

For the Fiscal Year Ended September 30, 2025

Annual Financial Summary 2025

Open House Group Co., Ltd.

**2-7-2 Marunouchi, Chiyoda-ku, Tokyo
(Securities Code: 3288)**

[For Translation Purposes Only]

I. Summary of Selected Financial Data (Consolidated)

Fiscal year	25th business term	26th business term	27th business term	28th business term	29th business term
Year end	Sept 2021	Sept 2022	Sept 2023	Sept 2024	Sept 2025
Net sales (Millions of yen)	810,540	952,686	1,148,484	1,295,862	1,336,468
Ordinary profit (Millions of yen)	97,590	121,166	136,927	120,283	139,491
Profit attributable to owners of parent (Millions of yen)	69,582	77,884	92,050	92,921	100,670
Comprehensive income (Millions of yen)	74,483	94,793	101,399	96,266	108,186
Net assets (Millions of yen)	347,143	395,702	480,416	535,919	538,834
Total assets (Millions of yen)	879,913	1,031,174	1,198,668	1,282,090	1,412,001
Net assets per share (Yen)	2,329.72	2,802.19	3,448.66	3,982.75	4,777.42
Earnings per share (EPS) (Yen)	552.40	626.24	763.72	782.60	875.20
Diluted earnings per share (Diluted EPS) (Yen)	550.41	624.87	762.40	781.26	873.53
Equity ratio (%)	33.4	32.7	34.7	36.2	38.1
Return on equity (ROE) (%)	26.4	24.7	24.4	21.1	20.1
Price earnings ratio (Times)	11.98	7.82	6.64	6.91	8.75
Net cash provided by (used in) operating activities (Millions of yen)	50,123	(16,353)	17,393	104,764	29,530
Net cash provided by (used in) investing activities (Millions of yen)	23,541	(4,367)	(35,575)	(22,584)	(11,107)
Net cash provided by (used in) financing activities (Millions of yen)	40,588	24,694	49,103	(69,253)	(2,959)
Cash and cash equivalents at end of period (Millions of yen)	334,506	346,080	378,643	390,924	407,682
Number of employees (Persons)	4,087	4,493	4,904	6,107	6,620
Average number of temporary employees	(286)	(351)	(466)	(664)	(601)

(Note) The number of employees represents the number of active employees (excluding individuals seconded from the Group (the Company and its consolidated subsidiaries) to companies outside the Group and including individuals seconded from companies outside the Group to the Group). The number of temporary employees (including dispatched workers from staffing agencies) is shown in parentheses as an additional figure, representing the average number of such employees for each consolidated fiscal year.

Furthermore, the Group temporarily employs new graduates scheduled for regular hiring in April for training purposes before their official start date. However, these individuals are not included in the above-mentioned number of temporary employees.

II. CEO MESSAGE

Carrying on the founding spirit, we move toward a future that exceeds our customers' expectations.

New Management Structure and Determination for Further Growth

I am Ryosuke Fukuoka, who was appointed President and CEO effective October 1, 2025. Since joining the Company as a new graduate in 2002, I have learned much of the essence of the real estate business, management, and leadership from Founder and Director Masaaki Arai. Also, I have gained experience at the forefront as the Representative Director of each Group company in major businesses such as the single-family home business, condominium business, and property resale business, and have cultivated a deep understanding and track record regarding the businesses. In order to meet your expectations, I intend to aim for a further leap through new challenges while inheriting to the maximum the "Strengths of the Company" built up so far.

Inheriting the "Strengths of the Company" and Challenging New Businesses

The "Strengths of the Company" lie in the very continuation of "steady efforts" in the real estate business—not only flashy strategies, but building strong relationships with numerous business partners in a grounded manner, collecting abundant information, and providing it carefully to customers. Regarding new businesses, we will pursue further growth by actively accumulating initiatives in peripheral areas on the extension of existing businesses and promoting the utilization of land for hotels and apartments, among other measures.

Talent Acquisition, Sustainability, and Governance & Compliance

In order to strengthen the foundation for growth, we have identified three priority issues. First, we designate "Talent Acquisition" as the top priority issue, and viewing the associated increase in personnel expenses as an advance investment for future growth, we are promoting active talent acquisition including both new graduates and mid-career hires. Second, in "Sustainability," we will contribute to solving social issues by continuing to provide high-quality single-family homes at affordable prices. Third, we are striving to strengthen "Governance & Compliance" and building a structure to support further growth through labor hour management, the implementation of hierarchy-specific training, internal audits, and other measures.

Creating the Future through Unity

Going forward, I will apply the hints and room for growth obtained from my own long experience on the front lines to management, and create an environment where all officers can grow with a sense of ownership. Even in a rapidly changing market environment, I promise that all employees will unite as one, achieve the budget for the current fiscal year without fail, and firmly continue to create a future that earns the trust of all of you.

To our shareholders, I ask for your continued and unchanging support.

Ryosuke Fukuoka, President and CEO, Open House Group Co., Ltd.

Corporate Profile

The Group is composed of the Company and 64 affiliated companies (consisting of 63 subsidiaries and 1 associate accounted for using the equity method, excluding non-consolidated subsidiaries and companies not accounted for using the equity method). From the current consolidated fiscal year, the reportable segment categories have been changed from the previous six categories of "Single-family home related business," "Condominium business," "Property resale business," "Others," "Pressance Corporation," and "Meldia" to five categories by eliminating and consolidating the "Meldia" segment. Note that the businesses previously categorized under "Meldia" have been reclassified into "Single-family home related business," "Property resale business," "Others," and "Pressance Corporation" based on the management system, business content, and other factors. The Company falls under the category of a specified listed company, etc., and among the minimis criteria for material facts under insider trading regulations, numerical criteria determined in comparison with the scale of a listed company are judged based on figures on a consolidated basis. The content of each business and the positioning of the Company and its major affiliated companies in relation to said businesses are as follows.

(1) Single-Family Homes Related Business

Since the Group's founding in 1997 as a brokerage company for newly built single-family homes, it has continuously pursued "homes that customers want". Since 2000, with changes in lifestyles such as the advancement of women in society and an increase in dual income households, there has been a stronger tendency to seek reasonably priced housing in highly convenient urban areas. The Group concluded that to consistently and efficiently supply affordable single-family homes in urban areas, it would be best to establish a system where all functions from land acquisition to construction could be completed within the Group, in addition to the brokerage function from its founding. Therefore, the Group operates with an integrated manufacturing and sales model that is unique in the housing industry. The single-family homes related business consists of five sub-segments: ① Brokerage (Open House), ② Single-family homes sales (Open House Development), ③ Single-family homes sales (Hawk One), ④ Single-family homes sales (Meldia), and ⑤ Construction contracting (Open House Architect).

① Brokerage (Open House)

Open House Co., Ltd. (hereinafter "OH") primarily engages in brokerage services for newly built single-family homes and residential land that the Group offers for sale. As of the end of the current consolidated fiscal year, a total of 73 sales centers are operated across Tokyo, Kanagawa, Aichi, Saitama, Fukuoka, Chiba, Osaka, Hyogo, and Gunma prefectures. In addition, Meldia Realty Co., Ltd., which became a consolidated sub-subsubsidiary of the Company in October 2023, also conducts real estate brokerage for new single-family homes, etc., sold by the Group in a similar manner. Customer insights are gained through the sales activities at each of these centers and reflected in the development of new single-family homes. The Company aims to expand its business area through the establishment of multiple new sales centers going forwards.

② Single-family homes sales (Open House Development)

Open House Development Co., Ltd. (hereinafter "OHD") sells newly built single family homes and residential land, as well as undertakes the construction of single-family homes for customers who have purchased residential land from the company. OHD handles the procurement of residential land and the construction of single-family homes, while OH provides brokerage services to customers. Business operations efficiency is achieved by completing the entire process of supplying newly built single-family homes within the Group. In procurement, OHD carefully selects residential land that meets customer needs from a vast amount of property information actively gathered, focusing on highly convenient urban areas. In construction, three-story newly built single-family homes are mainly offered, to effectively utilize limited land areas, thereby consistently providing reasonably priced housing. The Company will continue to strengthen our procurement and construction functions to further enhance the appeal of the Group's new single-family homes.

③ Single-family homes sales (Hawk One)

The single-family homes sales business operated by HAWK ONE CORPORATION (hereinafter "Hawk One"), which became a consolidated subsidiary at the end of September 2018, is positioned as one of the sub-segments constituting the Group's single-family homes related business. Hawk One has been developing its business primarily in the Tokyo metropolitan area and Nagoya area, focusing on providing "high-quality, comfortable, and safe homes" at reasonable prices. Moving forward, the company will strive to expand its market share while also aiming to further improve its management efficiency through the brokerage services provided by the Group.

④ Single-family homes sales (Meldia)

MELDIA CO., LTD. (hereinafter "Meldia"), which became a consolidated subsidiary in October 2023, conducts sales, etc., of newly built single-family homes in the Tokyo metropolitan area and the Nagoya area. In addition, Eidai Co., Ltd., which became a consolidated sub-subsubsidiary of Meldia in April 2025 (and a consolidated subsidiary from August 2025), is expanding sales, etc., of newly built single-family homes mainly in southern Saitama Prefecture and northern Tokyo, and will contribute to the expansion of the Group's sales area.

⑤ Construction contracting (Open House Architect)

Open House Architect Co., Ltd. (hereinafter "OHA") is engaged in construction contracting for built-for-sale housing developers in the Tokyo metropolitan area, Nagoya area, and Kansai region. Since becoming a consolidated subsidiary of the Company in January 2015, OHA has steadily increased the number of construction contracts for OHD, contributing to the strengthening of the Group's construction capabilities.

Furthermore, OHA will continue to increase the number of construction contracts for OHD, which will contribute to the growth in the number of single-family homes supplied by the Group.

(2) Condominium Business

The condominium business involves OHD developing and selling new condominiums, with OHA handling construction for some properties. The focus is on compact and family-type condominiums targeting single individuals and two-person households with a strong preference for condominium living, primarily in highly convenient and valuable locations in urban areas of the Tokyo metropolitan area, Nagoya area, and Fukuoka area.

Moving forward, our policy is to provide high-quality products at more reasonable prices by thoroughly managing costs, keeping model rooms and promotional materials for each site to the minimum necessary.

In addition, from November 2024, the company will refresh its condominium brands and roll out sales under two brands: INNOVAS and INNOVACIA.

(3) Property Resale Business

The property resale business involves Open House Real Estate Co., Ltd. (hereinafter "OHRE"), OHD, and others, to handle the acquisition, management, and sale of domestic real estate for resale purposes, while Open House Property Management Co., Ltd. manages some of these properties. The Group primarily acquires small-scale rental apartments or office buildings in the Tokyo metropolitan area, enhances their asset value through leasing and renovation, and then sells them as investment properties to high-net-worth individuals and businesses. In addition, Meldia Asset Investment Co., Ltd. (a consolidated subsidiary of Meldia), which became a consolidated sub-subsubsidiary of the Company in October 2023, conducts sales of apartment buildings for sale and property resale, as well as leasing management, etc. Moving forward, the Company will continue to focus on properties that can be sold on a small scale and in a short period to maximize profits from sales while mitigating price fluctuation risks due to sudden changes in market conditions.

(4) Others

From the perspective of business scale and importance, businesses for which individual segments have not been established are classified as "Others."

Open House Realty & Investments, Inc., together with US, OH and other domestic affiliated companies, develops U.S. real estate businesses for wealthy residents in Japan. These businesses include sales, consulting, property management, and financial services related to U.S. real estate.

IB Net Co., Ltd. (hereinafter "IBN") provides housing-related loan services and financial services for individual customers when purchasing homes.

(5) Pressance Corporation

Pressance is engaged in the planning, development, and sales of studio type condominiums (investment-type condominiums primarily for rental to single occupants) and family-type condominiums (for family use). This segment primarily operates in the Kansai, Tokai, Kanto, and Okinawa areas. Pressance mainly handles the planning, development, and sales of condominiums and studio apartments. Pressance Jyuhan Co., Ltd. acts as a sales agent for family-type condominiums as well as handles the planning, development, and sales of single-family homes. Pressance NEXT Co., Ltd. is involved in the brokerage, purchase, and sale of pre-owned properties. Sanritsu Precon Co Ltd. plans, develops, and sells family-type condominiums in the Tokai region. MELDIA Development & Construction CO., LTD. primarily plans, develops, and sells studio type condominiums and single-family homes in Kansai region. In addition to real estate sales, Pressance also manages rental studio type condominiums (including tenant referrals and rent collection services) and operates a rental business (renting out Pressance-owned condominiums). Furthermore, Pressance Community Co., Ltd. manages buildings for condominiums sold by Pressance and operates an insurance agency. MELDIA Development & Construction CO., LTD. is engaged in the construction industry,

undertaking contracted construction work for condominiums and hotels.

- (Notes)
1. Pressance Corporation plans to change its trade name to "Pressance Co., Ltd." effective April 1, 2026.
 2. Pressance NEXT Co., Ltd. changed its trade name from "Pressance Realta Co., Ltd." effective October 1, 2025.

[Business Structure Diagram]

The following diagram illustrates the main affiliated companies and their business activities.

Open House Group Co., Ltd.	Single-family homes	Open House Co., Ltd.	Real estate brokerage
		MELDIA Realty Co., Ltd.	Real estate brokerage
		Open House Development Co., Ltd.	Sale of single-family homes
		HAWK ONE CORPORATION	Sale of single-family homes
		MELDIA CO., LTD.	Sale of single-family homes
		Open House Architect Co., Ltd.	others Contract work
	Condominium	Open House Development Co., Ltd.	Sale of condominiums
		Open House Architect Co., Ltd.	others Contract work
	Property Resale	Open House Real Estate Co., Ltd.	Sale of property resale
		Open House Development Co., Ltd.	Sale of property resale
		Open House Property Management Co., Ltd.	Management of property resale
		MAI (Meldia Asset Investment Co., Ltd.)	others Sale of property resale, property management
	Others	Open House Co., Ltd.	Consulting
		IB Net Co., Ltd.	Real estate purchase financing
		Open House Realty & Investments, Inc.	Sale of U.S. properties etc.
		Alpha Construction Co. Inc.	others Contract work
	Pressance	Pressance Corporation Co., Ltd.	Sale of condominiums
		Pressance Jyuhan Co., Ltd.	Condominium sales agency, sale of single-family homes
		Pressance NEXT Co., Ltd.	Sale of condominiums, brokerage, purchase, and resale of pre-owned properties
		Sanritsu Precon Co., Ltd.	Sale of condominiums
		Pressance Community Co., Ltd.	Condominium management
		MELDIA Development & Construction CO.,LTD.	others Contract work, sale of single-family homes and condominiums

III. Business Conditions

1. [Management Policy, Business Environment, and Issues to be Addressed]

The management policy, business environment, and issues to be addressed by the Group are as follows:

Statements regarding the future in this text are based on judgements made by the Group as of the end of the current consolidated fiscal year.

