

[For Translation Purposes Only]

Open House Group Co., Ltd.
Financial Results for Second Quarter of FY2026
Conference Call and Financial Briefing Summary

- For the second quarter of the fiscal year ending September 30, 2026, financial results achieved record highs in both net sales and all profit lines.
 - The full-year business forecasts were revised upward for the second time, following the first quarter of the current fiscal year. Considering the uncertainty of the Middle East situation, the Company disclosed the forecasts in a range format (Operating profit: 176.5 to 180.0 billion yen).
 - In the single-family home related business, sales contracts continued to remain at high levels for three consecutive quarters (up 20% year-on-year), driving overall performance.
 - In the condominium business, the sales contract progress rate reached 95%, and deliveries are scheduled to be concentrated in the fourth quarter of the current fiscal year. The brand for high-end condominiums, INNOVACIA, is also performing well.
 - In the property resale business, domestic and international demand for investment properties under 1 billion was solid. Operating profit grew significantly by 21.1% year-on-year.
 - The U.S. real estate business expanded in scale to 6,400 buildings managed and over 380.0 billion yen in assets under management. Needs for diversified investment into dollar assets remained at a high level.
 - The Company newly launched the wooden apartment development "OPEN RISE" by OHD. It vertically integrates the strengths of land acquisition, construction, and sales.
 - Due to an increase in inventories accompanying the strengthening of acquisition, total assets reached 1.5 trillion yen, but the Company maintained a sound financial position with an equity ratio of 38.5% and a net D/E ratio of 0.6 times.
 - Reflecting the aforementioned revision of the full-year business forecasts, three-year profit forecasts were also revised upward to a profit attributable to owners of parent of 310.0 to 312.0 billion yen.
 - The Company maintained its shareholder return policy of a "Total return ratio of 40% or more". The Company plans annual dividends per share of 200 yen and continues share buybacks of 25.0 billion yen.
-

Conference Call for Analysts and Institutional Investors

Date and time: May 11, 2026, 16:00

Speaker: Kotaro Wakatabi, Senior Managing Director, CFO

Q&A:

【Q.1】 The Company has disclosed the impact of material delays due to the Middle East situation in a range format, but what is the actual impact?

【A.1】 At present, no significant impact on the Company has materialized, but as the outlook is uncertain, the Company disclosed it in a range format assuming the downside. Although there is a sense of shortage for some materials, etc., there are no delays in the progress on site.

【Q.2】 Is the downside of the business forecasts based on the assumption of the possibility that increased material costs and delays in deliveries will occur from July to September?

【A.2】 In the single-family home related business, the Company assumed future uncertain factors and incorporated them into the forecasts.

【Q.3】 What are the factors behind the slight decline year-on-year in the gross profit margin of the single-family home related business? Also, what is the impact on margins when costs increase in the future under construction contracts?

【A.3】 The decline in the gross profit margin is as planned, and is due to the conventional policy of prioritizing the turnover rate rather than taking time to sell at high prices. Regarding cost increases in construction contracts, since the Company operates in urban areas and the proportion of land in total costs is overwhelmingly high, the Company can absorb them within the overall margin structure.

【Q.4】 Regarding the upside of the business forecasts, while OHD's forecasts have been revised upward, is the reason Hawk One remains unchanged due to areas or risks?

【A.4】 Hawk One set an ambitious plan from the beginning, and since it is progressing smoothly, the Company left it unchanged. OHD revised its forecasts upward because in addition to its recent strong performance, the visibility of the second half of the fiscal year has improved.

【Q.5】 In response to the Middle East situation, is there any change in the acquisition stance for single-family homes, condominium, and property resale businesses?

[For Translation Purposes Only]

