



**OPEN HOUSE  
GROUP**

# Consolidated Financial Highlights for the Third Quarter of FY2024

(2023/10-2024/6)



**OPEN HOUSE GROUP CO., LTD.**  
[3288 TSE]

# FY2024 3Q Financial Results Topics

## Business Performance 3Q FY2024

◆ The 3Q is progressing as expected.

### FY2024 3Q Results

Net sales	¥ <b>895.0</b> billion	[114.0% YoY]
Ordinary profit	¥ <b>84.0</b> billion	[88.9% YoY]
Profit attributable to owners of parents	¥ <b>68.5</b> billion	[111.6% YoY]

## Financial Forecasts for FY2024

◆ No changes to the full-year performance forecast as progress is on track with the plan.

### FY2024 Forecasts

Net sales	¥ <b>1.3</b> trillion	[113.2% YoY]
Ordinary profit	¥ <b>120</b> billion	[87.6% YoY]
Profit attributable to owners of parents	¥ <b>92.5</b> billion	[100.5% YoY]

## Shareholder Returns

◆ Current treasury share acquisition

¥ <b>10</b> billion	<b>2.5</b> million shares	} % of outstanding shares (excl. treasury shares): Eq. to <b>4%</b> annually
¥ <b>9.8</b> billion	<b>2.2</b> million shares	

Previous Acquisition Record  
(up to end of April)

## Sustainability

◆ With the improvement in ESG ratings, there has been an increase in new inclusions in ESG indices, such as the FTSE Blossom Japan Index and the MSCI Japan ESG Select Leaders Index.

# Renewal of Corporate Philosophy

The Group achieved a significant milestone by exceeding ¥1 trillion in sales for the fiscal year ending September 2023.

As we aim for further expansion in our business and industries, our commitment to understanding and meeting our customers' needs remains paramount.

With this in mind, we have renewed our corporate philosophy to serve as a guiding light for the Group's continued growth.

## ■ Corporate Mission

**To Thoroughly Pursue the Needs of Our Customers and Deliver Valuable Real Estate**

## ■ Business Outlook

**Embracing Integrity: Gaining Society's Trust Through Market Engagement**

**Pursuing Growth with Innovative Thinking Beyond Conventions and Common Practices**

**Actively Contributing to Enhancing Regional Vitality and Creating Vibrancy in the Community**



# Performance Highlights for the Third Quarter of FY 2024

- **Single-family home sales contracts have bottomed out, and an improvement in gross profit margin is expected for the next fiscal year.**
- **In the Condominiums business, sales are progressing as planned, with deliveries concentrated in the fourth quarter.**
- **High demand for property resale business continues.**
- **The number of properties under management for U.S. real estate has exceeded 5000 units.**
- **Maintained a healthy financial position with a 35.1% equity ratio and a net debt-to-equity ratio of 0.6 times.**
- **Accelerated the three-year share acquisition plan, enhancing shareholder returns and improving EPS.**

# Shareholder Return

- The 40 billion share acquisition plan outlined in the three-year basic policy will be executed in full over two years.
- Additional share acquisition will be determined by the Board of Directors on a case-by-case basis, considering factors such as M&A activities.

## Three-Year Medium-Term Management Plan (FY2024~FY2026)

First Year (Acquisition of 20 Billion Yen)	Second Year (Acquisition of 20 Billion Yen)	Third Year
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Nov 2023 to April 2024  
(Acquired)  
Acquisition amount:  
9.8 billion yen  
No. of acquired shares:  
2.2 million shares

May 2024 to Sept 2024  
(Current acquisition)  
Acquisition amount:  
10 billion yen  
No. of acquired shares:  
2.5 million shares

Nov 2024 to Sept 2025  
(Future acquisition)  
20 billion yen

- In the third and final year, decisions on additional share acquisitions will be made based on factors such as M&A activity.

## 1. 3Q FY2024 Consolidated Financial Summary



**OPEN HOUSE GROUP**

## Consolidated Statements of Income (Summary)

- Net sales and Profit attributable to owners of parent have consistently exceeded the previous year.

(¥ Million)

	3Q FY2023 (2022/10-2023/6)		3Q FY2024 (2023/10-2024/6)		Inc. (Dec.)
	Actual	% of net sales	Actual	% of net sales	
<b>Net sales</b>	785,330	-	<b>895,056</b>	-	<b>114.0%</b>
<b>Operating profit</b>	96,809	12.3%	<b>80,787</b>	9.0%	<b>83.5%</b>
<b>Ordinary profit</b>	94,509	12.0%	<b>84,058</b>	9.4%	<b>88.9%</b>
<b>Profit attributable to owners of parent</b>	61,415	7.8%	<b>68,565</b>	7.7%	<b>111.6%</b>

## Performance by Segment (Net Sales/Operating Profit)

- The condominium business is progressing as planned, with a concentration of handovers in the fourth quarter.
- High demand for the property resale business continues.

### Net sales

	3Q FY2023 (2022/10-2023/6)		3Q FY2024 (2023/10-2024/6)		Inc. (Dec.)
	Result	Ratio	Result	Ratio	
<b>Total</b>	785,330	100.0%	<b>895,056</b>	100.0%	<b>114.0%</b>
<b>Single-family home related business</b>	432,005	55.0%	<b>475,426</b>	53.1%	<b>110.1%</b>
<b>Condominium</b>	39,955	5.1%	<b>24,778</b>	2.8%	<b>62.0%</b>
<b>Property resale</b>	128,317	16.3%	<b>115,696</b>	12.9%	<b>90.2%</b>
<b>Others (including U.S. real estate business)</b>	64,774	8.2%	<b>74,414</b>	8.3%	<b>114.9%</b>
<b>Pressance Corporation</b>	121,293	15.4%	<b>116,090</b>	13.0%	<b>95.7%</b>
<b>Meldia Co.</b>	-	-	<b>95,956</b>	10.7%	-
<b>Adjustments</b>	(1,015)	-	<b>(7,305)</b>	-	-

### Operating profit

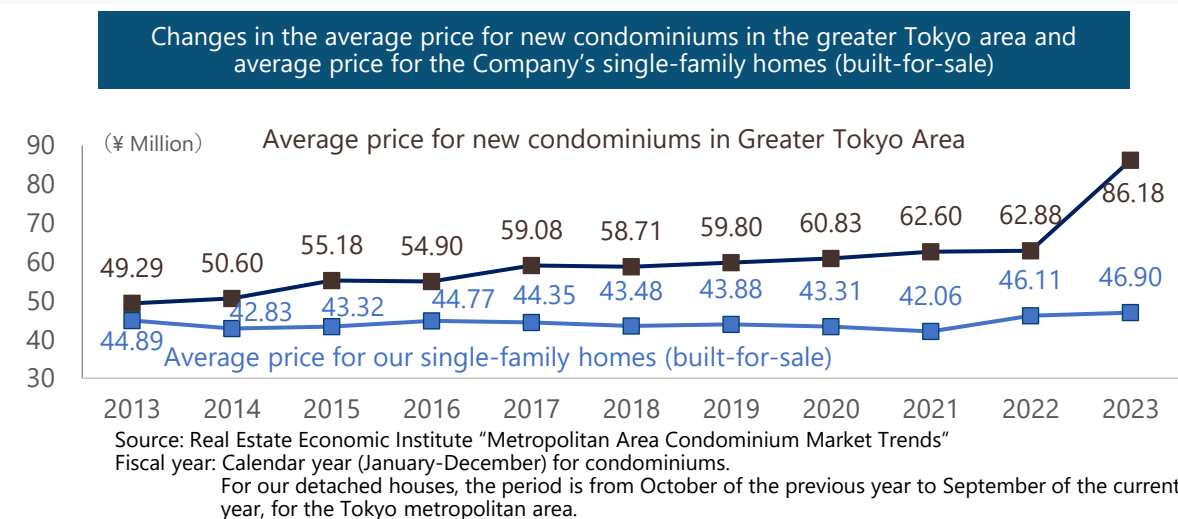
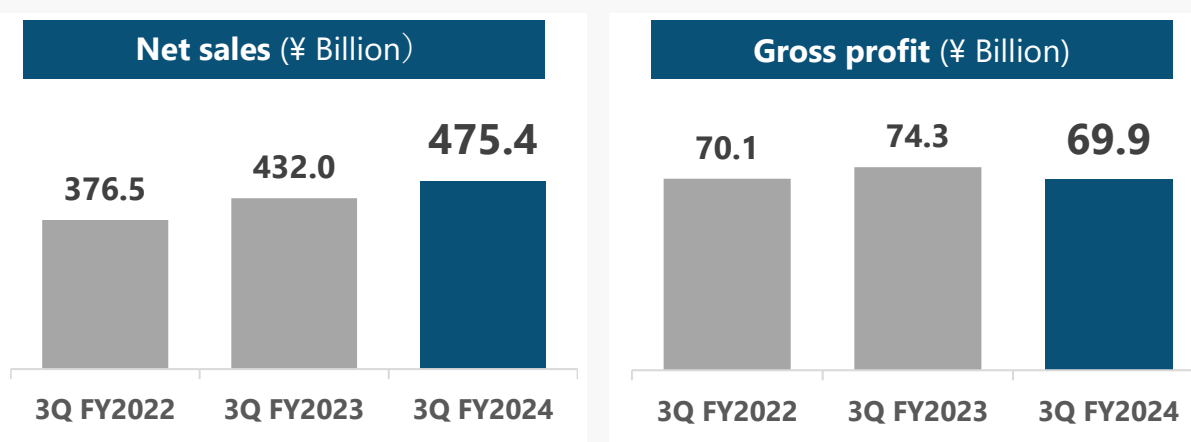
					(¥ Million)
	3Q FY2023 (2022/10-2023/6)		3Q FY2024 (2023/10-2024/6)		Inc. (Dec.)
	Result	% of Net sales	Result	% of Net sales	
<b>Total</b>	96,809	12.3%	<b>80,787</b>	9.0%	<b>83.5%</b>
<b>Single-family home related business</b>	49,080	11.4%	<b>43,104</b>	9.1%	<b>87.8%</b>
<b>Condominium</b>	5,347	13.4%	<b>159</b>	0.6%	<b>3.0%</b>
<b>Property resale</b>	15,186	11.8%	<b>8,183</b>	7.1%	<b>53.9%</b>
<b>Others (including U.S. real estate business)</b>	7,687	11.9%	<b>8,645</b>	11.6%	<b>112.5%</b>
<b>Pressance Corporation</b>	20,621	17.0%	<b>19,141</b>	16.5%	<b>92.8%</b>
<b>Meldia Co.</b>	-	-	<b>3,873</b>	4.0%	-
<b>Adjustments</b>	(1,113)	-	<b>△2,320</b>	-	-