(1) Basic Management Policy of the Company

The Group will pursue the following "Corporate Mission" by aiming for the "Business Vision" and conducting activities and behaviors in line with the Company's "Values".

<Corporate Mission>

To thoroughly pursue the needs of our customers and deliver valuable real estate

<Business Vision>

- ① Upholding Market Integrity to Earn Societal Trust
- ② Driving Innovations to Pursue Growth Beyond Conventional Boundaries
- ③ Commitment to Revitalizing Communities for Local Prosperity and Vibrancy

<Values>

- ① Customer-Centric Decision Making
- ② Engaging Customers with Authenticity and Dedication
- ③ Fostering a Culture of Positive and Professional Conduct
- ④ Attract a Wide Range of Motivated People and Create an Organization that Rewards Results
- ⑤ Empowering Dedicated Employees with Opportunities for Challenge
- ⑥ Cultivating an Inclusive Workplace that Empowers Future Aspirations

(2) Overview of Business Environment

Regarding the outlook for the Japanese economy, a gradual recovery is expected to be supported by steady improvements in the employment and income environment as well as the effects of various policies. However, in addition to changes in external economic policies by major countries, the impact of declining consumer sentiment due to rising domestic prices on personal consumption poses a risk of weighing down the Japanese economy, and continued attention must be paid to trends in financial and capital markets. In the real estate industry to which the Group belongs, while condominium prices continue to soar amid the gradual economic recovery, the number of units sold remains limited. Consequently, the needs for condominiums in highly convenient urban areas and affordably priced single-family homes are expected to increase further. Furthermore, as rent increases in urban areas become more pronounced, high demand for investment properties such as property resale business is anticipated, backed by an accommodative financial environment. In addition, demand for U.S. real estate is also rising among the wealthy due to the need for asset diversification from yen to dollars. Under such a business environment, the Group will strive to enhance corporate value through portfolio management consisting of real-demand real estate, comprised of single-family homes and condominiums, and investment real estate, comprised of property resale business and U.S.

real estate.

(3) Medium-term Management Policy and Issues to be Addressed

① Three-Year Basic Policy

In November 2023, the Group announced a three-year basic policy (from the fiscal year ending September 2024 to the fiscal year ending September 2026). Given the expected continuation of uncertain conditions in the future outlook, the Group set a certain profit assumption for the three years and formulated financial, investment, and shareholder return policies based on this assumption.

Regarding the profit assumption, the Group set the cumulative net income for the three years at 250 billion yen. Subsequently, this was raised in stages based on recent business progress and revised upward to 305.5 billion yen in November 2025.

Regarding the financial policy, the Group has raised the target for the equity ratio, which is a key indicator, from the previous 30% or more to 35% or more. The Group will continue to maintain a net D/E ratio of 1.0 or less. These financial targets are designed to strengthen the Group's financial structure in an uncertain economic environment, while balancing the emphasis on capital efficiency with the flexibility to pursue growth opportunities such as M&A.

Regarding the growth investment policy, the Group anticipates 500 billion yen in growth investments over the three years. This breaks down into 350 billion yen for domestic and overseas M&A (including about 100 billion yen for the complete acquisition of Meldia in November 2023), and 150 billion yen for increases in inventory assets and investments in existing businesses such as U.S. development projects, DX, and sustainability initiatives.

Regarding the shareholder returns policy, the three-year cumulative shareholder returns were initially set at 100 billion yen. Subsequently, as profit attributable to owners of parent grew, this was revised upward to 130.0 billion yen in November 2025. This also reflects the change in the shareholder return indicator in March 2025 from a payout ratio of 20% or more to a total return ratio of 40% or more, a shift toward a more shareholder-focused indicator.

As described above, the Group will operate with a focus on the appropriate allocation of management resources among the three areas of maintaining financial soundness, growth investments, and shareholder returns.

② Important Issues (Materiality)

The Group has established the following materialities in formulating the three-year basic policy announced in November 2023.

Important issues (materiality)

- (i) Governance and compliance reform
- (ii) Enhance customer satisfaction
- (iii) Strengthening hiring of key talent
- (iv) Promotion of sustainability (sustainable society and corporate growth)
 - (a) Maximize the value of human capital
 - (b) Realize healthy and safe living
 - (c) Contribute to decarbonization

Furthermore, regarding other issues to be addressed in business promotion are as follows:

③ Continuous Growth Centered on Single-Family Related Business

a. Growth of existing business centered on single-family homes business

The Group positions the single-family homes related business as its core business, characterized by an integrated manufacturing and sales system where all processes from land acquisition to design, construction, and sales are conducted within the Group. In this business, all aspects are crucial as unique management resources of the Group: the procurement capability to acquire well-located land at appropriate prices; the product strength to construct high-quality homes at low cost and provide products that meet customer needs at reasonable prices with a market-in approach; and the sales capability supported by multi-store development that matches the characteristic of a high proportion of customers purchasing within walking distance of their current residence. Moving forward, the Group will further strengthen its procurement capability, product strength, and sales capability to pursue growth in existing businesses centered on single-family homes.

b. Expansion of single-family homes related business into the Kansai region

To further expand the Group's single-family homes related business, it is important to continue opening sales centers that serve as sales bases for newly built single-family homes. Until now, the Group has focused on opening stores in Tokyo's 23 wards, Kawasaki City and Yokohama City in Kanagawa Prefecture, as well as surrounding areas, in addition to Nagoya City in Aichi Prefecture and Fukuoka City in Fukuoka Prefecture. Furthermore, the Group began sales in the Kansai region from the fiscal year ending September 2022. Moving forward, the Group will aim to expand its market share in the four major metropolitan areas.

c. Steady growth of the condominium business

The Group operates a condominium business centered on compact-type condominiums in highly convenient urban locations, receiving high customer support for both location and price. So far, the business has been

developed in urban areas of the Tokyo metropolitan area, Nagoya area, and Fukuoka area. The Group will continue to aim for steady growth while considering the expansion of the condominium business, while also emphasizing profitability for each property.

d. Sustainable growth of the property resale business

With the continuation of monetary easing policies, demand for investment properties is expected to remain at high levels. Moving forward, in the property resale business, the Group will focus on smaller-scale properties with shorter business periods to control business risks. In the short term, the Group will carefully manage the business in light of financial institutions' lending attitudes, while aiming for sustainable growth in the property resale business.

④ Pursuit of Group Synergies with Pressance and Meldia

a. Development of new investment condominium business in the Tokyo metropolitan area with Pressance

To leverage the Group's extensive land information in the Tokyo metropolitan area and Pressance's expertise in the investment condominium business and strong sales capabilities, both companies are working together to develop the investment condominium business in the Tokyo metropolitan area. The Group will continue to pursue the realization of synergy effects through the capital and business alliance with Pressance.

b. Strengthening of the overall single-family home business through sales cooperation with Meldia

By utilizing the sales capabilities of the Group, the volume of property supply by Meldia will increase. Furthermore, in the Group's sales, in addition to the existing OHD and Hawk One, handling properties with excellent design developed by Meldia is leading to the strengthening of the overall single-family home business of both companies, such as by expanding the range of choices for customers. The Group will continue to pursue the realization of synergy effects through the capital and business alliance with Meldia.

⑤ Promotion of M&A

a. Progress of M&A activities

The Group is actively pursuing M&A opportunities that can generate business synergies for further growth. For example, the Group made OHA a wholly owned subsidiary in January 2015 and Hawk One in October 2018. Since becoming consolidated subsidiaries of the Group, both companies have achieved significant increases in sales through substantial growth in the number of orders. For OHA, the number of units delivered increased by 2,134 units from 2,173 to 4,307 units (note), while for Hawk One, the number of units brokered by OH increased by 1,700 units from 25 to 1,725 units (note) out of the total units delivered. Additionally, the Group has realized substantial growth in operating profit through reduced procurement costs and improved purchasing efficiency due to economies of scale. Furthermore, by mutually utilizing the Group's recruitment know-how and resources, the companies have successfully hired more personnel. In this way, the Group has achieved steady performance expansion and improved management efficiency as a whole through M&A activities.

Additionally, aiming to build regional and product complementary relationships, the Group signed a capital and business alliance agreement with Pressance in April 2020 to maximize benefits for both companies and their customers, shareholders, employees, business partners, and stakeholders by realizing business synergies through the fusion of management resources and expertise. Subsequently, in May 2020, the Group completed the acquisition of 31.9% of Pressance's total voting rights (as of March 31, 2020), making Pressance an equity-method affiliate. However, as of September 2020, it was recognized that financial institutions' lending attitudes towards Pressance remained cautious, and the COVID-19 pandemic had not subsided, with the risk of more severe impacts from further outbreaks. In response to this situation, the Group began considering making Pressance a consolidated subsidiary to enhance its credit support, stabilize funding, and further increase the potential for synergies. In January 2021, through a third-party allotment and a tender offer under the Financial Instruments and Exchange Act, combined with the May 2020 acquisition, the Group acquired 64.45% of Pressance's total voting rights (as of September 30, 2020), making it a consolidated subsidiary.

In addition, the Group initiated a tender offer in January 2025 under the Financial Instruments and Exchange Act. In March of the same year, the Group completed the acquisition of 94.74% of Pressance Corporation's total voting rights (as of September 30, 2024), including its existing holdings. Pressance Corporation was delisted from the Tokyo Stock Exchange Standard Market in March 2025, and became a wholly owned subsidiary the following month through a subsequent share squeeze-out. As a result, the Group has eliminated the parent-child listing with Pressance Corporation, and both will strive to maximize Group profits.

Regarding Meldia specifically, in order to achieve the turnaround of the company and enhance the corporate value of both companies—including the strengthening of the overall single-family home business of both companies by mutually utilizing property supply and sales capabilities, the expansion of the Company's product lineup by adding their excellently designed single-family homes, the improvement of cost competitiveness by strengthening various purchasing powers through economies of scale, and the facilitation and stabilization of their transactions with financial institutions—the Company commenced a tender offer based on the Financial Instruments and Exchange Act in August 2023. In October of the same year, the Company completed the acquisition of 93.02% of the total voting rights of Meldia (as of May 31, 2023), making it a consolidated subsidiary. Subsequently, in November of the same year, the Company made Meldia a wholly owned subsidiary through a demand for share cash-out.

Following the realization of these acquisitions to make them consolidated subsidiaries, as an independent comprehensive real estate company, the Company aims to bring the Group's consolidated net sales to a scale that rivals major competing real estate companies and to further enhance its positioning in the industry.

Note: The figures represent the increase in the number of units delivered for OHA from the fiscal period immediately preceding the share acquisition completion date (January 15, 2015) to the Group's most recent

fiscal period (September 2025), and the increase in the number of brokerage cases by the Group for Hawk One from the fiscal period immediately preceding the share acquisition completion date (October 1, 2018) to the Group's most recent fiscal period (September 2025), respectively.

b. Active investment in existing and new areas

The Group positions the single-family homes related business as its core business while aiming to build an efficient business portfolio by entering new growth areas based on changes in the external environment.

Going forward, the Group will continue to pursue M&A activities aimed at accelerating growth by expanding scale and improving profitability in existing areas, as well as entering new domains.

⑥ Development of private REIT business centered on residential properties

By leveraging the development capabilities and information-gathering strengths of the Group and Pressance Corporation in investment real estate, we are developing a business to support the growth of Open House REIT Investment Corporation (a private REIT)—for which Open House Real Estate Investment Management Co., Ltd. is entrusted with asset management—by continuously supplying investment real estate such as rental condominiums and hospitality assets as a sponsor company. The investment corporation was established in the fiscal year ended September 30, 2022, and is operating with a certain asset scale.

⑦ Acquisition of new business opportunities due to environmental changes in the post-COVID era

With the spread of COVID-19, the real estate industry, to which the Group belongs, saw instances of rent decreases and deterioration in the real estate sales market. The Group also experienced some impact, such as a significant year-on-year decrease in the number of brokerage contracts for single-family homes in April 2020. However, triggered by environmental changes due to the spread of COVID-19, families spending more time together at home and increased opportunities for telework led to new housing needs, and demand for single-family homes surged rapidly. Even in this environment, the initiatives in the medium-term management plan progressed smoothly, led by the Group's main business of single-family home-related operations.

Subsequently, as the environment shifted from "with COVID" to "after COVID," the extremely high demand for single-family homes showed a tendency to normalize. However, demand for highly convenient single-family homes in urban areas remains steady. Even in this environment, the Group will continue to promote its main business of single-family homes related operations to acquire new business opportunities.

(4) Target Management Indicators

To maintain a highly secure financial structure, the Group has set target management indicators in its three-year basic policy announced in November 2023: maintaining an equity ratio of 35.0% or higher and a net D/E ratio of 1.0 or less. In the current consolidated fiscal year, the equity ratio was 38.1%, and the net D/E ratio was 0.6.

IV. Management's Analysis and Discussion of Financial Position, Operating Results and Cash Flows

(1) Overview of operating results, etc.

The overview of the Group's financial position and operating results for the fiscal year ended September 30, 2025 is as follows:

(i) Financial position and operating results

a. Financial position

(a) Assets

As of September 30, 2025, the Group posted total assets of 1,412,001 million yen, a year-on-year increase of increase of 129,910 million yen.

This was mainly due to a combined increase of 85,817 million yen in real estate for sale and real estate for sale in progress, an increase of 16,518 million yen in investments and other assets, and 11,941 million yen in cash and deposits.

(b) Liabilities

Total liabilities were 873,167 million yen, an increase of 126,995 million yen year on year. This is mainly due to an increase of 108,291 million yen in short-term borrowings, long-term borrowings (including current portion of long-term borrowings), and bonds (including the current portion of bonds), as well as an increase of 13,216 million yen in income tax payable.

(c) Net assets

Net assets amounted to 538,834 million yen, a year-on-year increase of 2,915 million yen.