- 【A.5】** For condominium and property resale business, there is no change. For single-family homes, assuming future increases in building material costs, the Company has tightened its acquisition criteria (purchase price of land) nationwide from April.
- 【Q.6】** While declines in prices of pre-owned condominiums in urban centers and increases in inventory are reported, is there any impact on the Company's newly built condominiums?
- 【A.6】** Many of the Company's units are for actual-demand users, and at present, they are not affected by the pre-owned market. The sales contract progress rate for the current fiscal year is 95.0%, which is extremely smooth. Regarding high-priced properties, as the number is limited and they are located in rare areas, it is possible to sell the units at a deliberate pace.
- 【Q.7】** In the property resale business, has the Company been able to offset the impact of the decline in demand from Asian investors?
- 【A.7】** Asian investors accounted for 30% of net sales, and the Company had anticipated a sales decline of about 30% among them, which is generally in line with expectations. That decline has been offset by domestic investors.
- 【Q.8】** In the U.S. real estate business, is there any impact from changes in investor sentiment due to the Middle East situation and from interest rates remaining high?
- 【A.8】** Recent sales are performing very well. Due to geopolitical risks, confidence in U.S. real estate as an asset diversification destination is growing. Furthermore, the business remains unaffected by persistently high interest rates.
- 【Q.9】** Regarding the apartment business for high-net-worth individuals, what are the effects of OHD's entry and the future outlook?
- 【A.9】** The Company can capture profits by internally developing and selling properties that were previously resold to external operators as apartment land. While distinguishing their positioning—with OHD focusing on high-specification apartments and MAI on conventional models—the Company will also strengthen cross-selling to investors in U.S. real estate.
- 【Q.10】** How is land acquisition for the apartment business segregated from that for conventional single-family homes for sale?
- 【A.10】** Rather than forcing segregation, the significant factor is that the Company now has a structure that allows it to select whichever generates higher profits—either "single-family homes" or "apartments"—for the acquired land.

Consolidated Financial Highlights Briefing

Date and Time: May 13, 2026, 10:00 AM

Speakers: Ryosuke Fukuoka, President & CEO

Kotaro Wakatabi, Senior Managing Director, CFO

Management Policy and Environmental Awareness

■ **Confidence after Six Months since Taking Office as Representative Director**

Since taking office as President last October, with the cooperation of investors and financial institutions, and supported by the efforts of all officers and employees as well as solid market conditions, financial results for the first half of the current fiscal year have progressed steadily. In order to achieve sustainable growth in the second half of the current fiscal year and from the next fiscal year onward, the Company will continue to strive.

■ **Market Trends of Real Estate for Actual Demand**

The single-family home related business is performing extremely well. Driven by skyrocketing condominium prices and rising rents for rental housing, demand for single-family homes, which have a relatively high advantage, is extremely robust. As supply is unable to keep up with demand, the Company will accelerate supply by giving the highest priority to land acquisition and commercialization.

The condominium business is progressing steadily. Although a sense of a ceiling due to soaring prices has been pointed out, demand for the Group's condominiums exceeds supply due to selected locations and pricing that matches needs. In INNOVACIA, the two properties in Ebisu and Rokubancho are performing steadily despite being in the highest price range ever, and the Company will continue to expand the lineup in the future.

The Company considers the impact of the Middle East situation on building material procurement to be limited at present, thanks to the efforts of partner companies. However, without being optimistic, the Company will closely monitor the situation and take appropriate measures.

■ **Outlook for Investment Real Estate**

Overall, it is progressing steadily as planned. Although demand from Asian investors has declined in part due to the impact of travel restrictions to Japan, etc., strong demand from domestic investors complements it, and the impact on the overall business is minimal.

The Company newly launched the apartment business by OHD. The Company will provide it as a product lineup for wealthy individuals, added to MAI's apartments, the brand for high-end condominiums INNOVACIA, and property resale which are already deployed, and will expand cross-selling within the Group.

■ **Key Focus Areas**

Strengthening Recruitment

In April 2026, 841 new graduates joined the Group on a consolidated basis. We will focus on nurturing them as a source of growth. In addition, from April 2027, we will raise the starting salary to 400,000 yen and continue to strengthen recruitment.

Promotion of Sustainability

The Company perceives offering well-located housing at affordable prices as its corporate mission.

With a view to contributing to the global environment, the Company will promote the ZEH standard for all units in single-family homes from April 2026.

As a topic, Athlete Junta Kosuda, an employee of the Company, achieved a prize-winning finish in two events at the Milano-Cortina Paralympics.

Governance and Compliance

To improve customer satisfaction at sales centers, the Company reviewed the processes of operations with many points of contact with customers—such as sourcing (addressing customers at storefronts, etc.), telephone, and customer service—and successfully reduced the number of complaints by approximately 60% year-on-year. The Company will continue to work on improving customer satisfaction as a priority issue.

Q&A:

[Q.1] What is the future outlook for the supply-demand balance of single-family homes, and is there room to raise the sales unit price in light of wage increases?

[For Translation Purposes Only]

【A.1】 Under uncertain circumstances, if the Company can build a robust supply structure ahead of competitors, it will be a good opportunity. Some customer segments are shifting to single-family homes due to skyrocketing condominium prices, and demand remains strong. Regarding the sales unit price, considering the upward trend in interest rates, the Company will conduct acquisitions with a target of securing stable profits while maintaining the current price range that is affordable for customers.

【Q.2】 In response to future increases in construction costs, is there any change in the acquisition stance for single-family homes?