## Single-family Home Related Business (Overall)

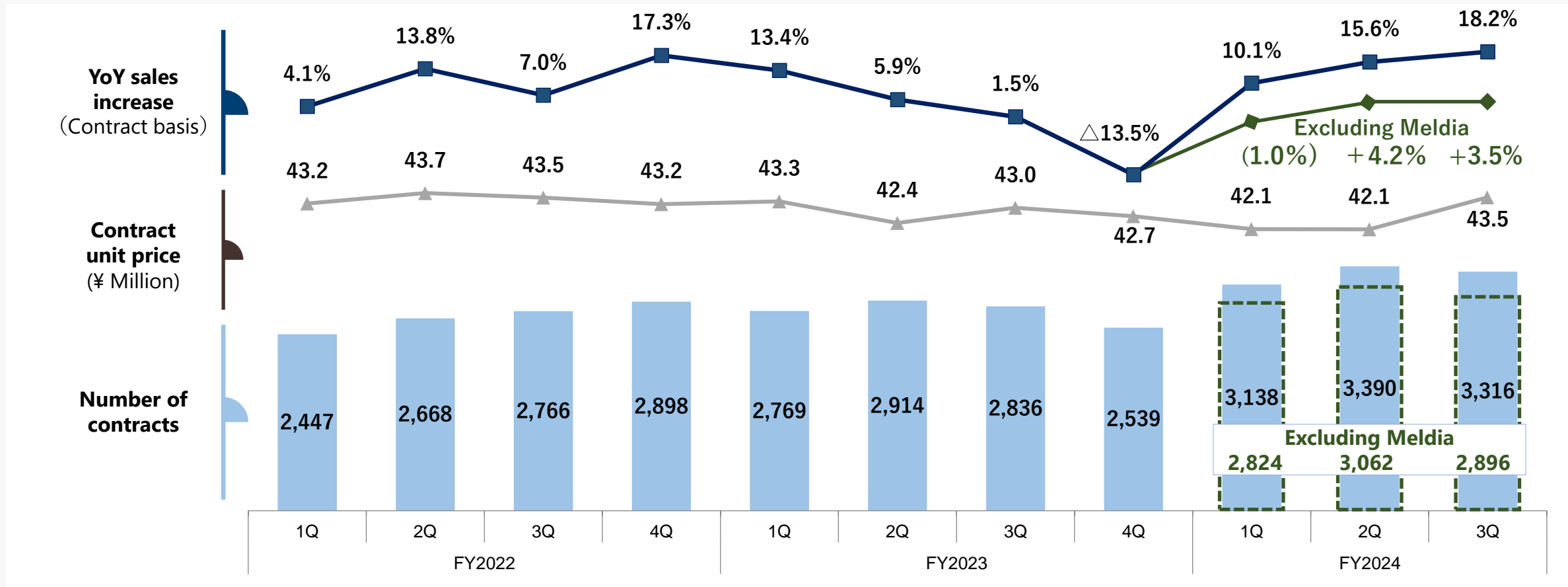
- Demand for single-family homes in metropolitan areas remains solid, and net sales have increased.
- An improvement of the gross profit margins is anticipated for the next fiscal year.

	3Q FY2022 (2021/10-2022/06)	3Q FY2023 (2022/10-2023/06)	3Q FY2024 (2023/10-2024/06)	Inc. (Dec.)
			(¥ Million)	
<b>Net sales</b>	376,558	432,005	<b>475,426</b>	<b>110.1%</b>
<b>Gross profit</b>	70,110	74,361	<b>69,962</b>	<b>94.1%</b>
<b>Gross profit margin</b>	18.6%	17.2%	<b>14.7%</b>	<b>(2.5)pt</b>
<b>Operating profit</b>	48,588	49,080	<b>43,104</b>	<b>87.8%</b>
<b>Operating profit margin</b>	12.9%	11.4%	<b>9.1%</b>	<b>(2.3)pt</b>



# Single-family Home Related Business (Trends in Sales Contracts)

- Sales increased by 18.2% yoy comparison, showing steady growth.
- Sales contracts recovered, even excluding Meldia, there's an increase of 3.5%.

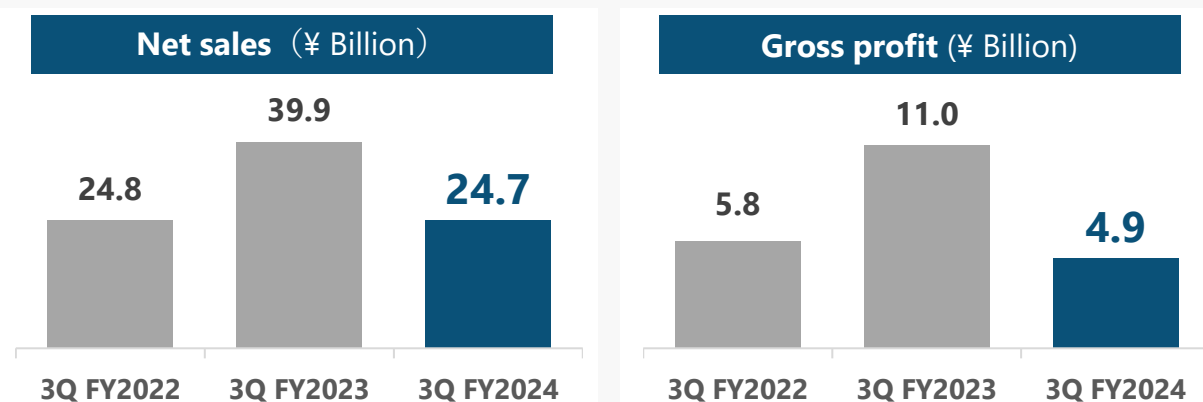


Operating companies : Open House Development Co.,Ltd. (OHD), Hawk One Corporation (HO), & Meldia Co.,Ltd.  
 Scope : Sales (built-for-sale + land), not including contracted work

## Condominium Business

- Sales are progressing as planned, with deliveries concentrated in the fourth quarter.

	3Q FY2022 (2021/10-2022/6)	3Q FY2023 (2022/10-2023/6)	3Q FY2024 (2023/10-2024/6)	Inc. (Dec.) (%)
Net sales	24,858	39,955	<b>24,778</b>	<b>62.0%</b>
Gross profit	5,832	11,007	<b>4,900</b>	<b>44.5%</b>
Gross profit margin	23.5%	27.5%	<b>19.8%</b>	<b>(7.8)pt</b>
Operating profit	1,932	5,347	<b>159</b>	<b>3.0%</b>
Operating profit margin	7.8%	13.4%	<b>0.6%</b>	<b>(12.7)pt</b>
Number delivered	502	761	<b>501</b>	<b>(260)</b>
Unit price	49.3	52.3	<b>49.1</b>	<b>(3.2)</b>

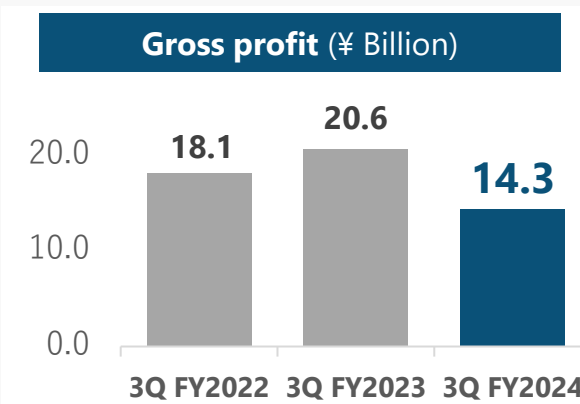
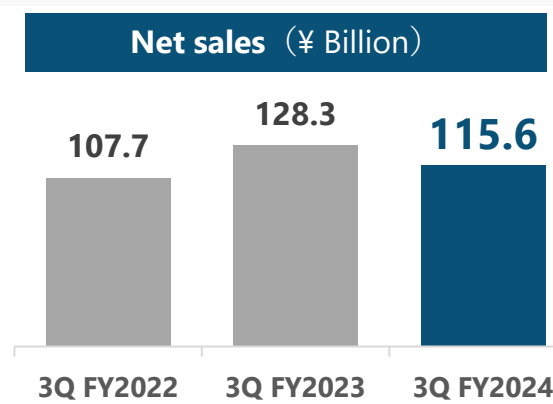


Major Condominiums Delivered in FY2024		
Name	Units	Average Price
Open Residence Yutenji (Tokyo)	17	100 million yen
Open Residencia Shimokitazawa Hills (Tokyo)	18	90 "
Open Residencia Aoi The Place (Nagoya)	42	40 "
Open Residencia Ohori Nishi (Fukuoka)	25	40 "

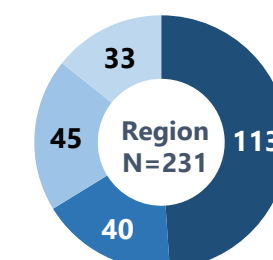
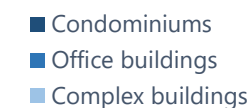
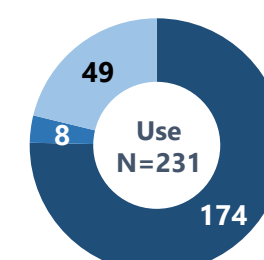
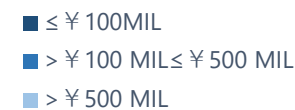
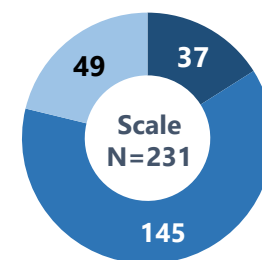
## Property Resale Business

- Overseas investors continue to show strong enthusiasm for property resale real estate.

	3Q FY2022 (2021/10-2022/06)	3Q FY2023 (2022/10-2023/06)	3Q FY2024 (2023/10-2024/06)	(¥ Million) Inc. (Dec.)
Net sales	107,772	128,317	<b>115,696</b>	<b>90.2%</b>
Gross profit	18,123	20,652	<b>14,367</b>	<b>69.6%</b>
Gross profit margin	16.8%	16.1%	<b>12.4%</b>	<b>(3.7)pt</b>
Operating profit	12,855	15,186	<b>8,183</b>	<b>53.9%</b>
Operating profit margin	11.9%	11.8%	<b>7.1%</b>	<b>(4.8)pt</b>
Number delivered	231	294	<b>281</b>	<b>(13)</b>
Unit price	448	423	<b>398</b>	<b>(26)</b>