This was mainly due to a decrease of 70,988 million yen in non-controlling interests, resulting from factors such as Pressance Corporation becoming a wholly owned subsidiary, and a decrease of 24,999 million yen in net assets due to the acquisition of treasury stock, while retained earnings increased by 81,324 million yen and capital surplus increased by 13,378 million yen.

b. Operating results

For the fiscal year ending September 30, 2025, the Group posted net sales of 1,336,468 million yen (up 3.1% year on year), operating profit was 145,933 million yen (up 22.5%), ordinary profit of 139,491 million yen (up 16.0%) and profit attributable to owners of parent of 100,670 million yen (up 8.3%).

The overview of operating results by segment is as follows:

Note that from the beginning of the current consolidated fiscal year, the Group has eliminated the "Meldia" segment and consolidated it into existing business segments, thereby changing the Group's reportable segment categories. Additionally, the segment information for the previous annual consolidated accounting period has been prepared using the new categorization method, and these figures have been used to calculate year-on-year comparisons.

(Single-Family Homes Related Business)

In the single-family homes related business, in addition to the recovery in demand in the areas where the Group operates, the inventory replacement efforts undertaken in the previous consolidated fiscal year have proven successful, resulting in a notable improvement in the gross profit margin. As a result, sales were 671,339 million yen (increase of 2.8% year on year), and operating profit was 69,507 million yen (increase of 36.9%).

(Condominium Business)

In the condominium business, the Group exercised caution in its land acquisition decisions due to a significant rise in prices for condominium land and construction materials. Consequently, although net sales were lower than the previous consolidated fiscal year, the gross profit margin improved, supported by strong demand and smooth sales progress. As a result, sales were 68,810 million yen (decrease of 22.9% year on year), and operating profit was 8,047 million yen (decrease of 24.5%).

(Property Resale Business)

In the property resale business, the gross profit margin improved, driven by high demand from the Group's clients (such as corporations and high-net-worth individuals) for investment properties, including rental condominiums and office buildings. As a result, net sales were 218,420 million yen (decrease of 5.9% year on year), and operating profit was 23,196 million yen (increase of 31.4%).

(Others)

In other segment, there is high investment demand for U.S. real estate for the purpose of asset diversification among the affluent in Japan, and sales have been progressing smoothly. As a result, net sales were 151,111 million yen (increase of 24.5% year on year), and operating profit was 15,743 million yen (increase of 41.0%).

(Pressance Corporation)

Pressance Corporation focused on the sale of investment condominiums and condominiums for families in prime locations in its main sales areas of Kinki and Tokai-Chukyo regions. As a result, net sales were 226,755 million yen (increase of 13.2% year on year), and operating profit was 28,720 million yen (increase of 1.3%).

(ii) Cash flows

At the end of the current consolidated fiscal year, cash and cash equivalents (hereinafter as funds) increased by 16,565 million yen compared to the end of the previous consolidated fiscal year, reaching 407,682 million yen.

(Cash Flows from Operating Activities)

Funds provided by operating activities were 29,530 million yen (compared to funds provided of 104,764 million yen in the previous consolidated fiscal year). This was mainly due to profit before income taxes of 144,796 million yen, while there was an increase in inventories of 70,678 million yen and income taxes paid of 32,307 million yen.

(Cash Flow from Investing Activities)

Funds used in investing activities were 11,107 million yen (compared to funds used of 22,584 million yen in the previous consolidated fiscal year). This was mainly due to payments for investments in associates of 13,878 million yen, while there were proceeds from collection of loans receivable of 1,864 million yen.

(Cash Flow from Financing Activities)

Funds used in financing activities were 2,959 million yen (compared to funds used of 69,253 million yen in the previous consolidated fiscal year). This was mainly due to payments for acquisition of subsidiary shares not resulting in a change in the scope of consolidation of 61,013 million yen, as well as combined payments for acquisition of treasury stock and cash dividends paid totaling 44,345 million yen, while there were net proceeds from borrowings and repayments of borrowings of 102,892 million yen.

(2) Results of Production, Orders Received and Sales

(i) Results of Production

As the Group's production results are approximately the same as the results of sales, for details, refer to "Results of Sales."

(ii) Results of Orders Received

The status of orders received for built-to order houses during the fiscal year ended September 30, 2025 is as follows:

Segment	Orders received (Millions of yen)	YoY change (%)	Order backlog (Millions of yen)	YoY change (%)
Single-family homes related business	82,481	13.1	58,279	23.3
Pressance Corporation	236,066	60.2	97,690	19.3

Notes: The information on segments other than the above is omitted as the nature of services offered through such segments is not fit to describe the status of orders received.

(iii) Results of Sales

Sales results are shown by segment in "(1) Overview of operating results, etc."

(3) Management's Analysis and Discussion of Operating Results, etc.

Management's recognition, analysis and discussion of the Group's operating results, etc. are as follows.

Any forward-looking statements in the following discussion are based on the judgment of management as of September 30, 2025

(i) Recognition, Analysis and Discussion of Financial Position and Operating Results

a. Recognition, analysis and discussion of operating results, etc.

During the current consolidated fiscal year, the Japanese economy, despite being affected by rising prices, has generally remained favorable, with the Nikkei Stock Average renewing its record high for the second consecutive year. Personal consumption has shown signs of picking up, supported by improvements in the employment and income environments, and consumer prices have also risen. Furthermore, corporate earnings are on an improving trend, business sentiment remains at a favorable level, and capital investment is also picking up moderately. In addition, public investment has remained solid. Although some weaknesses are visible, the economy is recovering moderately.

In the real estate industry, to which the Group belongs, backed by the moderate economic recovery and the accommodative monetary environment, the nationwide average land price has risen for the fourth consecutive year for both residential and commercial land, and the rate of increase has also expanded. In particular, the rate of increase in the three major metropolitan areas has been significant, and the upward trend continues. For residential land, housing demand remains strong in areas with high living convenience in urban centers, and land prices in central Tokyo and Osaka, in particular, have shown high growth. For commercial land, in addition to solid demand for retail stores and hotels in major cities, profitability has improved due to rising office rents, and land prices continue to rise. Under this business environment, the Group has worked to achieve the management targets set forth in the "Three-Year Management Policy (FY2024–FY2026)" formulated in November 2023.

b. Analysis of operating results

(a) Net sales

Net sales for the fiscal year under review were 1,336,468 million yen (an increase of 3.1% year-on-year), an increase of 40,606 million yen compared to the previous fiscal year. This was mainly due to the "Others" segment, which primarily comprises the U.S. real estate business, increasing by 29,794 million yen to 151,261 million yen (up 24.5% year-on-year), and in addition, Pressance Corporation increasing by 26,829 million yen to 227,316 million yen (13.4% year-on-year), among other factors.

(b) Cost of sales, gross profit

Cost of sales for the fiscal year under review was 1,093,301 million yen (an increase of 0.4% year-on-year), an increase of 4,356 million yen compared to the previous fiscal year, and gross profit was 243,167 million yen (an increase of 17.5% year-on-year), an increase of 36,250 million yen. The gross profit margin improved by 2.2 percentage points to 18.2% (compared to 16.0% in the previous fiscal year). This was mainly due to the gross profit margin in the single-family homes related business improving by 3.1 percentage points to 17.1% (compared to 14.0% in the previous fiscal year) as a result of the Group working on inventory replacement from the previous fiscal year and improving to inventory contents where the profit margin assumed at the time of sale can be expected, among other factors.

(c) Selling, general and administrative expenses, operating profit

Selling, general and administrative expenses were 97,233 million yen (an increase of 10.7% year-on-year), an increase of 9,404 million yen compared to the previous fiscal year, and the selling, general and administrative expenses ratio was 7.3% (6.8% in the previous fiscal year), an increase of 0.5 percentage points. This was mainly due to personnel expenses increasing by 4,049 million yen to 35,604 million yen (compared to 31,555 million yen in the previous fiscal year) due to an increase in personnel accompanying business expansion, as well as advertising expenses increasing by 2,622 million yen to 8,247 million yen (compared to 5,625 million yen in the previous fiscal year) due to factors such as changing the recording of a portion of expenses related to advertising, which had been previously recorded in the cost of sales, to advertising expenses in selling, general and administrative expenses, among other factors.

Operating profit was 145,933 million yen (an increase of 22.5% year-on-year), an increase of 26,845 million yen. Furthermore, the operating profit margin was 10.9% (9.2% in the previous fiscal year), an improvement of 1.7 percentage points.

(d) Non-operating income and expenses, ordinary profit

Non-operating income was 4,450 million yen (a decrease of 51.4% year-on-year), a decrease of 4,702 million yen compared to the previous fiscal year. This was mainly due to the Group recording 3,518 million yen in non-recurring gain on sale of investment securities in the previous fiscal year, among other factors.

Non-operating expenses were 10,892 million yen (an increase of 36.9% year-on-year), an increase of 2,935 million yen. This was mainly due to interest expenses increasing by 2,192 million yen due to an increase in borrowings accompanying business expansion and a rise in interest rates, among other factors.

As a result, ordinary profit was 139,491 million yen (an increase of 16.0% year-on-year), an increase of 19,207 million yen. Furthermore, the ordinary profit margin improved by 1.1 percentage points to 10.4% (9.3% in the previous fiscal year).

(e) Extraordinary income or loss, profit attributable to owners of parent

Following the consolidation of Eidai Holdings Co., Ltd., since the net assets at fair value at the time of the business combination exceeded the acquisition cost, the difference of 5,147 million yen was recorded as extraordinary income as gain on negative goodwill. Profit attributable to owners of parent was 100,670 million yen (an increase of 8.3% year-on-year), an increase of 7,748 million yen. Furthermore, the net profit margin improved by 0.3 percentage points to 7.5% (7.2% in the previous fiscal year).

(ii) Objective indicators to assess the achievement of management policies, strategies and targets

The status of achievement in the fiscal year under review toward the management targets set forth in the Three-Year Basic Policy (fiscal year ending September 30, 2024 to fiscal year ending September 30, 2026) formulated by the Group in November 2023 is as follows.

The Group made an upward revision to the cumulative three-year profit attributable to owners of parent, which serves as a premise, from the initial 250.0 billion yen to 305.5 billion yen. Regarding the financial policy, the equity ratio

was 38.1% (an outperformance of 3.1 percentage points against the target of 35.0%), and the net D/E ratio was 0.6x (0.4x below the target of 1.0x), thereby achieving the targets. Furthermore, in terms of capital efficiency, which is prioritized, ROE of 20.1% was secured. Regarding the growth investment policy, half of the 500.0 billion yen cumulative three-year growth investment has been executed. Regarding the shareholder return policy, the Group made an upward revision to the cumulative three-year shareholder return amount from the initial 100.0 billion yen to 130.0 billion yen. In terms of shareholder return indicators, the Group has strengthened its policy from a dividend payout ratio of 20% or more to a total return ratio of 40% or more, and the total return ratio for the previous fiscal year also reached 45.0%. As described above, for all the target management indicators, the Group has either made upward revisions or achieved outperformance.

(iii) Capital resources and funding liquidity

The main funding needs of the Group are for business sites, property acquisitions, construction funds, investment funds for business expansion, and working capital in each segment. The sources for these funds include cash flows from operating activities, equity capital, interest-bearing debt such as borrowings from financial institutions and bond issuances, in addition to efforts to secure a wide range of funding methods appropriate for the intended use of funds.

(iv) Significant accounting policies and estimates

The Group's consolidated financial statements are prepared in accordance with accounting standards generally accepted as fair and appropriate in Japan. In preparing these consolidated financial statements, the Group makes estimates and assumptions that affect reported amounts of assets and liabilities at the balance sheet date and those of income and expenses during the reporting period. With respect to these estimates, the Group makes estimates by making assumptions and gathering information based on past experience and other reasonable factors under the circumstances. However, actual results may differ from these estimates due to the uncertainty inherent in these estimates.

5 [Material Contracts, etc.]

Not applicable.

6 [Research and Development Activities]

Not applicable.

V. Sustainability

[Approach to Sustainability and Initiatives]

Statements regarding the future in this text are based on judgments made by the Group as of the end of the current consolidated fiscal year.

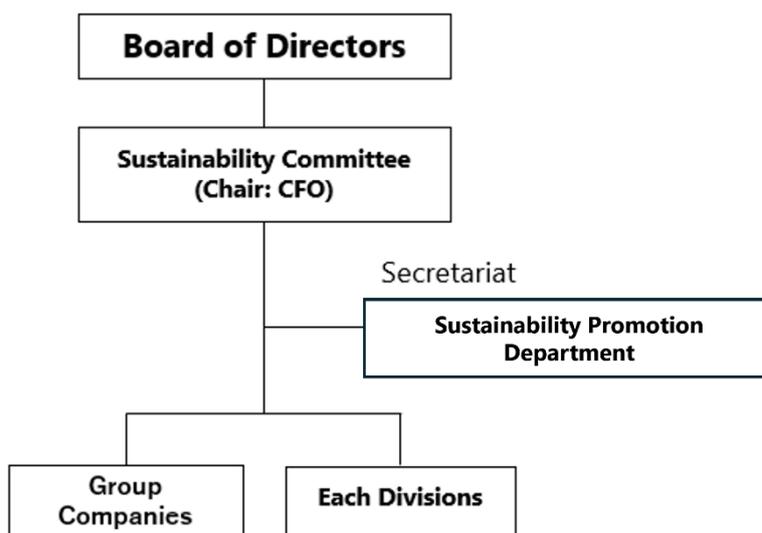
The Group promotes "sustainability" aimed at contributing to the realization of a sustainable society through its business activities while pursuing sustainable corporate growth. In addition to continuing to practice the corporate philosophy of "To thoroughly pursue the needs of our customers and deliver valuable real estate," the Group has been engaged in business with the mission of "providing housing at affordable prices in urban areas." By continuing to realize its mission amid changing times, the Group is practicing the creation of shared value that aims to balance social value and business value. In addition, the Group is strongly aware of its social responsibility associated with business activities and its contribution to achieving the SDGs and is promoting initiatives through business activities to address issues related to the environment, society, and governance (ESG).

(1) Sustainability

(i) Governance (promotion system)

The Group has established a Sustainability Committee consisting of directors, executive officers, and others. This committee, which operates under the supervision of the Board of Directors, identifies, and evaluates risks and opportunities related to sustainability, and collects and manages information regarding responses in each business divisions and group companies. Progress and results are reported to and discussed by the Sustainability Committee. Important matters discussed at the committee are then reported to the Board of Directors.

Additionally, in October 2024, the Group established a new Sustainability Promotion Department. The Group will strengthen the promotion of sustainability and aim to further enhance corporate value.



(ii) Risk management

As described previously, risk management is carried out through governance centered on the Sustainability Committee. Among the important sustainability issues newly established in the three-year basic policy as material issues, the Group is advancing initiatives including risk management related to "Governance and Compliance Reform" and "Contribution to Decarbonization".