【A.2】 The Company will continue to promote active acquisition. Factoring in the rise in construction costs in advance, the Company has expanded its construction budget since April and is conducting acquisitions that ensure project profitability. Regarding the current environment, where competitors show a cautious stance toward acquisition, as an opportunity, the Company will conduct flexible acquisition while maintaining sales prices.

【Q.3】 What are the changes in the customer base for single-family homes accompanying skyrocketing condominium prices?

【A.3】 The Company has the impression that the middle-class segment, which was undecided between condominiums and single-family homes, is flowing considerably into single-family homes. While there is also an inflow of customers who have postponed purchasing condominiums due to soaring prices, and there is no major difference in customer attributes themselves, the Company strongly senses this shift to single-family homes on the ground.

【Q.4】 Regarding customer attributes for single-family homes, are there any movements such as postponing purchases due to price increases?

【A.4】 No clear movements of specific customer segments postponing purchases are observed. Rather, customer segments moving from condominiums and those deciding to purchase triggered by rising rents stand out, and the Company senses that the overall customer base is broadening.

【Q.5】 Regarding building material procurement, although there are concerns about delays due to the impact of the Middle East situation, we would like to ask about the procurement status based on the current inventory status and relationships with partner companies. Also, what is the impact on financial results?

[For Translation Purposes Only]

- 【A.5】** Regarding deliveries for the current fiscal year, the Company believes that the possibility of problems occurring is low. Regarding building material procurement beyond that as well, the Company is cooperating with many partner companies and assumes that it will not become a major problem. In addition, the Company has disclosed the business forecasts in a range format, considering the impact.
- 【Q.6】** While the shakeout of small and medium-sized competitors progresses due to the impact of the Middle East situation, etc., to what extent does the Company expect its market share to expand in the next three to five years?
- 【A.6】** Currently, the Company's share in areas of operation such as the Tokyo metropolitan area is around 10% to 20%, but the Company believes that targeting around 30% is realistically achievable based on its firsthand sense of the market.
- 【Q.7】** Could you provide details on the sales of INNOVACIA?
- 【A.7】** Regarding "Rokubancho," while the price per tsubo is challenging, it is attracting many inquiries and progressing smoothly, with sales contracts also advancing. "Ebisu" also shows solid sales contracts despite a similar unit price per tsubo. The Company plans to continue conducting acquisitions if suitable land is available, and upcoming lineups are also in queue.
- 【Q.8】** What is the progress and future outlook of Pressance in the Kanto region?
- 【A.8】** Although the number of Pressance developments in Kanto is not yet large, the two properties currently on sale for actual demand are performing steadily. For the future, the Company plans to proceed with expansion at a deliberate pace, including sales cooperation with Open House.
- 【Q.9】** What is the scale of the apartment business and the status of cross-selling?
- 【A.9】** The Company assumes that the apartment business has a potential of around 30.0 billion yen for the time being. Regarding cross-selling, the Company has established a customer referral system by co-locating a showroom for INNOVACIA and a sales base for wealthy individuals that sells U.S. real estate at GINZA SIX. There are multiple instances where the wealthy individuals purchased INNOVACIA.
- 【Q.10】** What is the current status of the U.S. real estate business (rent trends, area expansion, etc.)?
- 【A.10】** Regarding rents, while those for new contracts are flat, they often increase upon renewal. There is no change in the areas of operation, which center on three bases in Texas and Georgia. Recent contracts are also progressing steadily.

[For Translation Purposes Only]

【Q.11】 What is the Company's strategy regarding the gross profit margin during the period of market share expansion, and what is the policy for maintaining financial health?

【A.11】 The Company has no intention of significantly lowering the gross profit margin to expand market share. Without wavering on its core acquisition stance, the Company will expand its market share while building its capabilities. In addition, to prepare for changes in the financial environment, the Company will maintain high turnover without making the balance sheet heavy. The basic policy is to grow market share while maintaining a financial structure that can withstand unforeseen circumstances.

【Q.12】 What is the current status of exploring M&A opportunities?

【A.12】 The Company continuously strives to gather information if there are good deals involving general contractors or peers, but there are no specific ones at present. On the other hand, the Company will utilize "real estate M&A," which involves acquiring companies that hold prime real estate, as an effective means of land acquisition.

【Q.13】 In connection with the recruitment of 841 new graduates, what is the growth pace of sales personnel and the trend in productivity?

【A.13】 The growth rate of sales personnel is generally at the same level as the growth rate of net sales, and the Company plans to continue recruiting actively. Regarding productivity, net sales productivity per employee is improving.

End