### Breakdown of properties owned (Number of properties as of the end of June 2024)

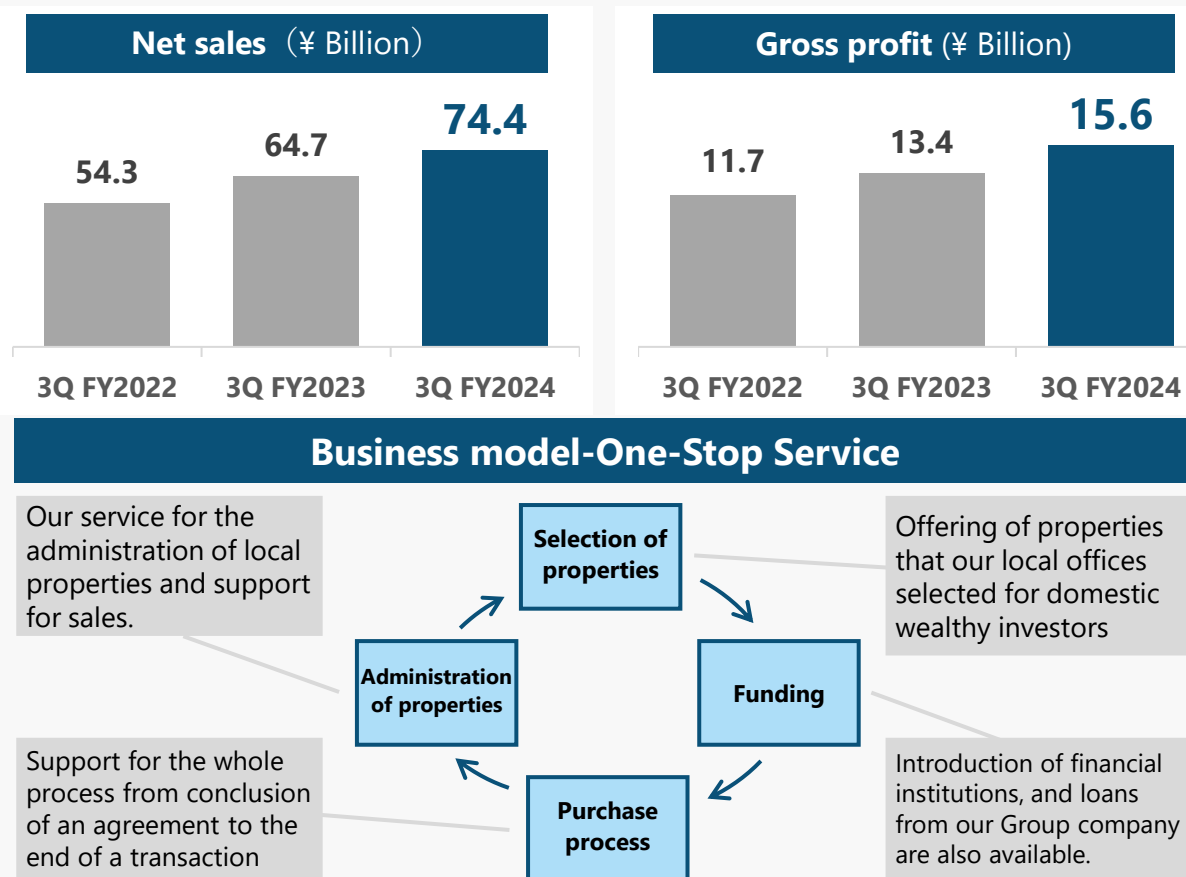


## Other Segment (U.S. Real Estate Business)

- Investors with high investment enthusiasm, particularly active wealthy individuals, are the core of our customer base.
- Securitized 13.7 billion in U.S. real estate-backed loans, achieving an 'A' rating for trust beneficiary rights from JCR (Japan Credit Rating Agency, Ltd.).

	3Q FY2022 (2021/10-2022/6)	3Q FY2023 (2022/10-2023/6)	3Q FY2024 (2023/10-2024/6)	Inc. (Dec.)
				(¥ Million)
Net sales	54,304	64,774	74,414	114.9%
Gross profit	11,772	13,495	15,664	116.1%
Gross profit margin	21.7%	20.8%	21.1%	0.2pt
Operating profit	7,159	7,687	8,645	112.5%
Operating profit margin	13.2%	11.9%	11.6%	(0.2)pt
Number delivered*	804	814	799	(15)
No. of buildings managed*	3,227	4,188	5,000	812

\* Figures for U.S. Real Estate Business are shown.

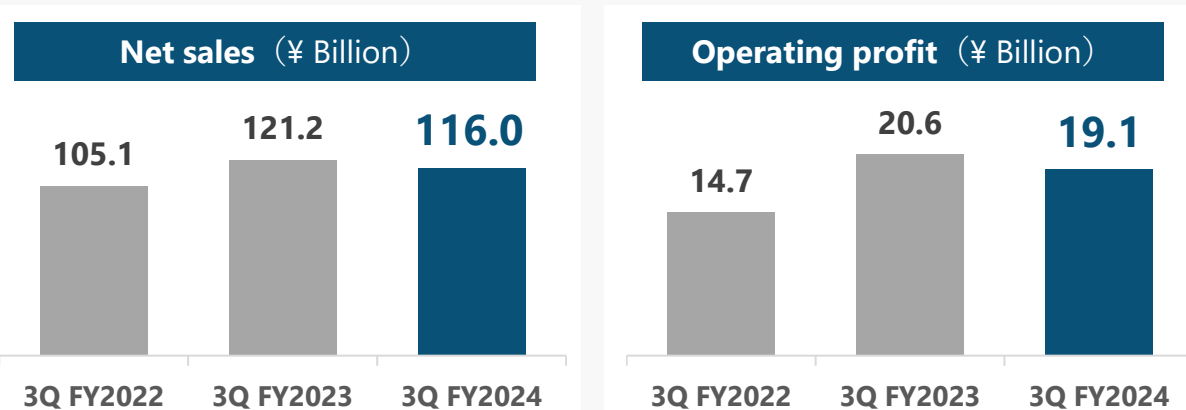


# Pressance Corporation

- Demand for condominiums in the Kansai region remains steady, for both investment and owner-occupier properties.

	3Q FY2022 (2021/10-2022/6)	3Q FY2023 (2022/10-2023/6)	3Q FY2024 (2023/10-2024/6)	Inc. (Dec.)
				(¥ Million)
Net sales	105,116	121,293	<b>116,090</b>	95.7%
Gross profit	27,024	33,050	<b>31,885</b>	96.5%
Gross profit margin	25.7%	27.2%	<b>27.5%</b>	0.2pt
Operating profit	14,766	20,621	<b>19,141</b>	92.8%
Operating profit margin	14.0%	17.0%	<b>16.5%</b>	(0.5)pt
Actual by products				
Studio-type condominiums	3,281	4,264	<b>3,899</b>	(365)
Family-type condominiums	1,103	1,352	<b>1,026</b>	(326)

\*Since Pressance Corporation became consolidated subsidiary in January 2021, the results for 2Q FY2021 are for the three months from January to March 2021.



Nationwide 2023 Condominium Supply Ranking (Units)					
rank	Company Name	Units	rank	Company Name	Units
1	Mitsui Fudosan Residential	3,423	6	Takara Leben	1,982
<b>2</b>	<b>Pressance Corporation</b>	<b>3,390</b>	7	ANABUKI	1,773
3	Nomura Real Estate Development	3,061	<b>8</b>	<b>Open House Development</b>	<b>1,647</b>
4	Sumitomo Realty & Development	2,859	9	ESLEAD	1,607
5	MITSUBISHI ESTATE RESIDENCE	2,093	10	Hankyu Hanshin Properties Corp.	1,590



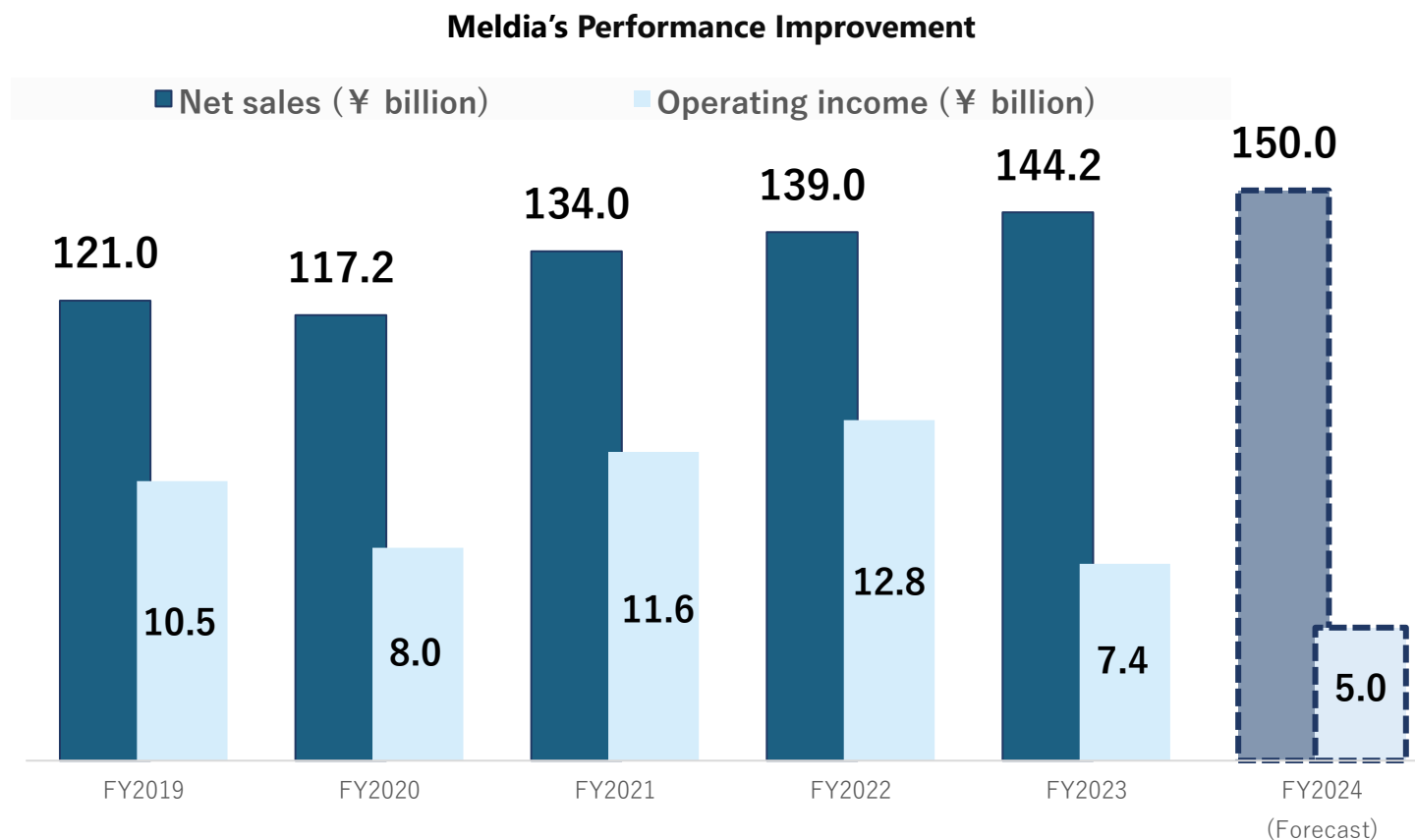
# Meldia

- Implement PMI and aim for an early recovery of profit levels.

	¥ Million
	<b>3Q FY2024*1</b> (2023/9-2024/6)
<b>Net sales</b>	<b>95,956</b>
<b>Gross profit</b>	<b>11,338</b>
<b>Gross profit margin</b>	<b>11.8%</b>
<b>Operating profit</b>	<b>3,873</b>
<b>Operating profit margin</b>	<b>4.0%</b>
<b>No. delivered *2</b>	<b>1,031</b>

\*1 Consolidated the performance of Meldia from Sept 2023 to May 2024, in 3Q FY2024.

\*2 Including 76 apartment buildings.