(2) Maximize the value of human capital

The Group believes that to attain sustainable company growth, it needs to place importance on "human resources" as the most important capital in the company. The Group is strengthening the recruitment of talented individuals and continuously implementing educational training for employee skill development. As stated in its corporate philosophy, to realize "an organization that widely accepts motivated people and rewards results," the Group appoints human resources regardless of background and strives to develop human resources that will be the driving force of business growth and future management.

1. Strategy

(i) Demonstration of ability and wage increases

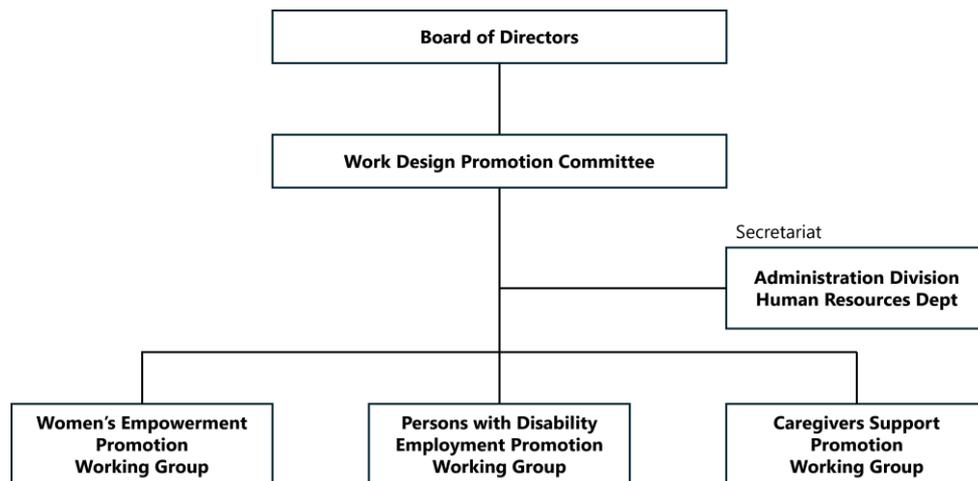
The Group conducts assessments for promotions four times a year to promote appropriate personnel. By designing a system that reflects results quickly, it strives to provide opportunities for prompt promotion and allowing each employee to maximize their abilities.

(ii) Health management

The Group believes that maintaining and improving employee health contributes to organizational vitalization and productivity improvement and has established a health management promotion system with the representative director as the Chief Health Officer, setting health goals and implementing measures. In addition to hygiene management as required by law, the Group is working to expand welfare benefits that contribute to health management. Furthermore, the Group is striving to create an environment where employees can lead healthy lives and continue to demonstrate high performance, such as by planning and implementing work-style reform measures including the correction of long working hours. As a result of these initiatives, the Group was certified for the first time as a "2025 Health & Productivity Management Outstanding Organization (Large Enterprise Category)" organized by the Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi.

(iii) Promoting diversity

The Group strives to respect the human rights of each employee and create an organization with a comfortable work environment that leverages diversity, regardless of attributes such as gender, age, nationality, or disability. To develop the initiatives that have been promoted by each department, centered on the Human Resources Department, into company-wide promotion, the Group established the Work Design Promotion Committee in April 2024. This committee has set "promotion of women's participation", "promotion of employment of people with disabilities", and "care support" as priority initiatives, and is advancing efforts to promote diversity as follows.



(a) Women's Empowerment Promotion

The Group believes that to build sustainable careers for female employees, it is necessary to have systems and environments that can flexibly respond to changes in life stages such as pregnancy, childbirth, and child-rearing. Therefore, the Group has designed a support system that provides stage-appropriate support from before taking leave to after returning to work. As part of this, the Group has introduced an "Open Career Design System" that allows employees to choose their own working hours and number of holidays. In addition to these systemic efforts, the Group focuses on supporting long-term career development for women by conducting various training programs, primarily for younger employees.

(b) Persons with Disability Employment Promotion

The Group established the "Operation Center," a department dedicated to supporting the active participation of people with disabilities, in 2022, aiming to create a workplace where people both with and without disabilities can work together easily. Furthermore, in September 2024, the Company established Open House Operations Co., Ltd. as a subsidiary for the purpose of employing people with disabilities, and in October of the same year, obtained certification as a special subsidiary company. The employment rate as of June 2025 was 3.06%, surpassing the statutory employment rate of 2.5%. As major initiatives for the acquisition and active participation of talent, the Group has opened three barrier-free designed offices, and in addition to establishing a monthly half-day leave system (paid) for regular hospital visits, is working on the development of environments and systems where people with disabilities can demonstrate stable performance, such as by assigning seven dedicated support staff.

(c) Caregivers Support Promotion

To enable employees facing nursing care to balance work and nursing care and continue working for a long time with peace of mind, the Group provides support for balancing work and nursing care by establishing various nursing care support systems, such as the "Nursing Care Support Allowance," under which the Company provides up to 50,000 yen per month, and "Nursing Care Start Leave," which grants special paid leave of up to 20 days at the start of nursing care, as well as providing consultation desks for nursing care.

(iv) Childcare support

In addition to the priority initiatives set by the Work Design Promotion Committee, the Group believes that children, who will lead the next generation, are the most important treasure in realizing a sustainable society. Additionally, since the majority of the Group's employees are of the child-rearing generation, it is placing particular emphasis on childcare support. The Group has implemented multiple economic support measures, such as childbirth gifts of "1 million yen worth of baby bonus" and "allowances for single parents," as well as "shared use of company-led childcare facilities." Going forward, the Group will continue to aim for sustainable enhancement of corporate value by supporting the improvement of employees' lives and work environment, thereby encouraging them to demonstrate their abilities.

2. Goals and indicators

Regarding the goals and indicators related to human capital in the Group, it has set a target in the "Open House Group Declaring Promoting Women's Empowerment" to increase the ratio of female managers in the four main companies (*1) to 15% by the fiscal year ending September 2030. Regarding the 10% target for the ratio of female managers by the fiscal year ending September 30, 2025, the ratio was 9.51% as of September 30, 2025, but reached 11.11% as of October 1, 2025.

(*1) Open House Group Co., Ltd., Open House Co., Ltd., and Open House Development Co., Ltd., Open House Real Estate Co., Ltd.

3. Governance and compliance reform

The Group has exceeded sales of 1 trillion yen in the fiscal year ending September 2023, recognized that establishing a governance and compliance system commensurate with its business scale is an important management priority, and worked on governance and compliance reforms targeting major subsidiaries.

(i) Governance

The Group Transformation Promotion Headquarters was established as an organization directly under the President and CEO, who serves as the Head of the Headquarters. Composed of representatives from relevant departments, it operates from a cross-organizational perspective without being bound by company restrictions.

(ii) Strategy

While receiving support from outside experts, the Group identified issues related to organizational governance and legal issues, formulated reform policies, reviewed systems and processes, and proposed improvement measures, striving to ensure their thorough dissemination throughout the entire Group. In addition, as the contact point for inquiries and complaints for the entire Group, the Group led the resolution of issues identified by customers, while also feeding back the knowledge obtained through those efforts to business divisions and implementing measures to improve customer satisfaction.

(iii) Risk Management

The Group conducted compliance risk assessments to identify governance and compliance issues. This assessment was conducted by the Risk Assessment Group in cooperation with an outside expert law firm.

(iv) Goals

The Group implemented the following measures to strengthen its governance and compliance systems, including measures that had already begun.

- i. Pursuit of long-term customer satisfaction
- ii. Strengthening the quality control system in the construction of single-family homes
- iii. Reformation of organizational culture
- iv. Harassment prevention training
- v. Expansion of internal reporting system
- vi. Establishment of a system to strengthen subsidiary governance

(v) Results of Initiatives

- i. Previously, customer inquiries within the Group were handled by separate desks for single-family homes purchases, condominium purchases, and design consultations depending on the nature of the inquiry. To improve customer convenience and satisfaction, "The Main Contact for Customer Service Inquires" was established on April 1, 2024, where all inquiries can be made at a single point of contact.
- ii. Nagashima Ohno & Tsunematsu Law Office was commissioned to conduct a Compliance Risk Assessment targeting "Power Harassment Risks and Prevention Systems," "Key Contract Contents and Contract Management Systems," and "Compliance Systems for Ordering and Construction Management." They also conducted a review of the recruitment process flow and developed manuals.
- iii. The Group designated departments in charge of improvements for the issues identified by (ii) and decided to have said departments proactively perform the improvements.
- iv. In August 2024, since the Group was able to identify issues and establish a path toward improvement through the activities of the Group Transformation Promotion Headquarters, it abolished the said Headquarters. Since then, the departments in charge of improvements have been promoting initiatives for each issue, and the Risk Management Committee has been managing the status of the initiatives for each issue by the departments in charge.

(vi) Strengthening of the Internal Audit System

The Group increased the personnel of the Internal Audit Department from 7 at the end of the previous fiscal year to 14 (*1), and strengthened the internal audit function. The Internal Audit Department is a department under the direct control of the President, and targeting all departments of the Group, it conducts internal audits regarding the legality and appropriateness of the status of operation of internal systems and the status of business execution covering overall management. By strengthening the internal audit system, improvement of governance through the strengthening of the internal control system and sounder corporate management is expected, and at the same time, it contributes to the

strengthening of compliance through the prevention of misconduct and scandals and thorough compliance with laws and regulations.

(*1) The number represents the number of personnel as of the filing date of the Annual Securities Report in Japanese.

(4) Contribute to Decarbonization (disclosure in line with TCFD reduction)

The Company announced its support for the "TCFD" (*1) recommendations in January 2021, and since joining the "TCFD Consortium" (*2), recognizing the urgency needed to respond to climate change, it conducted a scenario analysis regarding the impact of climate change on the Group's mainstay single-family home related business (*3). Subsequently, in August 2025, the Group expanded the scope to the "single-family home related," "condominium," "property resale," and "U.S. real estate" businesses. As a result, the financial impact associated with climate change is to be evaluated covering all businesses operated by the Group. The Group identifies "contribution to decarbonization" as a materiality (key issue) and will continue to promote environmental preservation activities as well as decarbonization projects.

(*1) "TCFD (Task Force on Climate-related Financial Disclosures)"

An initiative established by the Financial Stability Board (FSB) in response to the wishes of G20 Finance Ministers and Central Bank Governors. Recommending the assessment and disclosure of the financial impact of climate change risks and opportunities.

(*2) "TCFD Consortium"

An organization established to discuss the efforts of companies, financial institutions, etc. that express their support for TCFD recommendations to promote their efforts in unison and to effectively disclose corporate information and to link disclosed information to appropriate investment decisions by financial institutions, etc.

(*3) Single-family homes related business:

The Group has conducted a scenario analysis of the single-family homes related business operated by Open House Co., Ltd. and Open House Development Co., Ltd.

(i) Governance

The Group positions the Sustainability Committee as the body to consider climate change issues, and it examines responses to various challenges related to climate change. The Board of Directors supervises the Sustainability Committee and conducts reporting and deliberation on important policies and matters.

(ii) Strategy

Based on the framework proposed by TCFD, the Group has identified the risks and opportunities posed by climate change for all existing businesses. Furthermore, we have evaluated future financial impacts using two scenario analysis methods: a 1.5°C (focused on transition risks). and a 4°C scenario (focused on physical risks).

(1) Premise (definitions) for Scenario Analysis

■ We conducted scenario analysis based on 1.5°C scenario and 4°C scenarios to identify significant climate-related risks and opportunities.

Transition Risks Opportunities	Risks and opportunities associated with changes in policies, regulations, technology, markets, and customer preferences during the transition to a decarbonized society.
Physical Risks	Acute risks such as increased frequency and intensity of natural disasters due to climate change, and chronic risks such as rising average temperatures and abnormal weather events.

1.5°C Scenario	Strict measures against climate change are thoroughly implemented worldwide, successfully curbing global warming. As a result, the average temperature in 2050 will be limited to a 1.5°C increase compared to pre-industrial levels in the 18th century.
4°C Scenario	Despite various warnings about global warming, countries fail to align their efforts, and strict measures are not introduced. As a result, warming progresses further, with average temperatures rising by 4°C, and natural disasters becoming more severe and frequent.

- Target businesses: All businesses of the Group (Single-family homes, Condominiums, Property Resale, US Real estate)
- Assumed periods: Short-term: Up to 2027 Medium-term: Up to 2030 Long-term: Up to 2050
- Financial impact: Small: Absolute value less than ¥500 million Medium: Absolute value ¥500 million or more but less than ¥5 billion Large: Absolute value ¥5 billion or more

(2) Results of scenario analysis

(a) Financial Impact of Transition Risks and Future Countermeasure to Promote Impact

Transition Risks	Impact	Relevant Business				Financial Impact		Impact Period	Future Countermeasure to Promote
		Single-family homes	Condos	Property resale	U.S. Real estate	1.5°C	4°C		
Introduction of Carbon Pricing	Increase in procurement costs for materials, etc. based on introduction of carbon pricing	●	●	●		Low	Low	Medium-term	<ul style="list-style-type: none"> • Promotion of initiatives with the supply chain • Examination of alternative materials contributing to CO2 emission reduction
	Increase in fuel costs for company vehicles based on introduction of carbon pricing	●	●		●	Low	Low	Medium-term	<ul style="list-style-type: none"> • Introduction of hybrid and EV vehicles
	Increase in electricity usage costs based on introduction of carbon pricing	●	●	●	●	Low	Low	Medium-term	<ul style="list-style-type: none"> • Introduction of energy-saving and renewable energy in offices
Strengthening of Environmental Regulations for Housing	Increase in costs to comply with strengthened environmental regulations for single-family homes and condominiums	●	●			Med	Low	Medium-term	<ul style="list-style-type: none"> • Building a highly efficient supply chain • Utilization of subsidies • Value proposals of ZEH, etc., to customers • Examination of the introduction of latest technology

(b) Financial Impact of Physical Risks and Countermeasures to be Promoted in the Future

