|----------------|---------------------|
| Board of Directors held on May 20, 2025 | Common stock | 1,607 | 33.00 | March 31, 2025 | June 25, 2025 | Retained earnings |

(Note) 1 The total amount of dividends resolved at the Board of Directors meeting held on May 20, 2025 includes 4 million yen in dividends for the Company's shares held in the trust account of the stock compensation trust (J-ESOP).

2. Among the dividends with the record date falling within the first quarter of the consolidated cumulative period, those whose effective date of dividend is after the end of the first quarter consolidated accounting period
 There are no applicable items.

(Segment Information)

[Segment Information]

I The Previous First Quarter (From April 1, 2024 to June 30, 2024)

1. Information on net sales and income (loss) by reportable segment and breakdown of net sales

(Millions of yen)

| | Reportable Segments | | | | Other (Note)1 | Total |
|---|-------------------------------|-------------------------|-----------------------|--------|------------------|--------|
| | Real estate revitalization | Real estate services | Hotels and tourism | Total | | |
| Net sales | | | | | | |
| Net sales from contracts with customers | 7,300 | 2,518 | 3,586 | 13,404 | 462 | 13,867 |
| Other income (Note 2) | 1,411 | 331 | 75 | 1,818 | - | 1,818 |
| Sales to customers | 8,711 | 2,849 | 3,661 | 15,223 | 462 | 15,685 |
| Intersegment sales | 0 | 269 | 19 | 289 | 18 | 308 |
| Total | 8,711 | 3,119 | 3,681 | 15,512 | 481 | 15,994 |
| Segment profit | 2,348 | 1,696 | 845 | 4,890 | 157 | 5,047 |

(Note) 1. The category of "Others" refers to business segments not included in the reportable segments, and includes overseas development business and construction business, etc.

2. Other income consists of lease net sales, etc. based on Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

2. Difference between the total amount of profit or loss for reportable segments and the amount recorded in the quarterly consolidated statement of income, and the main components of such difference (Matters related to reconciliation of differences)

(Unit: Million yen)

| Profit | Amount |
|---|--------|
| Total for reportable segments | 4,890 |
| Profit in the "Other" category | 157 |
| Elimination of inter-segment transactions | -36 |
| Company-wide expenses (Note) | -2,270 |
| Quarterly Consolidated Statement of Income Ordinary profit | 2,739 |

(Note) Company-wide expenses mainly consist of general and administrative expenses that are not attributable to any reportable segment.

3. Information on Impairment losses of Non-current assets or Goodwill, etc. by reportable segment

There are no applicable items.

II The First Quarter (From April 1, 2025 to June 30, 2025)

1.Information on net sales and income (loss) by reportable segment and breakdown of net sales

(Millions of yen)

| | Reportable Segments | | | | Others (Note)1 | Total |
|---|-------------------------------|-------------------------|-----------------------|--------|-------------------|--------|
| | Real estate revitalization | Real estate services | Hotels and tourism | Total | | |
| Net sales | | | | | | |
| Net sales from contracts with customers | 17,051 | 3,662 | 4,409 | 25,123 | 728 | 25,851 |
| Other income (Note 2) | 806 | 497 | 163 | 1,467 | - | 1,467 |
| Sales to customers | 17,857 | 4,160 | 4,573 | 26,590 | 728 | 27,319 |
| Intersegment sales | 0 | 128 | 25 | 154 | 28 | 183 |
| Total | 17,857 | 4,289 | 4,598 | 26,745 | 756 | 27,502 |
| Segment profit | 4,695 | 2,306 | 1,108 | 8,110 | 193 | 8,303 |

(Note) 1. The category of "Others" refers to business segments not included in the reportable segments, and includes overseas development business and construction business, etc.

2. Other income includes lease net sales, etc. based on Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

2. Difference between the total amount of profit or loss for reportable segments and the amount recorded in the quarterly consolidated statement of income, and the main contents of such difference (Matters related to reconciliation of differences)

(Unit: Million yen)

| Profit | Amount |
|---|--------|
| Total for reportable segments | 8,110 |
| Profit in the "Other" category | 193 |
| Elimination of inter-segment transactions | -5 |
| Company-wide expenses (Note) | -2,515 |
| Ordinary profit in the quarterly consolidated statement of income | 5,783 |

(Note) Company-wide expenses mainly consist of general and administrative expenses that are not attributable to any reportable segment.

3. Information on impairment losses of non-current assets or goodwill, etc. by reportable segment

There are no applicable items.

(Notes to the Statement of Cash Flows)

The quarterly consolidated statement of cash flows for the First Quarter ended is not prepared. Depreciation for the First Quarter ended (including depreciation related to leased inventories and amortization of intangible assets excluding goodwill), as well as amortization of goodwill, are as follows.

| | For the First Quarter ended June 30, 2024 | For the First Quarter ended June 30, 2025 |
|-------------------------------|--|--|
| Depreciation and amortization | 577Million yen | 715Million yen |
| Amortization of goodwill | 35Million yen | 73Million yen |