## Breakdown of SG&A Expenses, Non-Operating Profit/Expenses

(¥ Million)

SG&A Expenses					Non-Operating Income / Expenses						
	3Q FY2023 (2022/10-2023/6)		3Q FY2024 (2023/10-2024/6)		Inc. (Dec.)		3Q FY2023 (2022/10-2023/6)		3Q FY2024 (2023/10-2024/6)		Inc. (Dec.)
	Actual	% of net sales	Actual	% of net sales			Actual	% of net sales	Actual	% of net sales	
<b>SG&amp;A expenses</b>	55,123	7.0%	<b>65,346</b>	7.3%	<b>10,223</b>	<b>Non-Operating income</b>	1,624	0.2%	<b>8,720</b>	1.0%	<b>7,095</b>
Personnel expenses	17,431	2.2%	<b>23,384</b>	2.6%	<b>5,952</b>	Gain on sale of investment securities	144	0.0%	<b>3,518</b>	0.4%	<b>3,374</b>
Sales commissions	5,313	0.7%	<b>6,267</b>	0.7%	<b>953</b>	Dividend income	135	0.0%	<b>1,237</b>	0.1%	<b>1,102</b>
Office maintenance cost	5,866	0.7%	<b>6,309</b>	0.7%	<b>443</b>	Profit on currency exchange	298	0.0%	<b>1,247</b>	0.1%	<b>949</b>
Advertising expenses	3,502	0.4%	<b>4,270</b>	0.5%	<b>767</b>	Other	1,147	0.1%	<b>2,716</b>	0.3%	<b>1,669</b>
Promotion expenses	2,714	0.3%	<b>1,558</b>	0.2%	<b>(1,155)</b>	<b>Non-operating expenses</b>	3,924	0.5%	<b>5,449</b>	0.6%	<b>1,524</b>
Others	20,294	2.6%	<b>23,555</b>	2.6%	<b>3,260</b>	Interest expenses	2,912	0.4%	<b>4,078</b>	0.5%	<b>1,165</b>
						Commission expenses	285	0.0%	<b>705</b>	0.1%	<b>420</b>
						Other	726	0.1%	<b>665</b>	0.1%	<b>(61)</b>

## Consolidated Balance Sheet

- Maintain a healthy financial condition with a 35.1% equity ratio even after consolidating Meldia.
- Keeping a net D/E ratio of 0.6, ensuring sufficient investment capacity to respond flexibly to M&A opportunities.

(¥ Million)

	FY2023	3Q FY2024	Inc. (Dec.)		FY 2023	3Q FY2024	Inc. (Dec.)
	<b>Consolidated balance sheet</b>						
<b>Current assets</b>	1,130,769	<b>1,220,782</b>	90,012	<b>Liabilities</b>	718,251	<b>777,699</b>	59,447
Cash and deposits	401,879	<b>357,573</b>	(44,305)	Current liabilities	373,526	<b>373,004</b>	(522)
Inventories	641,256	<b>754,407</b>	113,150	Non-current liabilities	344,725	<b>404,695</b>	59,970
Others	87,633	<b>108,800</b>	21,167	<b>Net assets</b>	480,416	<b>526,926</b>	46,510
<b>Non-current assets</b>	67,898	<b>83,844</b>	15,946	Shareholders' equity	401,443	<b>436,549</b>	35,106
Property, plant and equipment	28,456	<b>31,205</b>	2,749	Valuation and translation adjustments	15,163	<b>22,420</b>	7,256
Intangible assets	2,690	<b>2,992</b>	302	Non-controlling interests	63,808	<b>67,956</b>	4,147
Investments and other assets	36,751	<b>49,645</b>	12,894	<b>Total liabilities and net assets</b>	1,198,668	<b>1,304,626</b>	105,958
<b>Total asset</b>	1,198,668	<b>1,304,626</b>	105,958				
<b>Safety index</b>							
	FY2023	3Q FY2024	Inc. (Dec.)		FY2023	3Q FY2024	Inc. (Dec.)
<b>Net D/E ratio</b>	0.4	<b>0.6</b>	0.2	<b>Equity ratio</b>	34.7%	<b>35.1%</b>	0.4pt
<b>D/E ratio</b>	1.4	<b>1.4</b>	0.0	<b>Current ratio</b>	302.7%	<b>327.3%</b>	24.6pt

# Efforts Towards Financial Stabilization

- To secure funds on hand to obtain opportunities for growth investments, while also diversifying fundraising to adapt to changes in the financial environment.

## Bond Issuance (12.0 billion yen)

### The 2nd Issuance of Unsecured Bonds

Total Issued Value **12.0 billion yen**

Redemption Date **July 2, 2027**

## Credit rating upgrade, bond issuance registration

### Change (Upgrade) of Credit Rating

Credit Rating Agency      Rating and Investment Information, Inc. (R&I)

After Change      **B B B**

Before Change      **B B B –**

## Long-term funding procurement (Business investment capital: 42.9 billion yen)

### Syndicated Loan

Amount of Loan **37.9 billion yen**

Lender  
 Sumitomo Mitsui Banking Corporation (Arranger & Agent)  
 Mizuho Bank, Ltd.  
 Resona Bank, Limited  
 The Gunma Bank, Ltd.  
 San ju San Bank, Ltd.  
 The Chiba Bank, Ltd.

Period, Interest Rate      **10 years, fixed interest rate**

### Long-term Borrowings

Amount borrowing **5 billion yen**

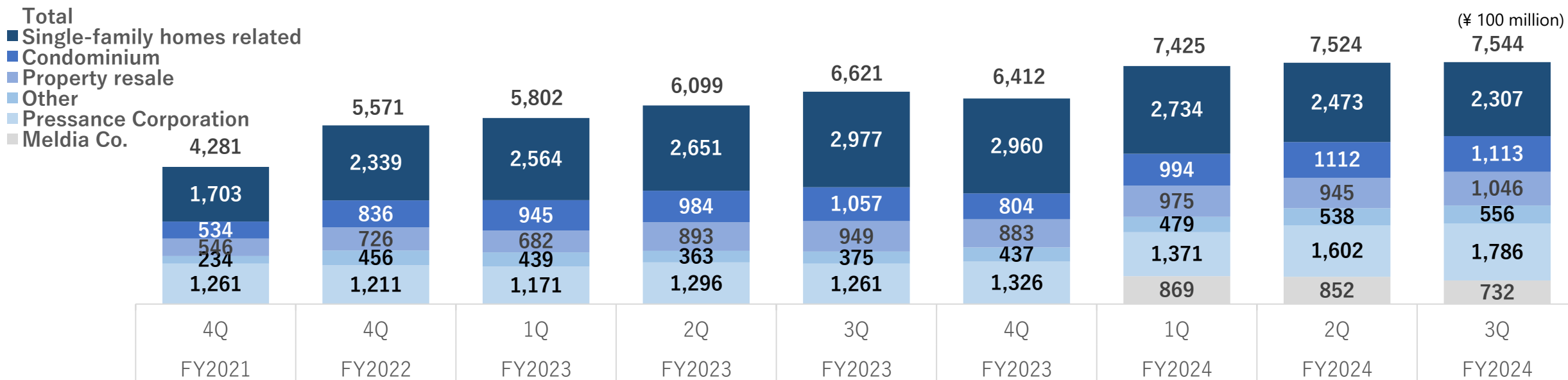
Lender      **MUFJ Bank, Ltd.**

Period, Interest Rate      **7 years, fixed interest rate**

# Inventory Details

	FY2021	FY2022	FY2023	3Q FY2024	Ratio	Inc. (Dec.)
<b>Inventory</b>	428,129	557,105	641,256	<b>754,407</b>	100.0%	113,150
<b>Single-family home related</b>	170,389	233,979	296,015	<b>230,794</b>	30.6%	(65,221)
<b>Condominium</b>	53,496	83,632	80,443	<b>111,370</b>	14.8%	30,926
<b>Property resale</b>	54,681	72,678	88,326	<b>104,601</b>	13.9%	16,275
<b>Other (US real estate business)</b>	23,452	45,639	43,798	<b>55,667</b>	7.4%	11,869
<b>Pressance Corporation</b>	126,109	121,174	132,672	<b>178,679</b>	23.7%	46,006
<b>Meldia Co.</b>	-	-	-	<b>73,294</b>	9.7%	73,294

(¥ Million)



## 2. Consolidated Business Performance Forecasts for FY2024



**OPEN HOUSE GROUP**

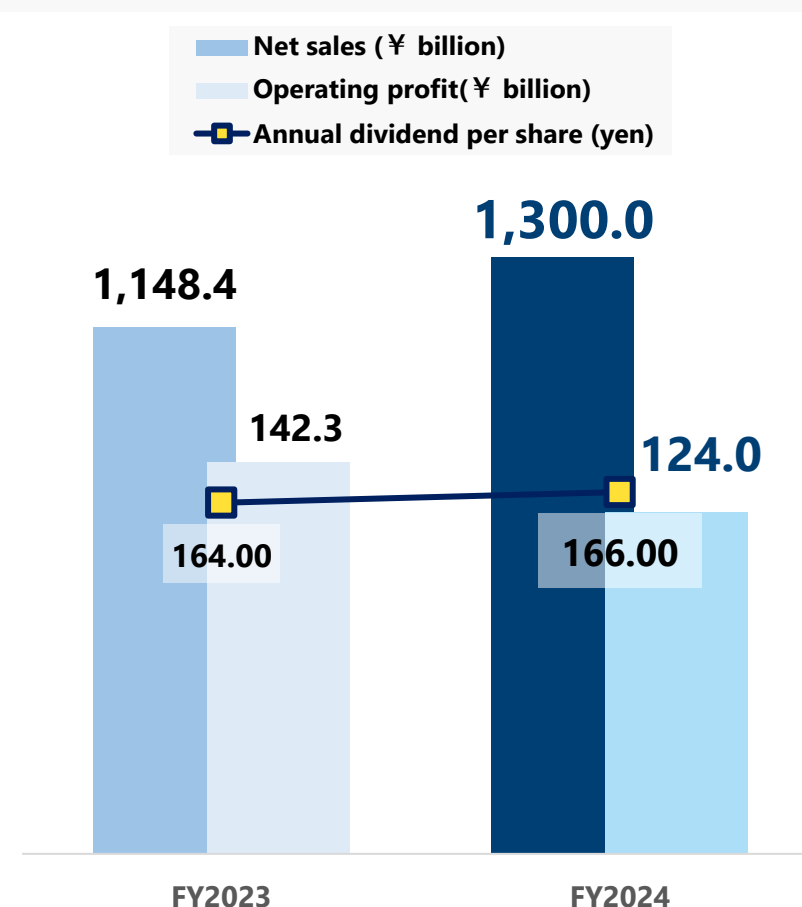


# Consolidated Business Performance Forecasts

- A year that will test our ability to deliver business performance even without a tailwind environment.
- Environment which enables us to differentiate ourselves from competitors.