Physical Risks	Impact	Relevant Business				Financial Impact		Impact Period	Future Countermeasure to Promote
		Single-family homes	Condos	Property resale	U.S. Real estate	1.5°C	4°C		
Impacts from Intensification of Typhoons and Floods	Increased costs due to work stoppage caused by typhoons and floods	●	●			Low	Low	Medium-term	<ul style="list-style-type: none"> Setting construction periods considering risks Preventative measure against damage expansion
	Decreased revenue from houses under construction due to typhoons and floods	●				Low	Low	Medium-term	Same as above
	Increased costs for preventive measures against typhoon and flood damage		●	●		Low	Low	Medium-term	Same as above
	Increased fire insurance costs for real estate held until delivery	●	●		●	Low	Low	Short-term	<ul style="list-style-type: none"> Consideration of business areas according to the situation
	Decreased revenue due to reduction of constructible areas associated with expansion of flood-prone zones	●	●			Med	Med	Long-term	<ul style="list-style-type: none"> Shifting markets to areas with low flood risk
Decreased Productivity Due to Extreme Heat	Decreased revenue due to reduced work efficiency of construction workers caused by extreme heat	●	●	●		Low	Low	Medium-term	<ul style="list-style-type: none"> Introduction of window air conditioners during construction Review of work systems and dress codes
	Decreased revenue due to reduced sales efficiency of sale staff caused by extreme heat	●	●			Low	Low	Medium-term	<ul style="list-style-type: none"> Review of work systems and dress codes Beverage cost subsidy system

(c) Financial Impact of Opportunities and Countermeasures to be Promoted in the Future

Opportunities	Impact	Relevant Business				Financial Impact		Impact Period	Future Countermeasure to Promote
		Single-family homes	Condos	Property resale	U.S. Real estate	1.5°C	4°C		
Increased Demands for Environmentally Friendly Housing	Increase in revenue from providing environmentally friendly single-family homes and condominiums	●	●			Med	Low	Medium-term	<ul style="list-style-type: none"> Optimization of marketing strategies Expansion of product lines Review of pricing strategies
Increased Demand for Environmentally Friendly Services	Increase in revenue from the "Ouchi Link Denki" service that enables the use of renewable energy-derived electricity	●	●			Low	Low	Medium-term	<ul style="list-style-type: none"> Highlighting convenience and environmental benefits to customers Strengthening marketing efforts

(iii) Risk management

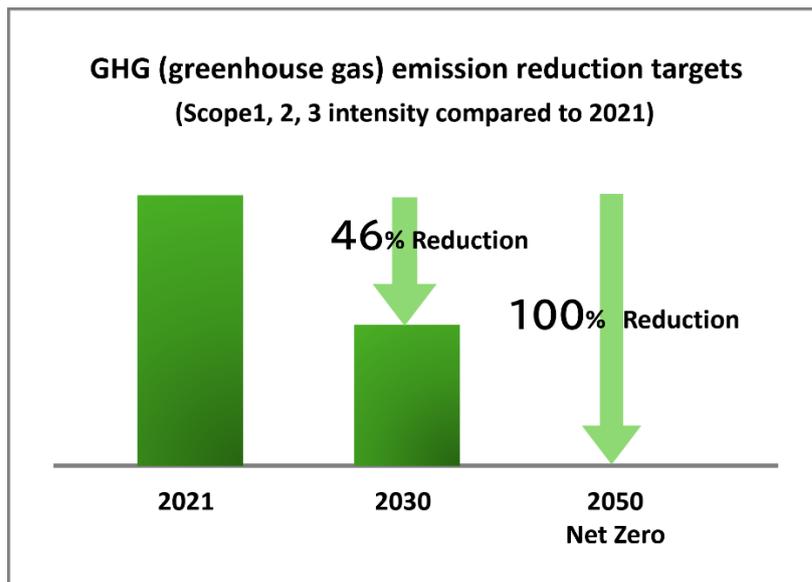
The Group has established the Sustainability Committee under the supervision of the Board of Directors. This committee identifies and evaluates sustainability-related risks and opportunities, including those related to climate change, while collecting and managing information from each business division and Group company. A system has been established to regularly report the contents discussed at the Sustainability Committee to the Board of Directors. At the Sustainability Committee, the Group identifies issues facing the Group based on global trends in climate change response, such as by exchanging information with outside experts, deliberates on necessary measures, and regularly monitors their progress. The Sustainability Committee also manages the progress of the Group's GHG emission reduction targets and initiatives toward their reduction.

In addition, regarding risks due to the impact of laws and regulations in the housing business, a Construction Subcommittee consisting of Group companies has been established directly under the Sustainability Committee to discuss customer trends and responses, which are reported as appropriate to the Management Committee and the Sustainability Committee.

In this manner, important risks related to Group management and the progress of initiatives are regularly reported to the Board of Directors, and a system is in place to appropriately address risks and opportunities associated with climate change, which are expected to become increasingly diverse, widespread, and severe in the future.

(iv) Metrics and targets

Toward the realization of a decarbonized society, the Group has set medium- to long-term greenhouse gas (GHG) emission reduction targets. The Group aims to reduce GHG emissions (on an intensity basis) in Scopes 1, 2, and 3 by 46% compared to FY2021 by FY2030, while striving to decrease GHG emissions in its business activities. In FY2023, the calculation scope for GHG emissions was expanded to a consolidated basis (excluding overseas businesses, etc.), and the Group is working together as one to promote initiatives toward contributing to a decarbonized society.



VI. Business Risks, etc.

The main matters considered to be potential risks regarding business development and other aspects of the Group are described below. In addition, from the perspective of active information disclosure to investors, the Group also discloses matters that, while they do not necessarily constitute those kinds of risk factors, are considered important for investors in making investment decisions. Forward-looking statements in this document are based on the judgment of the Group as of the end of the fiscal year ended September 30, 2025.

(1) Management Environment Surrounding the Business

(i) Impact of economic trends and interest rate trends, etc.

Corporate results in the real estate industry to which the Group belongs are closely related to changes in macro-economic factors such as trends in economic conditions, interest rate levels, land value levels, and foreign exchange markets. For this reason, economic and political circumstances such as real estate market conditions, trends in home loan interest rates and increase of consumption tax, population trends, and real estate tax system reforms, as well as psychological trends in prospective home buyers, have the potential to impact on the Group's business performance and the development of its business.

(ii) Concentration of business areas in the Tokyo metropolitan area and the impact of competition, disasters, etc.

The Group is centered in the Tokyo metropolitan area, where, in addition to real estate brokerage, it engages in the sale of new single-family homes, new condominiums, and property resale and in built-to-order houses.

Given the high demand for homes and property resale in the Tokyo metropolitan area, there are many competitors, and there is potential for that competition to further intensify in the future. In recent years, we have expanded our business into the Nagoya, Fukuoka, and Kansai areas, where we are also exposed to competition from other companies. In the event of a relative decline in the Group's ability to procure land and its selling power or a sharp drop in demand due to price fluctuations as a result of factors such as the impact of competitors who have more competitive advantages in terms of purchasing power, selling power, and brand power compared to the Group, there may be an impact on the Group's business performance and the development of its business.

In addition, because the Group conducts its business activities in urban areas, mainly in the Tokyo metropolitan area, it is particularly susceptible to the impact of population trends, geographical changes, changes in average income, regional economic conditions, and real estate market conditions in the Tokyo metropolitan area and other cities. Such factors have the potential to have an adverse impact on the business, business performance, and financial position of the Group.

Further, if an earthquake, typhoon, or other disaster were to occur in a region in which the Group conducts its business, in addition to damage to people and property, there are risks of delays in works and the inability to conduct development or sales, the risk of a fall in the value of real estate, the risk of costs required for repairs, etc., and other adverse impacts on the business, business performance, and financial position of the Group.

(iii) Climate change

As the Group develops businesses providing real estate to customers, it recognizes that the strengthening of policies and regulations accompanying climate change, as well as the increased frequency and severity of natural disasters, have the potential to affect the Group's business. Therefore, based on scenario analysis in line with the TCFD recommendations, the Sustainability Committee identified risks and opportunities affecting the Group, evaluated their importance, calculated financial impacts, and examined countermeasures to be promoted in the future. However, in the event that the costs of addressing these issues become substantial due to the strengthening of policies and laws and regulations or the increased frequency and severity of natural disasters associated with climate change that exceed expectations, it may affect the Group's business, results of operations, and financial position.

(iv) Regarding the spread of infectious diseases

The novel coronavirus infection has been reclassified as a Class 5 infectious disease under the Infectious Diseases Control Law, reducing the risk of economic activity stagnation due to its spread.

However, if an infectious disease for which treatment methods have not been established, other than the novel coronavirus infection, were to spread in the future, it could have a significant adverse effect on the Group's business, performance, liquidity, and financial condition.

Moreover, as a preventive measure against infection, activities may be restricted for the Group, customers, subcontractors, suppliers, and partners, potentially hindering the strength in sales activities and disrupting supply chains. Additionally, there is no guarantee that infection prevention measures will be effective, and if these measures fail, it could adversely affect the Group's business activities and execution of business plans.

On the other hand, while the Group considers the spread of new infectious diseases as a potential new business opportunity, there is no guarantee that such opportunities will continue in the future.

It should be noted that the ultimate overall impact of such infectious diseases on the Group is extremely uncertain and difficult to predict, as it depends on future developments such as when the infectious disease will be contained. Depending on the extent of the impact, it may adversely affect the Group's business, performance, liquidity, and financial condition.

(2) Land Procurement, Purchasing of Timber and Building Materials, etc., and Personnel Expenses

The Group procures land primarily for properties in the Tokyo metropolitan area and other urban locations, and the cost of such procurement accounts for a major proportion of development costs. However, due to external factors beyond the Group's control, such as shortage of supply of properties in those areas, there is potential for procurement prices to rise sharply. In addition, the newly built single-family homes offered by the Company's consolidated subsidiaries, use timber, building materials, and other raw materials. Further, there is potential for sharp rises in the personnel expenses for construction work due to factors such as labor shortages in the construction industry. If it is difficult to pass these cost increases onto selling prices, there is potential for serious adverse impacts on the business performance of the Group.

(3) Business Strategy

The Group is engaged in various initiatives under its declared business strategies aimed at growth. However, there are uncertainties inherent in future business performance and market environments, and it is possible that, due to many and varied factors, the Group's business strategies will not be successful and that the Group will be forced to make changes to those strategies.

For example, the Group has a policy of opening sales offices in the Tokyo metropolitan area and Nagoya, Fukuoka, and Kansai areas, where the Group conducts its single-family home-related business, based on a comprehensive assessment of factors such as the suitability of the location of the prospective site where the office would be opened, competitors' movements, unique characteristics of the area, and profitability. If the Group is unable to find properties that meet its criteria for opening offices and progress is not made in new office openings, this has the potential to impact on the business performance and business development of the Group.

(4) M&A

The Group conducts M&A, such as corporate acquisitions, strategic investments, and alliances, as part of its business strategy for expansion, and will continue to promote these in the future. However, there is no guarantee that suitable target candidates that align with the Group's business strategy will be found in the future or that M&A can be executed with such candidates on appropriate terms. Furthermore, although the Company made Meldia and Pressance Corporation wholly owned subsidiaries in November 2023 and April 2025, respectively, there are various risks even when conducting M&As in this manner. Examples include the possibility that business integration with the target company may not proceed as planned; the possibility that anticipated synergistic effects may not be realized; the possibility that the Group's normal business activities may be hindered by resources being diverted to tasks required for the M&A; the possibility of an outflow of talented personnel from the target company; the possibility of being unable to operate the target company at a level equivalent to the Group's compliance standards; the possibility of misjudging the valuation of the target company; the possibility of recording a large amount of goodwill that could be subject to future impairment; and the possibility that the Group's liabilities may increase in connection with the M&A. On the other hand, if the Group acquires only non-controlling interests in a target company, it may not be able to effectively supervise or control the management of the target company, and the management policies and business strategies that the Group considers optimal for realizing the effects of strategic investment may not be executed. In such cases, it could adversely affect the Group's business, results of operations, and financial position. In addition, the existence of an alliance relationship with a partner may limit the degree of freedom regarding collaboration with other potential future alliance partners. Such risks may, depending on the circumstances, affect the Group's results of operations and financial position.

(5) Dependence on Interest-Bearing Debt

The Group's funds for the acquisition of land and properties for business and its working capital are primarily covered by loans from financial institutions. As of the end of the fiscal year under review (September 30, 2025), the balance of the Group's consolidated interest-bearing debt was 720,063 million yen, an increase of 108,291 million yen from the end of the previous fiscal year (September 30, 2024). Interest-bearing debt accounted for 51.0% of total assets.

Changes in current interest rate levels have the potential to impact business performance. In addition, if the Group were unable to procure sufficient funds for some reason, such as sudden changes in monetary conditions, this has the potential to impact on the business performance, financial position, and business development of the Group.

(6) Regarding the Prolongation of the Period Until Revenue Recognition in Real Estate Development, etc.

In the real estate sales business in which the Group is engaged, a considerable length of time is required from the procurement of land until the sale to general consumers, and large investments are required on multiple occasions during that period. There is potential for unexpected time and cost requirements during the period until sale to general consumers due to external factors beyond the Group's control, such as sharp rises in raw material prices, labor shortages, and changes in customer demand. In addition, if, due to delays in development, the Group is forced to hold onto inventory for longer than initially planned, and if market conditions deteriorate in that time, as well as the possibility that this could lead to the recording of losses on valuation of inventory assets, there is potential for delays in revenue recognition, which could have a serious adverse impact on the business performance and financial position of the Group. Further, if development cannot be completed according to initial plans, there is a risk that the Group's credibility could be damaged and that liability toward customers could be incurred.

(7) Inventory

The Group is engaged in the real estate sales business and records real estate for sale and real estate for sale in progress as inventory assets. The situation as of the end of September 2025 is as follows.

Breakdown of real estate for sale and real estate for sale in progress

Items	Real estate for sale (million yen)	Real estate for sale in progress (million yen)
Single-family homes related	62,461	243,665
Condominiums	1,266	100,118
Property resale	60,917	25,914
Others	21,615	39,471
Pressance Corporation Co., Ltd.	21,290	193,274
Total	167,551	602,444

There is a risk that the real estate value of the inventory assets owned by the Group could fall due to various factors. In addition, if it is difficult to sell at the prices envisaged by the Group, the Group may take measures to promote sales by lowering selling prices for the purpose of mitigating inventory risk. If the decrease in profits and losses on valuation of inventory assets becomes significant as a result of such measures, this has the potential to impact on the business performance and financial position of the Group.

(8) Subcontracting Management

In the construction of new single-family homes, in principle, the Group divides up and places orders with subcontractors for operations, excluding construction supervision work (management of quality, safety, processes, and costs). Also, in the condominium construction business, the majority of work, including construction supervision work, is outsourced to construction companies.

As the Group depends on subcontracting for the majority of its construction operations, if it is unable to secure sufficient subcontractors, if there are problems with the quality of the construction work of a subcontractor, or if financial difficulties and construction delays occur at a subcontractor, this has the potential to impact the business performance and financial position of the Group.