(¥ Million)

	FY2023 (2022/10-2023/9)		FY2024 Forecasts (2023/10-2024/9)	
	Results	Inc. (Dec.)	Forecasts	Inc. (Dec.)
Net sales	1,148,484	120.6%	1,300,000	113.2%
Operating profit	142,330	119.2%	124,000	87.1%
Ordinary profit	136,927	113.0%	120,000	87.6%
Profit attributable to owners of parent	92,050	118.2%	92,500	100.5%
EPS (yen)	763.72	-	775.24	-
Annual dividends per share (yen)	164.00	35.00	166.00	2.00
Payout ratio	21.5%	-	21.4%	-



# Consolidated Business Forecasts (Net Sales by Business Segment)

(¥ Million)

	FY2023 (2022/10-2023/9)		FY2024 Forecasts (2023/10-2024/9)	
	Results	Inc. (Dec.)	Forecast	Inc. (Dec.)
<b>Total</b>	<b>1,148,484</b>	120.6%	<b>1,300,000</b>	<b>113.2%</b>
<b>Single-family home related business</b>	<b>590,394</b>	114.3%	<b>581,000</b>	<b>98.4%</b>
<b>Condominium</b>	<b>124,984</b>	200.4%	<b>90,000</b>	<b>72.0%</b>
<b>Property resale</b>	<b>185,018</b>	118.6%	<b>205,000</b>	<b>110.8%</b>
<b>Others (including U.S. real estate business)</b>	<b>88,301</b>	118.6%	<b>111,500</b>	<b>126.3%</b>
<b>Pressance Corporation</b>	<b>161,476</b>	111.1%	<b>167,000</b>	<b>103.4%</b>
<b>Meldia</b>	-	-	<b>150,000</b>	-
<b>Adjustments</b>	<b>(1,692)</b>	-	<b>(4,500)</b>	-

### 3. Sustainability



**OPEN HOUSE GROUP**

# Sustainability

## Realization of a Sustainable Society, Made Possible by Open House Group



## Important Issues (Materiality)

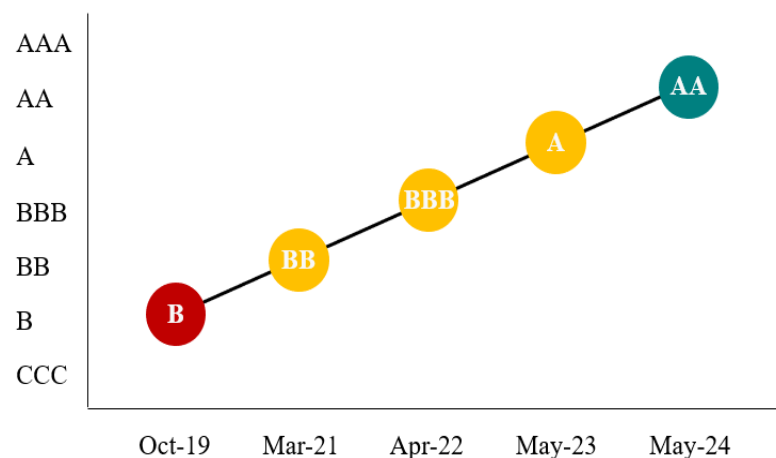
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- **Promotion of Sustainability**  
(Realization of a Sustainable Society and Company)
  - **Maximizing the Value of Human Capital**
  - **Realize Healthy and Safe Living**
  - **Contribution to Decarbonization**

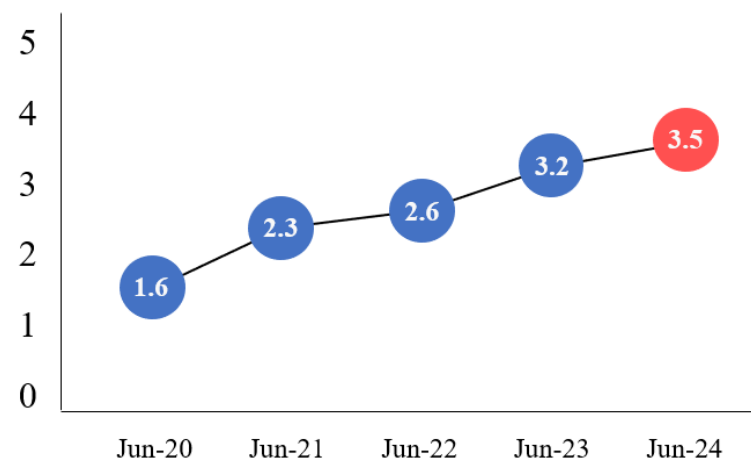
# Third Party Evaluation

- Evaluations by ESG rating agencies have improved.
- As a result, there has been an increase in new additions to ESG indices.

MSCI ESG Rating history



FTSE ESG Rating history



**2024** CONSTITUENT MSCI NIHONKABU  
ESG SELECT LEADERS INDEX

**2024** CONSTITUENT MSCI JAPAN  
EMPOWERING WOMEN INDEX (WIN)



FTSE4Good

<https://www.lseg.com/en/ftse-russell/indices/ftse4good>



FTSE Blossom  
Japan Index

<https://www.lseg.com/ja/ftse-russell/indices/blossom-japan>



FTSE Blossom  
Japan Sector  
Relative Index

<https://www.lseg.com/ja/ftse-russell/indices/blossom-japan>

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# Maximizing the Value of Human Capital (Diversity)

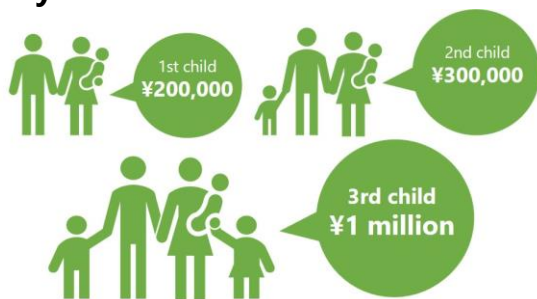
- Established the Work Design Promotion Committee to create an environment where diverse talents can thrive and continues to implement various measures.
- Introduced a new 'Oocyte Cryopreservation Subsidy' program to support diverse career development for women.

Establishment of the Work Design Promotion Committee in April 2024



Childcare Support Measures (example)

Baby Bonus





Single-Parent Allowance



50,000 yen per month per household

## Promoting Women's Participation (Support for Balancing Childcare and Work)

-  Utilization of Corporate-led Daycare Center
-  Babysitter Allowance
-  Fertility Support Concierge System  
Free Counseling Services
-  Free AMH Test

### New "Oocyte Cryopreservation Subsidy" Program

We aim to support each employee's life plans and career development while fostering a workplace environment that accommodates diverse work styles and encourages active participation.

**Subsidy of up to 400,000 yen for initial costs.**

## Contribution to Decarbonization and Realize Healthy and Safe Living

- Promoting decarbonization through the provision of solar power generation facilities and clean energy for our single-family homes.

Launching a flat-rate service for solar power generation and energy storage systems.

- Made possible through a partnership with TEPCO Home Tech Co., Ltd. (THT)
- Providing homes with secure electricity usage even in the event of a disaster



The number of contracts for Ouchi Link Denki is also steadily increasing.

**OPEN HOUSE GROUP**

おうちリンク でんき ご利用で  
電力のCO2排出量  
**実質ゼロ**

2,874  
Number of contracts  
starting in December 2022



**6,627**  
Cumulative number  
of contracts as of  
July 2024

# Community Co-creation Initiative

- Initiatives embodying our corporate philosophy of "actively contributing to the vitality of the community and energizing the town".
- After 5 years since our capital participation aiming to "ignite Gunma through basketball", we have contributed to the revitalization of the community.

Gunma Crane Thunders' collaborative efforts through sports for regional co-creation:

June 2019	Invested in the operating company of Gunma Crane Thunders. Our motto: 'Igniting Gunma's passion through basketball.'
May 2021	Achieved B" championship and promotion to B1 league, the first B1 club in Gunma Prefecture.
July 2021	Relocated from Maebashi City to Ota City.
Sept 2021	Initiated the social responsibility activity 'CRANE THUNDERS ONGAESHI.
May 2022	Signed the new standards of the United Nations Sports for Climate Action framework.
April 2023	Completed the Ota City General Gymnasium (nickname: OPEN HOUSE ARENA OTA), utilizing our corporate version of the hometown tax payment system to support local revitalization efforts.

The 'carbon-free clean electricity' provided by partner companies

Oct 2023	During the 23 home games held at OPEN HOUSE ARENA OTA (from October 2023 to March 2024), V-Power Co., Ltd., one of our partner companies, adds environmental value to the electricity used. Clean energy utilization is available within OPEN HOUSE ARENA OTA.
April 2024	The coverage will be expanded to encompass the entire Ota City Sports Park, allowing everyone in the park to utilize clean energy."



Many citizens attending OPEN HOUSE AREA OTA



A basketball-exclusive arena capable of accommodating 5,000 people.



A scheme for providing carbon-free, clean electricity.



## Community Co-creation Initiative

- Initiatives aimed at contributing to society through regional co-creation in Minakami Town, Gunma Prefecture.
- Completion of sales for NOT A HOTEL MINAKAMI TOJI\*, Developed in collaboration with NOT A HOTEL Inc.



Exterior of NOT A HOTEL MINAKAMI TOJI



Sauna with exclusive access to breathtaking views



An infinity pool surrounding the living room area (Hot water)

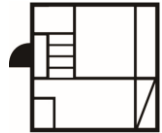
\*As part of the Company's community co-creation initiative, leveraging our relationship with NAH and Minakami Town, we are developing high-end villas that combine the design expertise of world-renowned architects and creators with the comfort provided by technology such as IoT.

## 4. Positioning for FY2024

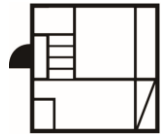


**OPEN HOUSE GROUP**

## Positioning of FY2024



**PMI** (Normalize Management of Meldia)



**Response to Important Issues (Materiality)**

**Reinforce our internal operations in preparation for the next stage**

## PMI(Resumption of New Lending Support)

- **Resumption of new lending support from financial institutions to Meldia.**  
⇒ **The establishment of an effective system for preventing recurrence has been completed, and the continuous monitoring of the progress is being evaluated.**

### Board of Directors

```
graph TD;
  Board[Board of Directors] --- Recurrence[Recurrence Prevention Monitoring Committee];
  Board --- Risk[Risk Management Committee];
  Risk --- Note["(Integrated with Elimination Monitoring Committee in May 2024)"];
```

#### Recurrence Prevention Monitoring Committee

Confirmation of the progress in implementing measures to prevent recurrence.

#### Risk Management Committee (Integrated with Elimination Monitoring Committee in May 2024)

Confirmation of contact status with individuals subject to elimination.

**We will continue to hold both committees, monthly reports to the Board of Directors on committee confirmed matters.**

⇒ **Officers who are not members of the committees will also actively participate in efforts to prevent recurrence.**

## PMI (Business Outlook for Meldia)

- **Aiming to shorten business turnover periods.**

- ⇒ **Shifting from large-scale developments in suburban areas to more compact sites in highly accessible locations.**

- ⇒ **Initiate advance sales of land. Subsequently undertake construction to expedite fund recovery and achieve simultaneous progress in home building.**

- **Strengthening the supply system for new wooden rental apartments.**

- ⇒ **Supplying to individual investors and real estate funds, aiming for steady growth.**



Single-family homes business

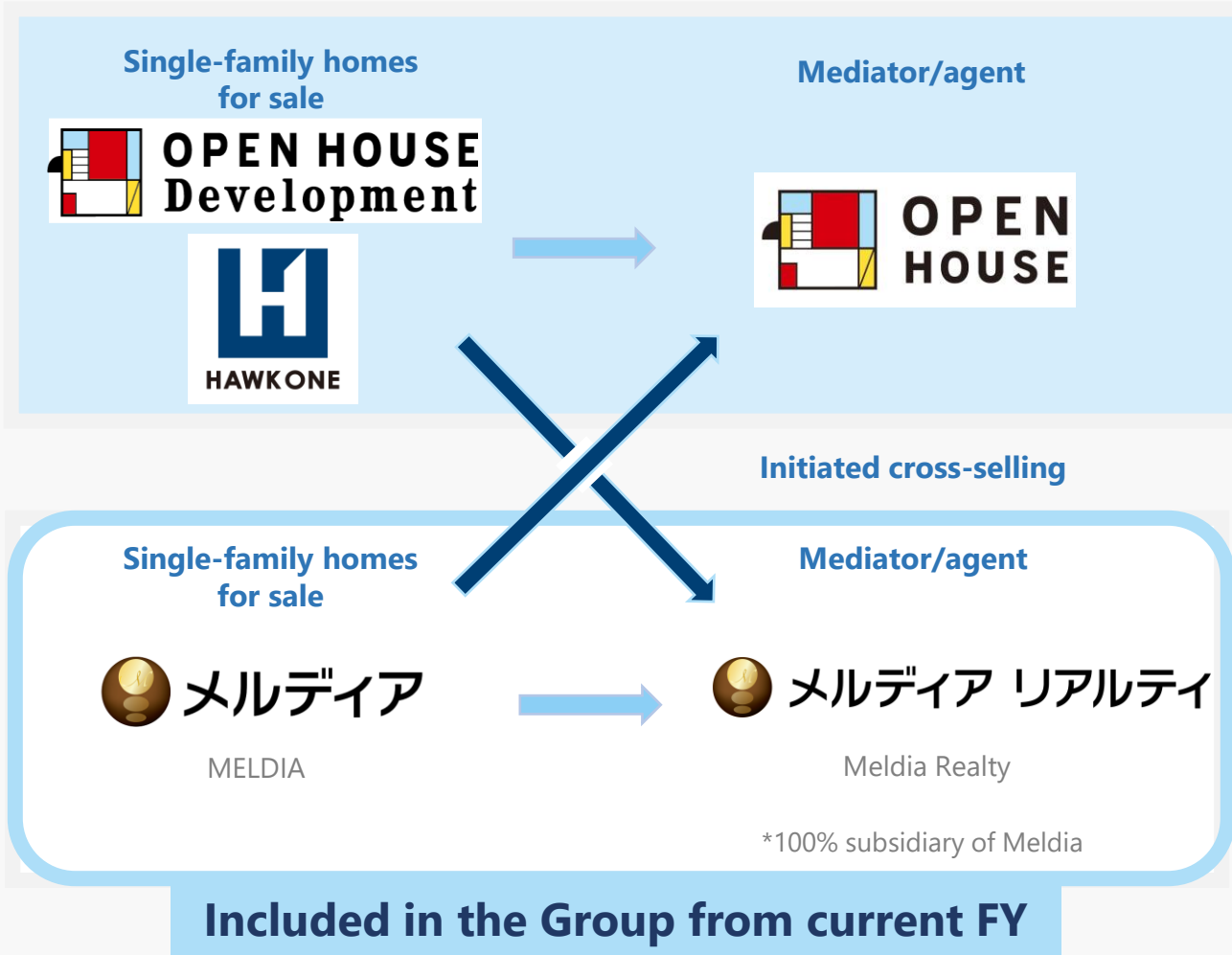


Apartment business



# PMI(Strengthen the Sales Structure)

- Build a cross-group collaboration system and improve group-wide sales through cross-selling.

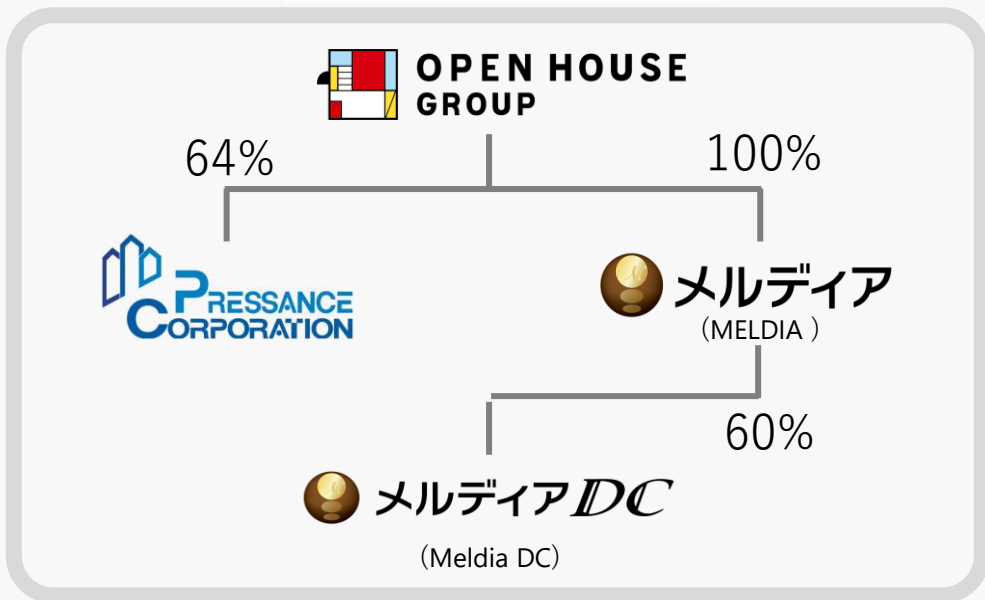


- Official launch in December 2023
- **Approx. 30%** of Meldia's properties were sold through Open House
- Meldia to sell properties by Open House Development and Hawk One
- Building a cross-collaboration system

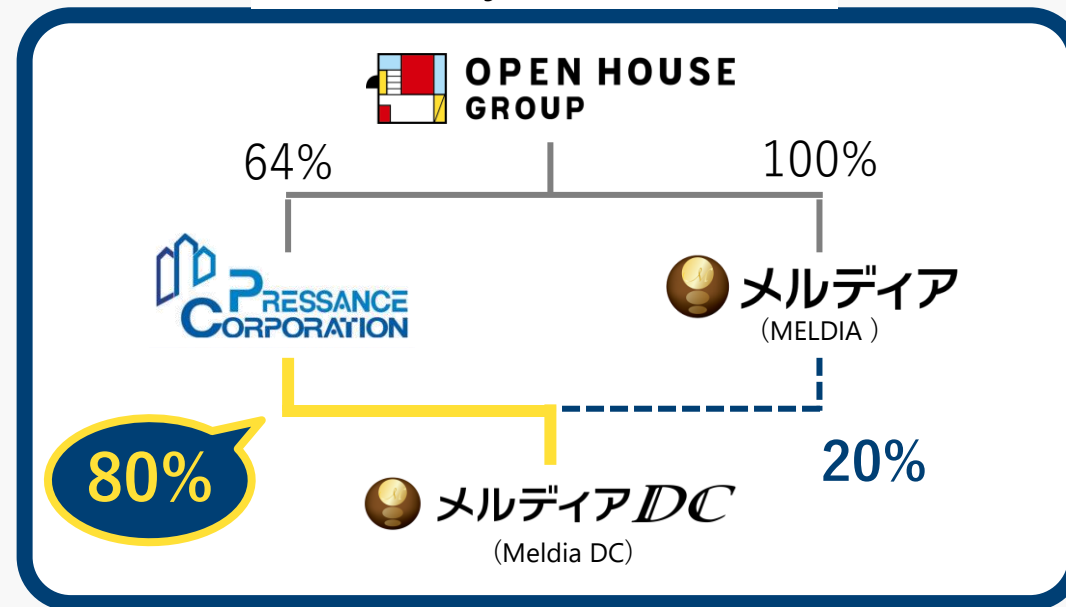
# PMI(Group Synergy)

- Pressance Corporation has completed the process of making Meldia DC a subsidiary.
- Maximize group synergies through collaboration between the two companies with strength in the Kansai region.

December 2023



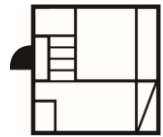
May 24, 2024



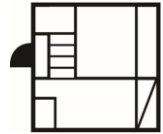
**Company Profile**

Company name	MELDIA Development & Construction CO.,LTD.	Business details	Design, construction, and supervision of construction work, sale of condominiums and single-family homes, etc.
Main office	Osaka	Capital	101 million yen (as of September 30, 2023)
Representative	Representative Director and President Kazuya Tanaka	Date of establishment	October 1, 1993

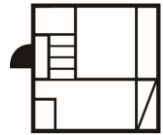
# Important Issues(Materiality)