(9) Securing Human Resources

The Group intends to continue to develop its business with a focus on the single-family home-related business. To provide products and services of good quality that meet customer needs, a key management challenge will be to provide education and training of human resources who have high potential and who are able to make product proposals that will satisfy customers, and to put those human resources on the front lines.

With the future expansion of its business, the Group intends to actively recruit large numbers of talented human resources. However, if it is unable to secure sufficient numbers of such human resources, if there is an exodus of human resources currently at the Group, or if the costs of securing human resources rise, this has the potential to impact business development and business performance.

(10) Warranty Against Defects and Contract Non-Conformity Warranty

Pursuant to the Housing Quality Assurance Act, the Group bears a ten-year warranty against defects or a contract non-conformity warranty for the main parts of the structure of newly-built homes and for the prevention of penetration of rainwater. In the unlikely event that there is a serious defect in a property sold by the Group, even if the direct cause of the defect is the fault of a party other than the Group, the Group may bear the responsibility for that defect as the vendor. In such an event, increases in the costs of guarantee work and the decline in the Group's credibility have the potential to impact the business performance, financial position, and business development of the Group.

(11) Statutory Regulations

The Group is subject to a variety of statutory regulations in the management of its business. These include the Real Estate Brokerage Act, the Building Standards Act, the City Planning Act, the Construction Business Act, the National Land Use Planning Act, the Money Lending Business Act, and environmental regulations.

The Group strives to comply with the various criteria for obtaining permits and licenses under laws and ordinances and with the provisions of the relevant laws and regulations, and there are no circumstances at present that would lead to the cancellation of any of these permits and licenses. Going forward, if the relevant laws are revised or abolished or new statutory regulations are established, or if the Group has been unable to comply with these regulations, including laws and ordinances, this has the potential to impact the business performance and business development of the Group.

(12) Management of Personal Information

In each of its businesses, the Group holds information about potential customers, information about customers with whom the Group has transacted, and other personal information obtained through the Group's businesses, and is subject to regulations governing such information, including the Act on the Protection of Personal Information.

Individual Group companies that hold such personal information manage it with meticulous care. However, in the unlikely event of an incident such as an external leak, compensation for damages, the loss of social credibility and other consequences have the potential to impact the business performance and business development of the Group.

VII. Corporate Governance

[Information about corporate governance, etc.]

(i) Basic approach to corporate governance

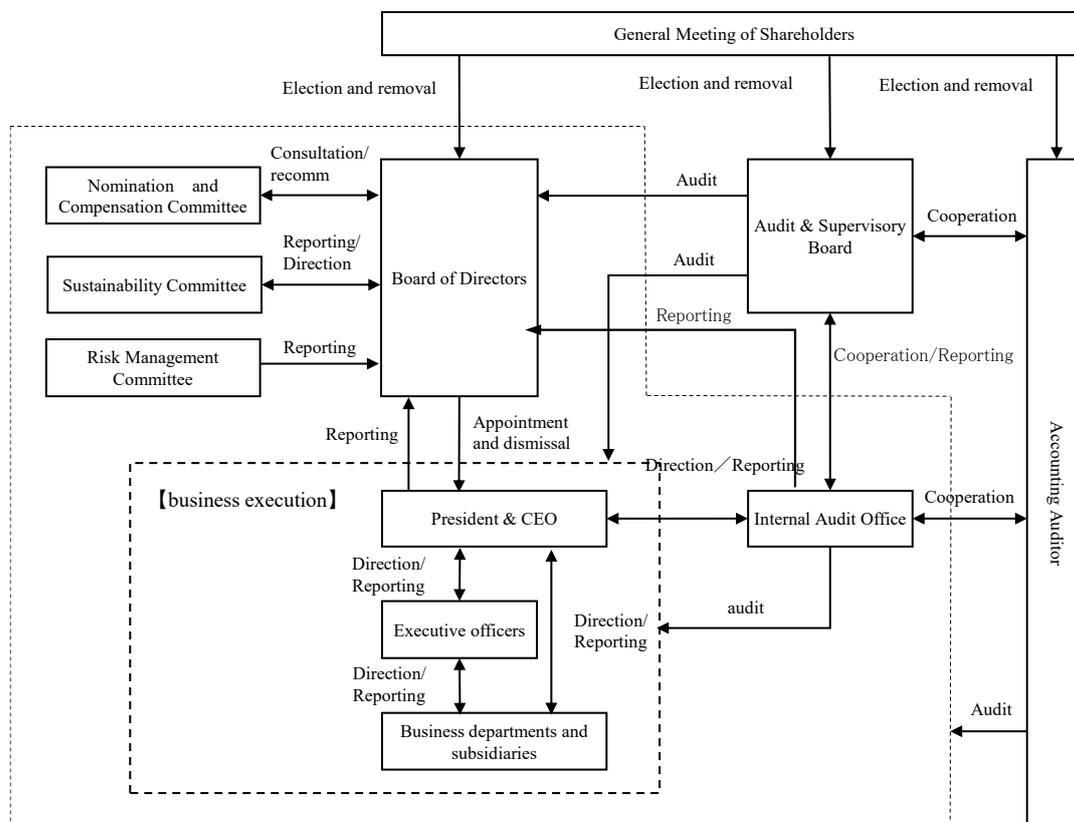
The Company recognizes the development and promotion of a corporate governance system as one of the important management issues to realize sustainable growth of the Group and enhance corporate value over the medium to long term, under our corporate mission of "To thoroughly pursue the needs of our customers and deliver valuable real estate." Based on this recognition, the Company has formulated and disclosed the "Corporate Governance Basic Policy" which outlines the basic approach and fundamental policies regarding corporate governance for the Group, and have this disclosed on the corporate website.

The Company has positioned the Policy as the highest norm for corporate governance of the Group and will practice management based on this Basic Policy while fully considering the purpose and background of the Corporate Governance Code.

(ii) Overview of corporate governance structure and reasons for adoption of this structure

(a) Overview of corporate governance structure

The Company's corporate governance structure is as follows:



<Board of Directors and Executive Officer system>

With Ryosuke Fukuoka, President & CEO, as the Chairman, the Board of Directors of the Company consists of a total of nine Directors, of which six are inside Directors (Ryosuke Fukuoka, Kazuhiko Kamata, Kotaro Wakatabi, Kenta Kikuchi, Hiroshi Munemasa and Masaaki Arai) and three are Outside Directors (Hitoshi Ishimura, Maoko Kotani and Yuko Omae). As a management decision-making body, the Board of Directors deliberates and makes decisions on management policies and other important management matters based on the Board of Directors Rules and supervises the execution of duties by Directors. In addition to regular meetings held once a month, the Board of Directors holds meetings as needed and has lively discussions over various matters related to the Company's business activities.

The Company's Articles of Incorporation limit the number of Directors to the minimum necessary from the perspective of pursuing swift decision making and full management function of the Board of Directors simultaneously. The Board of Directors supports swift and decisive decision-making by senior management based on this structure. Furthermore, to enhance the agility and efficiency of management decision-making and business execution, respectively, the Company has introduced an executive officer system and delegates business execution to executive officers. Executive officers are responsible for specific execution in accordance with the basic management policies and management plans resolved by the Board of Directors.

In addition, the Company has submitted "Election of Nine Directors" as an agenda item (proposal for resolution) for the Ordinary General Meeting of Shareholders scheduled to be held on December 24, 2025. If the proposal is approved and adopted, the Board of Directors will continue to consist of nine directors, including three outside directors.

<Audit & Supervisory Board>

With Megumi Koyama, Full-time Audit & Supervisory Board Member, as the Chairman, the Audit & Supervisory Board consists of one Inside Audit & Supervisory Board Member (Megumi Koyama), and two Outside Audit & Supervisory Board Members (Koichi Matsumoto and Shoko Sasaki). In addition to a regular monthly meeting, meetings are held on a needed basis. Full-time Audit & Supervisory Board Member Megumi Koyama and Audit & Supervisory Board Member Koichi Matsumoto have extensive knowledge of finance and accounting.

The Audit & Supervisory Board Members conduct audits of the directors' execution of duties based on an independent position from the directors, in accordance with the audit policies and audit plans formulated and established at the Audit & Supervisory Board at the beginning of the fiscal year. This is done through attending Board of Directors meetings and hearing reports on management conditions from directors and others. Additionally, they strive to strengthen the audit function of the Audit & Supervisory Board Members by complementing operational audits and accounting audits through information exchange, sharing of awareness, and cooperation with the Internal Audit Department and Accounting Auditors.

Further, the Audit & Supervisory Board Members assess the appropriateness of the Accounting Auditor in accordance with the "Standards for Appointment and Evaluation of Accounting Auditor," and determines the details of a proposal concerning matters including the election of the Accounting Auditor to be submitted at the General Meeting of Shareholders.

<Nomination and Remuneration Committee>

The Nomination and Remuneration Committee is composed of three members, chaired by Outside Director Hitoshi Ishimura, Outside Director Yuko Omae and Director Masaaki Arai, and the purpose of the Committee, which the Company established voluntarily, is to contribute to the enhancement of corporate governance in the Group as a whole. In addition to deliberating on the nomination of key executives and employees of the Group, the Nomination and Remuneration Committee is authorized to decide on the amount of compensation, etc. for individual Directors of the Company, and it supplements the decision-making by the Board of Directors from an objective stance that is somewhat removed from the execution of the Company's business.

Furthermore, "Election of Nine Directors" has been submitted as an agenda item (proposal for resolution) for the Ordinary General Meeting of Shareholders scheduled to be held on December 24, 2025. If the proposal is approved and adopted, the Nomination and Remuneration Committee will continue to consist of three directors, including two outside directors, with Outside Director Hitoshi Ishimura serving as Chairperson.

<Internal Audit Division>

The Internal Audit Division (fourteen staff members), which is placed directly under the President, conducts internal audits on the legality and appropriateness of the operation of internal systems and business executions in all aspects of management, in accordance with an internal audit plan and other such documents drawn up and formulated at the beginning of the fiscal year.

In principle, the Internal Audit Division conducts internal audits of all departments of the Group and reports the results to each group company's president & representative director and departments subject to the audits. The Internal Audit Division also gives improvement instructions to departments subject to the audits and monitors their improvement on an ongoing basis. Furthermore, the Internal Audit Division strives to strengthen its internal audit function by supplementing internal audits through information exchange, shared recognition and cooperation with Audit & Supervisory Board Members and the Accounting Auditor.

<Accounting Auditor>

The Company has appointed Deloitte Touche Tohmatsu LLC as its accounting auditor, and certified public accountants affiliated with this audit firm conduct fair audits based on the Companies Act and the Financial Instruments and Exchange Act.

The accounting auditor reports on the audit plan and audit results to the Audit & Supervisory Board and the internal audit department on an as-needed basis, thereby ensuring collaboration within the "three-way audit" system.

Furthermore, "Election of Accounting Auditor" has been submitted as an agenda item (proposal for resolution) for the Ordinary General Meeting of Shareholders scheduled to be held on December 24, 2025. If the proposal is approved and adopted, the Company's accounting auditor will be changed to Ernst & Young ShinNihon LLC.

(b) Reasons for adoption of this structure

The Company believes that swift decision-making is especially important in appropriately adapting to the business environment surrounding the Group and consistently enhancing its corporate value. The Company adopts the current

corporate governance structure from the perspective of ensuring the transparency and fairness of management by establishing an objective and neutral management monitoring function while enabling flexible decision-making by considering the Group's business size and business plans.

[Remuneration for Officers](i) Matters related to the determination of remuneration amount for officers and/or the calculation method

(a) Details of the policy on the determination of remuneration amount for officers and/or the calculation method and the determination method thereof.

The Company revised its policy on decisions regarding individual directors' remuneration, etc., at the Board of Directors meeting held on September 13, 2024.

a. Remunerations, etc. of Directors

Directors' remuneration consists of fixed remuneration, performance-based remuneration, and stock-based remuneration. Outside directors' monetary remuneration is not determined based on performance evaluation from the standpoint of their role and independence. Furthermore, outside directors do not receive stock remuneration.

Regarding fixed remuneration, the Company has adopted a policy of formulating and determining a remuneration table according to the position, duties, skills, responsibilities, etc. of each director for the current fiscal year.

Regarding performance-based remuneration, the company aims to improve directors' motivation for performance by immediately reflecting the previous period's results in the current period's compensation. The Company has established that the performance indicator used for performance-based compensation is the ordinary profit from the previous consolidated fiscal year. Additionally, the Company considers the achievement status of financial indicators in the medium-term management plan, areas of responsibility, positions, and duties to ensure that the compensation is not overly focused on short-term performance. The Company has adopted a policy that limits the total amount of performance-linked compensation for all directors to a maximum of 1% of consolidated ordinary profit.

Regarding stock-based remuneration, the Company has adopted a policy granting stock compensation-type stock options annually, with the amount equivalent to 10% of their monetary remuneration. This allows directors to share the benefits and risks of stock price fluctuations with shareholders and further enhance motivation to contribute to medium to long-term corporate value improvements.

The amount of individual remuneration is determined by the Nomination and Remuneration Committee, of which the majority is outside directors, upon delegation from the Board of Directors, in accordance with the remuneration determination policy determined by the Board of Directors after deliberation by the Nomination and Remuneration Committee.

b. Remuneration etc. for Audit & Supervisory Board Members

Remuneration for Audit & Supervisory Board Members consists of monetary compensation.

The amount of remuneration is determined in discussions among Audit & Supervisory Board Members within the maximum limit of the total amount resolved at the General Meeting of Shareholders.

(b) Policy on Determining the Remuneration Amount for Officers or the Calculation Method by Position

Regarding remuneration for officers, the Company classifies directors into two categories: executive directors and non-executive directors, a fixed remuneration table is formulated and determined for each category. Executive

directors receive fixed-remuneration, performance-based remuneration and stock-based remunerations, while non-executive directors receive fixed-remuneration only. Audit & Supervisory Board Members are classified into two categories: full-time Audit & Supervisory Board Members and part-time Audit & Supervisory Board Members, and specific amounts of remuneration, etc., are determined within predetermined upper limits for each category.

(c) Details of Resolutions on Remuneration for Officers at the General Meeting of Shareholders

a. The following details were resolved, regarding remuneration for directors, at the general meeting of shareholders.

The number of directors is stipulated in the articles of incorporation to be 12 or less.