**Governance and Compliance Reform**



**Enhance Customer Satisfaction**

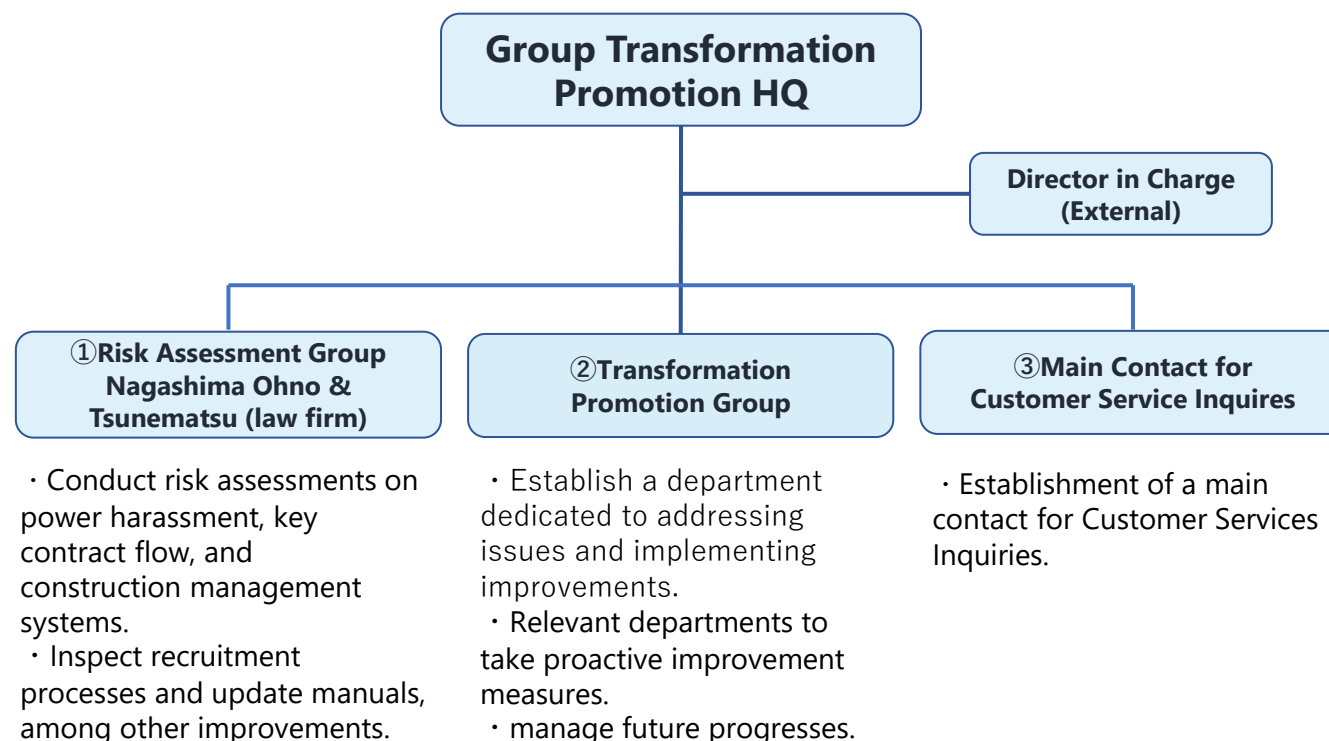


**Strengthen Hiring of Key Talent**

## ■ Governance and Compliance Reform, Enhance Customer Satisfaction

- Conduct a risk assessment regarding harassment etc. at the Group Transformation Promotion Headquarters.
- Proactive measures will be undertaken by the relevant departments to address the issues.
- Establish a system to manage the progress on relevant departments' issues and abolish the existing headquarters.

Sept 2023	Establishment of the Group Transformation Promotion HQ.
Nov-Dec 2023	Implementation of a survey on harassment.
Jan-May 2024	Implementation of risk assessment by law firm.
June 2024	Receipt of risk assessment results. Relevant departments to take proactive measures for improvement
August 2024	Abolition of the Group Transformation Promotion HQ.



# Enhance Customer Satisfaction

## ■ Opening of Customer Consultation Center on April 1, 2024

⇒ Previously, inquiries related to sales (single-family homes, condominiums) and construction had separate contact points

⇒ Aim to improve customer satisfaction by centralizing information regarding complaints and inquiries.

We care about the voice of our customers

Open House Group Customer Consultation Center

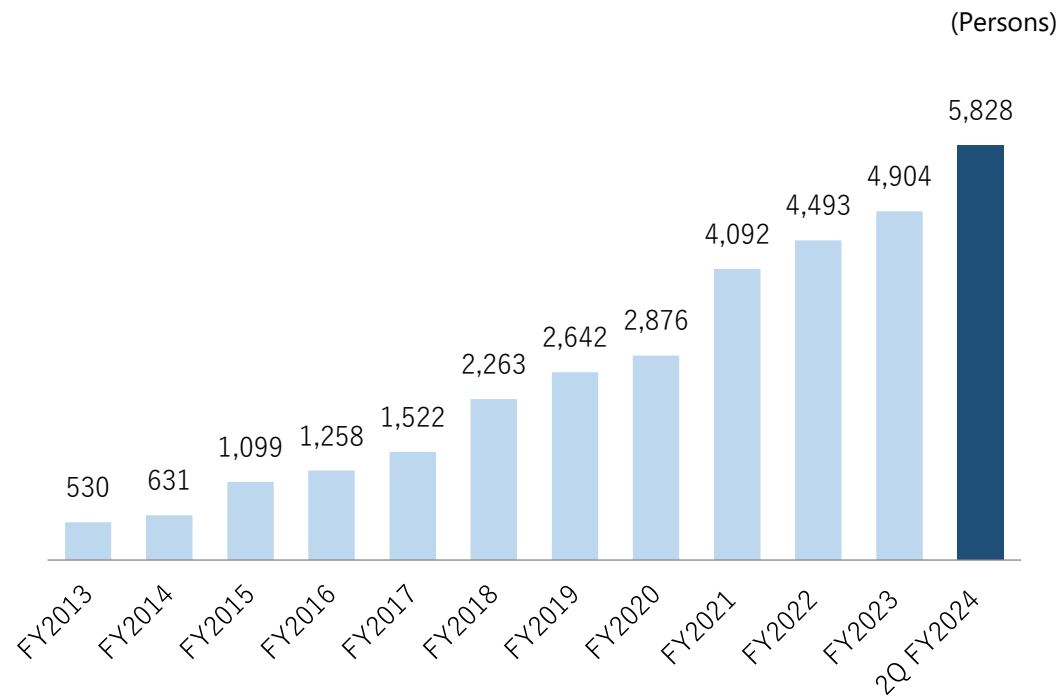
**0120-54-5555**

(10AM ~ 6PM)

# Strengthening Human Resource Recruitment

- Our people are the source of the Group's growth.
- Hiring key talent is one of our key management priorities.

## Changes in the Number of Personnel



Note: Includes personnel from Meldia CO.

### ■ Corporate Philosophy (Value)

**“Attract a wide range of motivated people and create an organization that rewards results.”**

### ■ The President & CEO Takes the Lead in Hiring

- Assigned top salespeople from each business division to serve as recruiting staff.
- Strengthen motivation to join the company through interviews with top executives

## 5. Supplemental Financial Data



**OPEN HOUSE GROUP**

# Consolidated Financial Results Trend

(\$ Million)

		FY2022				FY2023				FY2024			FY2021	FY2022	FY2023	FY2024	
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	Actual	Actual	Actual	Plan	
<b>Single-family homes related</b>	Net sales	136,051	124,719	115,787	139,995	141,735	154,042	136,227	158,389	<b>170,186</b>	<b>157,780</b>	<b>147,458</b>	446,959	516,554	590,394	<b>581,000</b>	
	Gross profit	28,339	21,576	20,194	23,801	24,925	26,845	22,590	23,981	<b>26,740</b>	<b>22,655</b>	<b>20,566</b>	87,252	93,912	98,343	<b>87,300</b>	
	Gross Profit margin	20.8%	17.3%	17.4%	17.0%	17.6%	17.4%	16.6%	15.1%	<b>15.7%</b>	<b>14.4%</b>	<b>13.9%</b>	19.5%	18.2%	16.7%	<b>15.0%</b>	
	Operating Profit	21,799	14,153	12,634	14,426	16,484	18,692	13,902	14,098	<b>17,959</b>	<b>13,447</b>	<b>11,696</b>	62,294	63,014	63,178	-	
	Operating Profit margin	16.0%	11.3%	10.9%	10.3%	11.6%	12.1%	10.2%	8.9%	<b>10.6%</b>	<b>8.5%</b>	<b>7.9%</b>	13.9%	12.2%	10.7%	-	
<b>Open House Development</b>	Net sales	86,733	81,974	80,171	87,623	98,829	105,090	92,299	101,185	<b>120,303</b>	<b>103,786</b>	<b>97,794</b>	294,169	336,502	397,405	<b>385,600</b>	
	Gross profit	18,626	14,862	14,982	15,212	17,822	18,923	15,785	15,245	<b>18,759</b>	<b>14,487</b>	<b>13,786</b>	57,705	63,683	67,778	<b>58,000</b>	
	Gross Profit margin	21.5%	18.1%	18.7%	17.4%	18.0%	18.0%	17.1%	15.1%	<b>15.6%</b>	<b>14.0%</b>	<b>14.1%</b>	19.6%	18.9%	17.1%	<b>15.0%</b>	
	Number delivered	Built-for-sale houses	787	837	919	1,081	1,184	1,267	1,145	1,333	<b>1,642</b>	<b>1,483</b>	<b>1,399</b>	3,396	3,624	4,929	<b>4,960</b>
		Lands	1,042	849	725	786	833	940	816	844	<b>915</b>	<b>693</b>	<b>694</b>	3,088	3,402	3,433	<b>3,730</b>
	Unit price	Built-to order houses	408	444	553	513	544	474	382	402	<b>503</b>	<b>433</b>	<b>463</b>	1,814	1,918	1,802	<b>1,560</b>
		Lands	43.4	43.1	43.1	42.8	44.0	43.6	42.9	42.3	<b>43.1</b>	<b>41.6</b>	<b>40.7</b>	40.9	43.1	43.2	<b>41.8</b>
	Lands	44.3	46.1	44.4	42.7	45.6	44.3	44.5	44.8	<b>44.6</b>	<b>49.7</b>	<b>47.1</b>	41.5	44.4	44.8	<b>40.6</b>	
<b>Hawk One</b>	Net sales	36,429	28,207	24,547	36,168	28,992	35,637	29,572	41,161	<b>35,999</b>	<b>40,297</b>	<b>35,252</b>	105,329	125,352	135,363	<b>141,000</b>	
	Gross profit	7,316	4,907	4,117	5,484	4,702	5,018	4,086	5,297	<b>4,214</b>	<b>4,608</b>	<b>4,102</b>	19,783	21,825	19,105	<b>19,800</b>	
	Gross Profit margin	20.1%	17.4%	16.8%	15.2%	16.2%	14.1%	13.8%	12.9%	<b>11.7%</b>	<b>11.4%</b>	<b>11.6%</b>	18.8%	17.4%	14.1%	<b>14.0%</b>	
	Number delivered	Built-for-sale houses	665	546	433	639	524	647	506	726	<b>671</b>	<b>718</b>	<b>623</b>	2,150	2,283	2,403	<b>2,430</b>
		Lands	106	64	67	109	83	112	100	118	<b>83</b>	<b>119</b>	<b>80</b>	292	346	413	<b>530</b>
Unit price	Built-to order houses	63	13	40	52	32	43	40	42	<b>52</b>	<b>49</b>	<b>50</b>	82	168	157	<b>210</b>	
	Sales	46.4	45.2	47.7	47.2	46.8	46.1	47.6	48.0	<b>46.7</b>	<b>47.1</b>	<b>48.9</b>	42.5	46.6	47.1	<b>46.5</b>	
<b>Open House Architect</b>	Net sales	13,382	16,974	14,669	22,469	18,267	19,990	20,662	22,795	<b>18,112</b>	<b>18,834</b>	<b>17,740</b>	57,800	67,495	81,715	<b>73,000</b>	
	Gross profit	1,135	1,612	1,058	2,323	1,898	2,471	2,685	3,094	<b>2,777</b>	<b>3,091</b>	<b>2,786</b>	7,926	6,130	10,149	<b>9,800</b>	
	Gross Profit margin	8.5%	9.5%	7.2%	10.3%	10.4%	12.4%	13.0%	13.6%	<b>15.3%</b>	<b>16.4%</b>	<b>15.7%</b>	13.7%	9.1%	12.4%	<b>13.4%</b>	
	Number delivered	to outside customers	694	690	684	808	679	644	697	744	<b>615</b>	<b>627</b>	<b>661</b>	2,631	2,876	2,764	<b>2,600</b>
to OHD		337	475	411	658	529	686	649	731	<b>540</b>	<b>600</b>	<b>472</b>	1,634	1,881	2,595	<b>2,290</b>	



# Consolidated Financial Results Trend

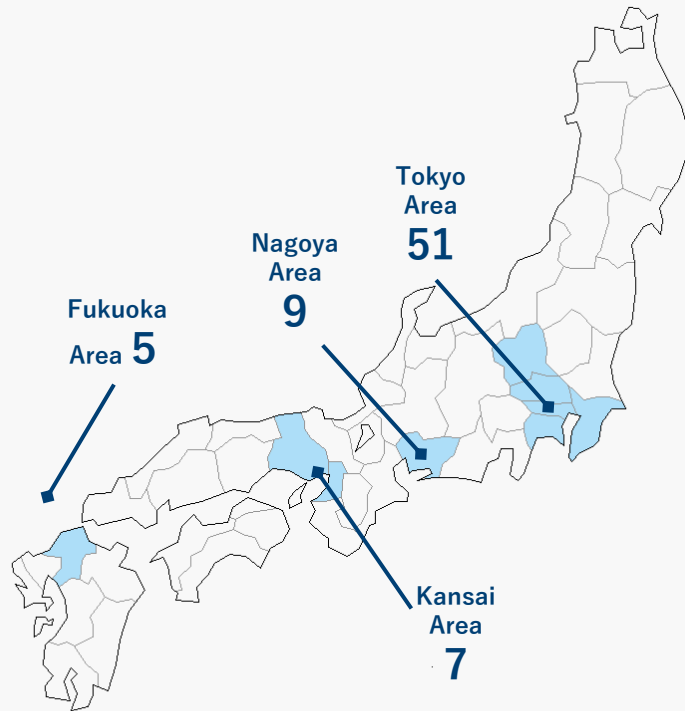
(\$ Million)

		FY2022				FY2023				FY2024			FY2021	FY2022	FY2023	FY2024
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	Actual	Actual	Actual	Plan
<b>Condominiums</b>	Net sales	4,374	7,092	13,390	37,503	3,347	23,126	13,481	85,029	3,730	1,815	19,232	47,147	62,362	124,984	90,000
	Gross profit	1,008	1,846	2,977	10,553	804	6,927	3,275	22,675	684	243	3,972	11,133	16,385	33,683	18,000
	Gross Profit margin	23.0%	26.0%	22.2%	28.1%	24.0%	30.0%	24.3%	26.7%	18.3%	13.4%	20.7%	23.6%	26.3%	26.9%	20.0%
	Operating Profit	-118	537	1,512	8,721	-432	4,561	1,218	19,791	-731	-1,185	2,076	6,507	10,654	25,139	-
	Operating Profit margin	-	7.6%	11.3%	23.3%	-	19.7%	9.0%	23.3%	-	-	10.8%	13.8%	17.1%	20.1%	-
	Number delivered	73	112	317	714	59	399	303	1,634	68	35	398	1,081	1,216	2,395	1,740
	Unit price	59.7	61.1	42.7	52.3	56.6	57.9	44.2	51.9	54.7	50.5	48.0	43.0	51.1	52.0	51.6
<b>Property resales</b>	Net sales	41,064	35,140	31,566	48,189	44,533	48,140	35,643	56,701	33,100	43,634	38,962	123,061	155,961	185,018	205,000
	Gross profit	7,232	5,687	5,204	6,571	7,422	6,892	6,337	7,747	6,063	2,220	6,082	17,918	24,695	28,400	32,200
	Gross Profit margin	17.6%	16.2%	16.5%	13.6%	16.7%	14.3%	17.8%	13.7%	18.3%	5.1%	15.6%	14.6%	15.8%	15.3%	15.7%
	Operating Profit	5,324	3,805	3,725	4,813	5,429	5,456	4,300	5,036	4,257	337	3,589	12,285	17,669	20,222	-
	Operating Profit margin	13.0%	10.8%	11.8%	10.0%	12.2%	11.3%	12.1%	8.9%	12.9%	0.8%	9.2%	10.0%	11.3%	10.9%	-
	Number delivered	69	91	71	97	80	115	99	140	90	109	82	292	328	434	480
	Unit price	578	368	427	482	543	408	347	396	352	390	459	411	458	415	415
<b>Others (U.S. real estate business)</b>	Net sales	17,042	19,235	18,026	20,167	19,529	22,239	23,005	23,526	22,764	24,723	26,926	45,159	74,471	88,301	111,500
	Gross profit	3,687	3,851	4,233	2,757	3,992	4,283	5,218	3,183	4,389	5,189	6,086	9,459	14,530	16,679	21,400
	Gross Profit margin	21.6%	20.0%	23.5%	13.7%	20.4%	19.3%	22.7%	13.5%	19.3%	21.0%	22.6%	20.9%	19.5%	18.9%	19.2%
	Operating Profit	2,202	2,362	2,595	1,045	2,267	2,224	3,194	980	2,096	2,782	3,767	5,232	8,205	8,667	-
	Operating Profit margin	12.9%	12.3%	14.4%	5.2%	11.6%	10.0%	13.9%	4.2%	9.2%	11.3%	14.0%	11.6%	11.0%	9.8%	-
	Number delivered	264	300	240	267	221	290	303	281	255	258	286	827	1,071	1,095	1,330
<b>Pressance Corporation</b>	Net sales	37,028	34,798	33,288	40,208	39,199	46,497	35,596	40,183	40,999	41,928	33,162	149,337	145,324	161,476	167,000
	Gross profit	10,197	8,565	8,260	8,515	10,520	13,023	9,506	9,356	11,632	11,846	8,406	29,424	35,539	42,407	-
	Gross Profit margin	27.5%	24.6%	24.8%	21.2%	26.8%	28.0%	26.7%	23.3%	28.4%	28.3%	25.3%	19.7%	24.5%	26.3%	-
	Operating Profit	6,272	4,713	3,780	5,961	6,827	8,588	5,205	5,169	8,031	7,688	3,422	16,502	20,727	25,791	-
	Operating Profit margin	16.9%	13.5%	11.4%	14.8%	17.4%	18.5%	14.6%	12.9%	19.6%	18.3%	10.3%	11.1%	14.3%	16.0%	-
	Number delivered	619	969	590	844	900	1,338	674	637	977	992	904	4,963	3,022	3,549	-
	delivered	392	310	401	379	474	435	443	478	429	342	255	1,205	1,482	1,830	-
Total	1,011	1,279	991	1,223	1,374	1,773	1,117	1,115	1,406	1,334	1,159	6,168	4,504	5,379	-	

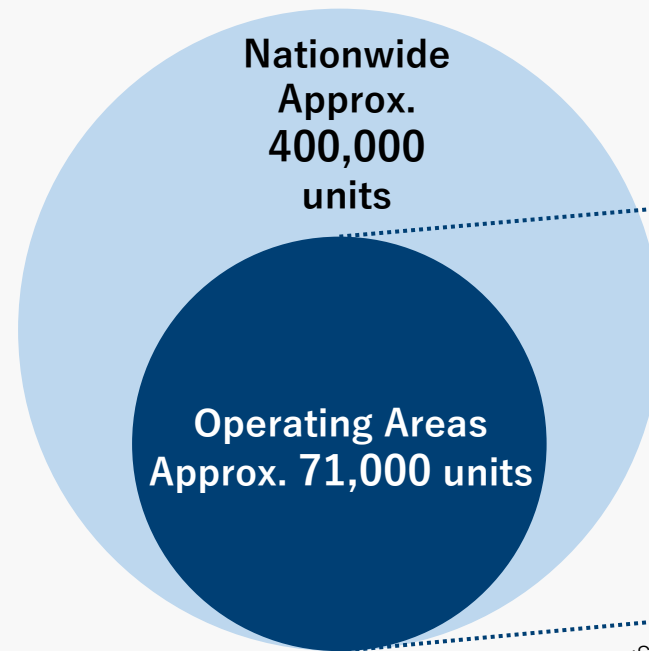
# Single-family Homes Market share

■ Market share in existing areas is still around 11% with room for further expansion

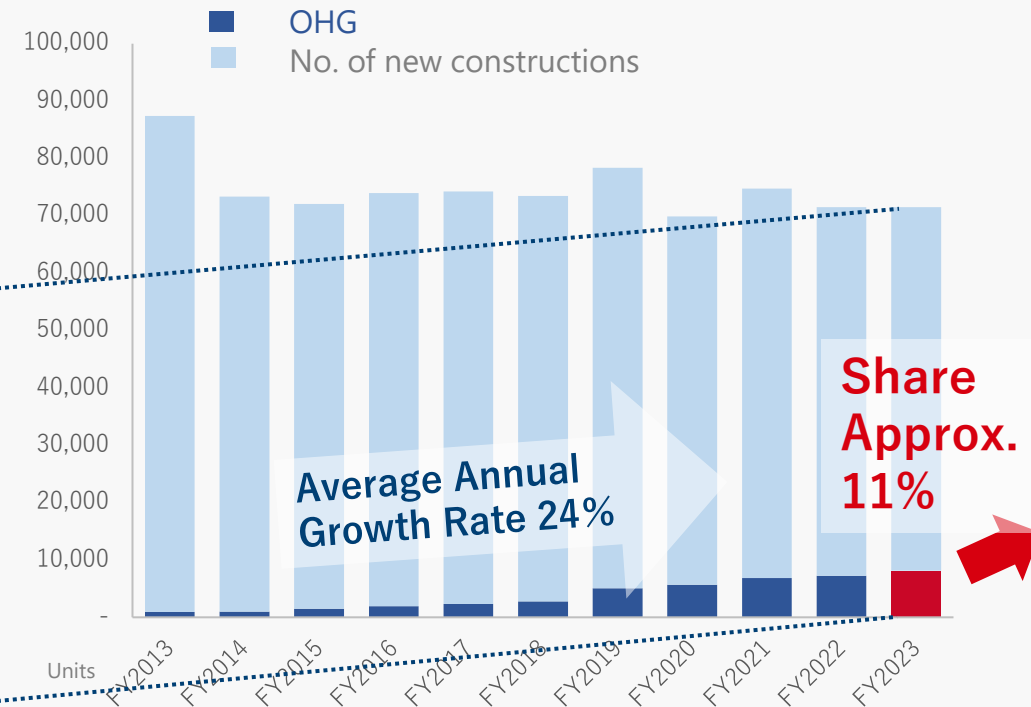
Number of Sales Centers by Area



Market Share in Operating Areas

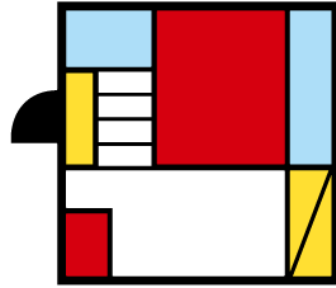


Trends in Number of New Constructions



<Source>

Number of new construction starts: Ministry of Land, Infrastructure, Transport and Tourism "Housing Construction Starts Statistics" Single-family homes (owner-owned homes + condominiums)  
 OHG : OHD, Number of Hawk One buildings delivered (built + contracted)



# OPEN HOUSE GROUP

<https://openhouse-group.co.jp/ir/en/>

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