- i. The total remuneration for directors per fiscal year shall not exceed 2,000 million yen per year (of which, the amount for outside directors shall not exceed 200 million yen per year. However, this excludes the salary of directors who concurrently serve as employees). (26th Ordinary General Meeting of Shareholders to held on December 21, 2022)
- ii. Separately from i, directors (excluding outside directors) are to receive remuneration related to stock acquisition rights as stock options within 300 million yen per fiscal year, and the number of stock acquisition rights is 1,200 (The number of shares for each stock acquisition right shall be limited to 100 shares). (26th Ordinary General Meeting of Shareholders held on December 21, 2022)

b. The remuneration for Audit & Supervisory Board Members was resolved at the 7th Ordinary General Meeting of Shareholders held on December 25, 2003, that the remuneration would be no more than 100 million yen per year.

The number of Audit & Supervisory Board Members is stipulated in the articles of incorporation to be no more than four.

(ii) Remuneration Amount etc., for Officers

(a) Total amount of remuneration by officer category, total amount of remuneration by type of remuneration and the number of eligible officers

Officer category	Total amount of remuneration (Millions of yen)	Amount of consolidated remuneration by type of remuneration (Millions of yen)			Number of eligible officers (Persons)
		Fixed remuneration	Performance-based remuneration	Share-based remuneration	
Director (excl. Outside Directors)	1,395	439	814	141	7
Audit & Supervisory Board Member (excl. Outside Audit & Supervisory Board Members)	14	14	-	-	1
Outside officer	83	83	-	-	6

- Notes:
- 1 The above table includes one Director and one Outside Audit & Supervisory Board Member who retired at the conclusion of the 28th Annual General Meeting of Shareholders held on December 2024.
 - 2 Regarding the remuneration of directors for the current consolidated fiscal year, the Nomination and Compensation Committee, having been delegated authority by the Board of Directors, made decisions in line with the remuneration policy previously determined by the Board of Directors after deliberation by the Nomination and Compensation Committee. The reason for delegating this authority is to enhance fairness and objectivity by having the Nomination and Compensation Committee, which consists of a majority of outside directors, determine remuneration from an objective standpoint somewhat removed from the company's business execution. The committee is composed of three members: Outside Director Hitoshi Ishimura as chairman, Outside Director Yuko Omae, and Senior Managing Director, CFO and Head of Corporate Planning Division Kotaro Wakatabi. The remuneration for Audit & Supervisory Board Members is determined through discussions among the auditors.
 - 3 The target figure for the indicator related to the remuneration paid in the current fiscal year was the budgeted consolidated ordinary profit of 120,000 million yen for the fiscal year ending September 2024, while the actual figure was the consolidated ordinary profit of 120,283 million yen for the fiscal year ending September 2024.
 - 4 Fixed remuneration and performance-based remuneration consist of monetary remuneration, and stock remuneration consists of restricted stock

remuneration and stock remuneration-type stock options.

5. In addition to the above, the Company covers the rent for company housing of one Directors. The amount covered in the fiscal year ended September 30, 2025 was 6 million yen.

(b) Total amount of consolidated remuneration by officer and type of remuneration

Name	Total amount of remuneration (Millions of yen)	Officer category	Company category	Amount of consolidated remuneration by type of remuneration (Millions of yen)		
				Fixed remuneration	Performance-based remuneration	Stock remuneration
Masaaki Arai	598	Director	Reporting entity	180	360	58
Kazuhiko Kamata	268	Director	Reporting entity	81	159	28
Kotaro Wakatabi	223	Director	Reporting entity	63	137	23
Ryosuke Fukuoka	108	Director	Reporting entity	36	61	11
Kenta Kikuchi	112	Director	Reporting entity	36	64	12

- Notes: 1 The above table only includes those who received consolidated remuneration of 100 million yen or more.
2. Fixed remuneration and performance-based remuneration consist of monetary remuneration, while stock remuneration consists of restricted stock remuneration and stock remuneration-type stock options
3. In addition to the above, the Company covers the rent for company housing of one Director. The amount covered in the fiscal year ended September 30, 2025 was 6 million yen.

VIII. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	End of FY 2024 (as of September 30, 2024)	End of FY 2025 (as of September 30, 2025)
Assets		
Current assets		
Cash and deposits	409,957	421,898
Trade accounts receivable and Contract assets	19,048	21,210
Real estate for sale	198,422	167,551
Real estate for sale in process	485,757	602,444
Operating loans	64,530	71,536
Other	21,702	28,755
Allowance for doubtful accounts	(815)	(582)
Total current assets	1,198,602	1,312,814
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,785	8,394
Accumulated depreciation	(3,638)	(3,495)
Buildings and structures, net	6,147	4,898
Real estate for rent	22,354	23,006
Accumulated depreciation	(1,815)	(1,580)
Real estate for rent, net	20,538	21,425
Land	3,039	2,940
Other	3,737	3,953
Accumulated depreciation	(2,240)	(2,601)
Other, net	1,496	1,352
Total property, plant and equipment	31,221	30,617
Intangible assets	2,493	2,277
Investments and other assets		
Investment securities	33,371	47,296
Deferred tax assets	8,671	11,200
Other	8,077	8,309
Allowance for doubtful accounts	(346)	(513)
Total investments and other assets	49,773	66,291
Total non-current assets	83,488	99,186
Total assets	1,282,090	1,412,001

(Millions of yen)

	End of FY 2024 (as of September 30, 2024)	End of FY 2025 (as of September 30, 2025)
Liabilities		
Current liabilities		
Notes payable - trade	1,834	357
Trade accounts payable	42,070	43,785
Electronically recorded obligations – operating	10,021	6,482
Short-term borrowings	171,610	191,226
Current portion of bonds payable	494	110
Current portion of long-term borrowings	44,416	70,292
Income taxes payable	12,512	25,729
Contract liabilities	27,366	30,364
Guarantee deposits received	2,829	3,253
Provision for bonuses	4,941	6,914
Provision for warranties for completed construction	1,522	1,602
Other	29,138	32,797
Total current liabilities	348,758	412,916
Non-current liabilities		
Bonds payable	14,789	14,685
Long-term borrowings	380,461	443,748
Retirement benefit liability	817	103
Asset retirement obligations	328	307
Deferred tax liabilities	29	-
Other	986	1,405
Total non-current liabilities	397,412	460,250
Total liabilities	746,171	873,167
Net assets		
Shareholders' equity		
Share capital	20,149	20,235
Capital surplus	19,442	32,821
Retained earnings	433,547	514,871
Treasury shares	(19,896)	(44,895)
Total shareholders' equity	453,243	523,033
Accumulated other comprehensive profit		
Valuation difference on available-for-sale securities	(130)	34
Foreign currency translation adjustment	10,834	14,557
Total accumulated other comprehensive profit	10,704	14,592
Share acquisition rights	773	998
Non-controlling interests	71,198	209
Total net assets	535,919	538,834
Total liabilities and net assets	1,282,090	1,412,001

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	FY 2024 (From October 1, 2023 to September 30, 2024)	FY 2025 (From October 1, 2024 to September 30, 2025)
Net sales	1,295,862	1,336,468
Cost of sales	1,088,944	1,093,301
Gross profit	206,917	243,167
Selling, general and administrative expenses	87,828	97,233
Operating profit	119,088	145,933
Non-operating income		
Interest income	1,309	2,100
Dividend income	1,594	113
Gain on sale of securities	3,518	181
Gains on investment securities	262	132
Rental income from buildings	216	211
Foreign exchange gains	283	812
Other	1,966	897
Total non-operating income	9,152	4,450
Non-operating expenses		
Interest expenses	5,512	7,705
Share of loss of entities accounted for using equity method	21	30
Commission expenses	1,109	1,579
Other	1,313	1,577
Total non-operating expenses	7,957	10,892
Ordinary profit	120,283	139,491
Extraordinary income		
Gain on negative goodwill	12,766	5,147
Gain on sale of share of subsidiaries and associates	956	549
Total extraordinary income	13,723	5,696
Extraordinary loss		
Impairment losses	360	54
Loss on sale of shares of subsidiaries and associates	-	337
Total extraordinary losses	360	391
Profit before income taxes	133,646	144,796
Income taxes – current	34,235	43,238
Income taxes – deferred	(568)	(2,745)
Income taxes	33,667	40,493
Profit	99,979	104,303
Profit (loss) attributable to non-controlling interests	7,058	3,633
Profit attributable to owners of parent	92,921	100,670

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	FY 2024 (From October 1, 2023 to September 30, 2024)	FY 2025 (From October 1, 2024 to September 30, 2025)
Profit	99,979	104,303
Other comprehensive income		
Valuation difference on other securities	(190)	165
Foreign currency translation adjustment	(3,528)	3,712
Share of other comprehensive income of entities accounted for using equity method	5	4
Total other comprehensive income	(3,713)	3,883
Comprehensive income	96,266	108,186
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	89,214	104,558
Comprehensive income attributable to non- controlling interests	7,052	3,627

(3) Consolidated Statement of Changes in Equity

FY 2024 (October 1, 2023 to September 30, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,110	19,767	361,583	(18)	401,443
Changes in items during period					
Issuance of new shares (Exercise of share acquisition rights)	38	38			77
Dividends of surplus			(20,955)		(20,955)
Profit attributable to owners of parent			92,921		92,921
Purchase of treasury shares				(19,878)	(19,878)
Change in scope of consolidation			(2)		(2)
Changes in parent's ownership interest due to transactions with non-controlling interests		(364)			(364)
Net changes of items other than shareholders' equity					
Total changes in items during period	38	(325)	71,963	(19,878)	51,799
Balance at end of period	20,149	19,442	433,547	(19,896)	453,243

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interest	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	42	14,368	14,411	752	63,808	480,416
Changes in items during period						
Issuance of new shares (Exercise of share acquisition rights)						77
Dividends of surplus						(20,955)
Profit attributable to owners of parent						92,921
Purchase of treasury shares						(19,878)
Changes in scope of consolidation						(2)
Changes in parent's ownership interest due to transactions with non-controlling interests						(364)
Net changes of items other than shareholders' equity	(172)	(3,534)	(3,707)	20	7,389	3,703
Total changes in items during period	(172)	(3,534)	(3,707)	20	7,389	55,502
Balance at end of period	(130)	10,834	10,704	773	71,198	535,919

FY 2025 (October 1, 2024 to September 30, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,149	19,442	433,547	(19,896)	453,243
Changes in items during period					
Issuance of new shares (Exercise of share acquisition rights)	86	86			172
Dividend of surplus			(19,346)		(19,346)
Profit attributable to owners of parent			100,670		100,670
Purchase of treasury shares				(24,999)	(24,999)
Changes in the scope of consolidation			0		0
Changes in parent's ownership interest due to transactions with non-controlling interests		13,292			13,292
Net changes of items other than shareholders' equity					
Total changes in items during period	86	13,378	81,324	(24,999)	69,790
Balance at end of period	20,235	32,821	514,871	(44,895)	523,033

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interest	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	(130)	10,834	10,704	773	71,198	535,919
Changes in items during period						
Issuance of new shares (Exercise of share acquisition rights)						172
Dividend of surplus						(19,346)
Profit attributable to owners of parent						100,670
Purchase of treasury shares						(24,999)
Changes in the scope of consolidation						0
Changes in parent's ownership interest due to transactions with non-controlling interests						13,292
Net changes of items other than shareholders' equity	164	3,723	3,888	225	(70,988)	(66,874)
Total changes in items during period	164	3,723	3,888	225	(70,988)	2,915
Balance at end of period	34	14,557	14,592	998	209	538,834

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY 2024 (From October 1, 2023 to September 30, 2024)	FY 2025 (From October 1, 2024 to September 30, 2025)
Cash flows from operating activities		
Profit before income taxes	133,646	144,796
Depreciation	2,256	2,053
Stock compensation expenses	446	317
Increase (decrease) in provision for bonuses	(73)	1,902
Increase (decrease) in allowance for doubtful accounts	(87)	(65)
Increase (decrease) in provision for warranties for completed construction	82	79
Increase (decrease) in retirement benefit liability	(324)	(762)
Loss (gain) on sales of shares of subsidiaries and associates	(956)	(549)
Loss (gain) on valuation of investment securities	-	115
Loss (gain) on valuation of shares of subsidiaries and associates	-	337
Loss (gain) on sale of investment securities	(3,518)	(181)
Loss (gain) on securities investment	(262)	(132)
Share of loss (profit) of entities accounted for using equity method	21	30
Interest and dividend income	(2,904)	(2,214)
Foreign exchange losses (gains)	(681)	72
Interest expenses	5,512	7,705
Gain on negative goodwill	(12,766)	(5,147)
Decrease (increase) in trade receivables	(2,853)	(2,123)
Decrease (increase) in inventories	58,206	(70,678)
Increase (decrease) in trade payables	(11,006)	(3,642)
Decrease (increase) in operating loans receivable	(15,229)	(7,005)
Increase (decrease) in contract liabilities	(6,192)	2,885
Increase (decrease) in guarantee deposits received	(1,167)	288
Increase (decrease) in deposits received	(7,591)	3,647
Decrease (increase) in advance payments to suppliers	1,247	(3,380)
Increase (decrease) in accrued consumption taxes	1,952	917
Other, net	5,194	(1,926)
Subtotal	142,953	67,277
Interest and dividends received	2,900	2,212
Interest paid	(5,555)	(7,651)
Income taxes paid	(35,534)	(32,307)
Net cash provided by (used in) operating activities	104,764	29,530

(Millions of yen)

	FY 2024 (From October 1, 2023 to September 30, 2024)	FY 2025 (From October 1, 2024 to September 30, 2025)
Cash flows from investing activities		
Payments into time deposits	4,651	7,928
Purchase of property, plant and equipment	(4,842)	(3,106)
Proceeds from sale of property, plant and equipment	1,855	415
Purchase of intangible assets	(503)	(538)
Loan advances	(1,528)	(1,094)
Proceeds from collection of loans receivable	2,015	1,864
Purchase of investment securities	(31,486)	(2,273)
Proceeds from sale and redemption of investment securities	35,588	1,448
Purchase of shares of subsidiaries and associates	(236)	(60)
Proceeds from sale of shares of subsidiaries and associates	134	102
Payments for investments in capital of subsidiaries and Associates	(11,787)	(13,878)
Proceeds from repayment from investment in capital of subsidiaries and affiliates	3,303	919
Proceeds from sales of investments in capital of subsidiaries and affiliates	700	-
Payments of leasehold and guarantee deposits	(694)	(580)
Proceeds from refund of leasehold and guarantee deposits	1,334	456
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(23,867)	(2,739)
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	2,795	-
Other, net	(18)	28
Net cash provided by (used in) investing activities	(22,584)	(11,107)
Cash flows from financing activities		
Proceeds from short-term borrowings	354,569	413,786
Repayments of short-term borrowings	(390,006)	(397,122)
Proceeds from long-term borrowings	203,346	255,771
Repayments of long-term borrowings	(192,728)	(169,015)
Proceeds from Issuance of bonds	12,000	-
Redemption of bonds	(12,324)	(526)
Proceeds from exercise of share options	53	124
Purchase of treasury shares	(19,878)	(24,999)
Repayments to non-controlling shareholders	(0)	(0)
Proceeds from share issuance to non-controlling shareholders	527	-
Dividends paid	(20,955)	(19,346)
Dividends paid to non-controlling interests	(1,094)	(617)
Payments for acquisition of subsidiaries' stock without change in scope of consolidation	(2,762)	(61,013)
Net cash provided by (used in) financing activities	(69,253)	(2,959)
Effect of exchange rate change on cash and cash equivalents	(744)	1,102
Net increase (decrease) in cash and cash equivalents	12,181	16,565
Cash and cash equivalents at beginning of period	378,643	390,924
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	100	76
Increase in cash and cash equivalents resulting from merger with a non-consolidated subsidiary	-	115
Cash and cash equivalents at end of period	390,924	407,682

XI. Issuance, Redemption or Acquisition of Shares

Changes in the total number of shares issued, share capital, etc.

Date	Change in the total number of shares issued (Shares)	Balance of the total number of shares issued (Shares)	Change in share capital (Millions of yen)	Balance of share capital (Millions of yen)	Change in legal capital surplus (Millions of yen)	Balance of legal capital surplus (Millions of yen)
October 1, 2020 to December 31, 2020 Note 1	21,600	125,840,700	8	19,750	8	19,533
February 10, 2022 Note 2	22,700	125,863,400	46	19,796	46	19,579
February 11, 2021 to September 30, 2021 Note 1	253,600	126,117,000	142	19,939	142	19,722
February 10, 2022 Note 3	18,700	126,135,700	54	19,994	54	19,777
February 11, 2022 to May 22, 2021 Note 1	149,000	126,284,700	75	20,070	75	19,853
August 31, 2022 Note 4	(5,796,800)	120,487,900	-	20,070	-	19,853
September 1, 2022 to March 17, 2022 Note 1	80,000	120,567,900	31	20,101	31	19,884
March 18, 2023 to September 13, 2023 Note 1	20,200	120,588,100	8	20,110	8	19,893
October 1, 2023 to September 30, 2024 Note 1	73,400	120,661,500	38	20,149	38	19,932
October 1, 2024 to September 30, 2025 Note 1	48,200	120,709,700	86	20,235	86	20,018

Notes: 1. Changes due to the exercise of share acquisition rights.

2. Changes due to a paid issuance of new shares for the purpose of granting restricted stock compensation.

Issue price: 4,100 yen

Amount to be included in capital: 2,050 yen

3. Changes due to a paid issuance of new shares for the purpose of granting restricted stock compensation.

Issue price: 5,860 yen

Amount to be included in capital: 2,930 yen

4. Changes due to a decrease from the cancellation of treasury shares.

5. During the period from October 1, 2025 to November 30, 2025, due to the cancellation of treasury shares, the total number of issued shares decreased by 4,002,400 shares.

1. Transaction with Related Parties

- (1) Transactions between the company submitting consolidated financial statements and related parties. Officers and major shareholders (limited to individuals) of significant subsidiaries of the company submitting consolidated financial statements.

Previous consolidated fiscal year (From October 1, 2023 to September 30, 2024)

Not applicable.

Current consolidated fiscal year (From October 1, 2024 to September 30, 2025)

Not applicable.

- (2) Transactions between consolidates subsidiaries of the company submitting consolidated financial statements and relates parties

- ① Officers and major shareholders (limited to individuals) of the company submitting consolidated financial statements.

Previous consolidated fiscal year (From October 1, 2023 to September 30, 2024)

Not applicable.

Current consolidated fiscal year (From October 1, 2024 to September 30, 2025)

Type	Name of company or individual	Location	Capital or investment (Millions of yen)	Description of business or occupation	Ratio of voting rights holding (held) (%)	Relationship with the related party	Summary of transaction	Transaction amount (Millions of yen)	Items	Balance at end of period (Millions of yen)
Officer	Kazuhiko Kamata	—	—	Executive Vice President	(Held) Direct: 0.1	Sale of real estate	Sale of real estate fractional ownership interests (Note)	43	—	—

Note: Transaction terms are determined in the same manner as general transaction terms, taking market prices into consideration.

- ② Officers and major shareholders (limited to individuals) of significant subsidiaries of the company submitting consolidated financial statements.

Previous consolidated fiscal year (From October 1, 2023 to September 30, 2024)

Not applicable.

Current consolidated fiscal year (From October 1, 2024 to September 30, 2025)

Type	Name of company or individual	Location	Capital or investment (Millions of yen)	Description of business or occupation	Ratio of voting rights holding (held) (%)	Relationship with the related party	Summary of transaction	Transaction amount (Millions of yen)	Items	Balance at end of period (Millions of yen)
Officer	Hitoshi Imamura	—	—	Director of a subsidiary of the Company	(Held) Direct: 1.5	Sale of real estate	Sale of real estate fractional ownership interests (Note)	59	—	—

Note: Transaction terms are determined in the same manner as general transaction terms, taking market prices into consideration.

2. Notes on Parent Company or Significant Associates

(1) Parent company information

Not applicable.

(2) Summary financial information of significant associates

Not applicable.

X. History

Month/Year	Events
September 1997	Founded under the name of Open House Co., Ltd. and commenced the trading and brokerage of newly-built single-family homes.
September 1997	Opened the Head Office in Shibuya-ku, Tokyo
October 1997	Concluded a franchise agreement with “CENTURY 21 REAL ESTATE OF JAPAN LTD.”
February 2001	Commenced the sale of newly-built single-family homes built by the Company itself.
September 2001	Acquired all the stake in Souken Build Ltd. and converted it to a wholly-owned subsidiary. (Converted Souken Build Ltd. to a stock company in July 2002 and changed the trading name to Tomari Build Co., Ltd. in August 2004.)
October 2006	Changed the trading name of Tomari Build Co., Ltd. to Open House Development Co., Ltd.
March 2007	Opened “Mizonokuchi Sales Center” in Takatsu-ku, Kawasaki-shi, Kanagawa Prefecture and commenced operations in Kanagawa Prefecture.
August 2007	Acquired all the shares in Ito-pia Business Net Co., Ltd. from Itochu Corporation and converted it to a wholly-owned subsidiary (after the acquisition, held a 67% stake and acquired 100% stake in September 2010) and changed the trading name to IB Net Co., Ltd.
October 2008	Commenced the sale of condominiums through Open House Development Co., Ltd.
January 2010	Opened “Marunouchi Office” in Marunouchi, Chiyoda-ku, Tokyo (relocated a part of the Head Office functions).
September 2010	Acquired all the stake in IB Net Co., Ltd. and converted it to a wholly-owned subsidiary.
September 2010	Launched Open House Realty & Investments, Inc. in California, the U.S.
September 2010	Launched Wangjia Architectural Design Consulting (Shanghai) Co., Ltd. in Shanghai, China.
October 2011	Launched OH Real Estate Management Co., Ltd. in Marunouchi, Chiyoda-ku, Tokyo.
September 2012	Terminated the franchise agreement with “CENTURY 21 REAL ESTATE OF JAPAN LTD.”
January 2013	Relocated the Head Office to Marunouchi, Chiyoda-ku, Tokyo.
September 2013	Listed on the First Section of The Tokyo Stock Exchange.
January 2015	Acquired shares of Asakawa Home Co., Ltd. and converted it to a wholly-owned subsidiary.
October 2016	Changed the trading name of Asakawa Home Co., Ltd. to Open House Architect Co., Ltd.
October 2016	Opened “Sakae Sales Center” in Naka-ku, Nagoya-shi, Aichi Prefecture and commenced operations in Aichi Prefecture.
December 2016	Opened “Open House Group Shibuya Showroom” for single-family homes in Shibuya-ku, Tokyo.
September 2017	Opened “OPENHOUSE GINZA SALON” in Chuo-ku, Tokyo.
September 2017	Opened “Nagoya Mansion Gallery” in Naka-ku, Nagoya-shi, Aichi Prefecture.
October 2017	Opened “Urawa Sales Center” in Urawa-ku, Saitama-shi, Saitama Prefecture and commenced operations in Saitama Prefecture.
July 2018	Acquired shares of HAWK ONE CORPORATION and converted it to a subsidiary (ratio of voting rights holding: 69.7% including voting rights acquired in August 2018).
October 2018	Converted HAWK ONE CORPORATION to a wholly-owned subsidiary through a stock exchange.
January 2019	Opened “Tenjin Sales Center” in Chuo-ku, Fukuoka-shi, Fukuoka Prefecture and commenced operations in Fukuoka Prefecture.
March 2019	Opened “NAGOYA SALON” in Nakamura-ku, Nagoya-shi, Aichi Prefecture.

Month/Year	Events
March 2019	Opened "Iidabashi Mansion Gallery" in Shinjuku-ku, Tokyo.
July 2019	Opened "Motoyawata Sales Center" in Ichikawa-shi, Chiba Prefecture and commenced operations in Chiba Prefecture.
May 2020	Acquired shares of Pressance Corporation Co., Ltd. and converted it to an equity-method affiliate (ratio of voting rights holding: 31.9%)
November 2020	Opened "Tenjin Mansion Gallery" in Fukuoka-shi, Fukuoka Prefecture.
January 2021	Acquired additional shares of Pressance Corporation Co., Ltd. and converted it to a consolidated subsidiary (ratio of voting rights holding: 64.45%)
March 2021	Changed the trading name of OH Real Estate Management Co., Ltd. to Open House Real Estate Co., Ltd.
October 2021	Launched the brokerage business in the Kansai area, opened "Umeda Sales Center" in Kita-ku, and "Tennouji Sales Center" in Abeno-ku, Osaka-shi, Osaka Prefecture."
January 2022	Shifted to a pure holding company structure, and changed the company name from Open House Co., Ltd. to Open House Group Co., Ltd.
April 2022	Transition to the Prime Market in Tokyo Stock Exchange.
January 2023	The head office relocated to JP Tower in Marunouchi, Chiyoda-ku, Tokyo.
October 2023	Acquired shares of SANEI ARCHITECTURE PLANNING CO.LTD. and converted it to a consolidated subsidiary.
November 2023	Acquired additional shares of SANEI ARCHITECTURE PLANNING CO.LTD. and converted it to a wholly owned subsidiary.
March 2024	SANEI ARCHITECTURE PLANNING CO.LTD. changed its name to MELDIA CO., LTD.
April 2025	Acquired additional shares of Pressance Corporation Co., Ltd. and converted it to a wholly owned subsidiary.

XI. Corporate Data

Basic Information (as of September 30, 2025)

Company name:	Open House Group Co., Ltd.
Business inauguration:	September 1997
Listed market:	The Prime Market of Tokyo Stock Exchange (Securities Code: 3288)
Listed:	September 2013
Business year:	From October 1 to September 30
Capital stock:	20,335 million yen
Number of employees:	6,620 persons (Consolidated)
Head office:	2-7-2 Marunouchi, Chiyoda-ku, Tokyo JP Tower 20F (General Reception) / 21F
Telephone:	+81-3-6213-0776
Consolidated subsidiaries:	63 subsidiaries Open House Co., Ltd. Open House Development Co., Ltd. IB Net Co., Ltd. Open House Realty & Investments, Inc. Open House Real Estate Co., Ltd. Open House Architect Co., Ltd. HAWK ONE CORPORATION Pressance Corporation Co., Ltd. MELDIA CO., LTD. And 54 other subsidiaries

Directors and Audit & Supervisory Board Members (as of October 1, 2025)

President & CEO	Ryosuke Fukuoka
Executive Vice President	Kazuhiko Kamata
Senior Managing Director, CFO	Kotaro Wakatabi
Director, Senior Managing Executive Officer	Kenta Kikuchi
Director	Hiroshi Munemasa
Director, Founder	Masaaki Arai
Director*	Hitoshi Ishimura
Director*	Yuko Omae
Director*	Maoko Kotani
Audit & Supervisory Board Member (Full-time)	Megumi Koyama
Audit & Supervisory Board Member**	Koichi Matsumoto
Audit & Supervisory Board Member**	Shoko Sasaki

* Outside Director, ** Outside Audit & Supervisory Board Member

Stock Status (as of September 30, 2025)

Total number of authorized shares: 325,200,000 shares
 Total number of issued shares: 120,709,700 shares
 Number of shareholders: 7,295

Major Shareholders

Name	Address	Number of shares held	Shareholding ratio (excluding treasury shares) (%)
Masaaki Arai	SHIBUYA-KU, TOKYO	38,237,200	33.97
Ichigo Trust PTE Limited	1 NORTH BRIDGE ROAD, 06-08 HIGH STREET CENTRE, SINGAPORE 179094	15,242,100	13.54
The Master Trust Bank of Japan, Ltd. (Trust Account)	1-8-1 AKASAKA, MINATO-KU, TOKYO	9,867,800	8.76
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 HARUMI, CHUO-KU, TOKYO	3,303,000	2.93
JP MORGAN CHASE BANK 385864	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM	2,960,492	2.63
JP MORGAN CHASE BANK 385632	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM	2,204,660	1.95
SMBC Trust Bank Ltd. (Entrusted Manager of Specified Securities)	1-3-2 MARUNOUCHI, CHIYODA-KU, TOKYO	2,200,000	1.95
Hitoshi Imamura	CHUO-KU, TOKYO	1,708,700	1.51
STATE STREET BANK AND TRUST COMPANY 505001	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS, U.S.A.	1,368,981	1.21
Morgan Stanley MUFG Securities Co., Ltd.	1-9-7 OTEMACHI, CHIYODA-KU, TOKYO	1,276,138	1.13
Total	-	78,369,071	69.63

Notes: 1. Regarding the 2,200,000 shares held by SMBC Trust Bank Ltd. (entrusted manager of specified securities), they are related to a trust contract for the purpose of share management with Mr. Masaaki Arai, a Director of the Company, as the entrustor and beneficiary, and SMBC Trust Bank Ltd. as the trustee. Therefore, the actual number of shares held by Mr. Masaaki Arai is 40,437,200 shares, and the percentage is 35.93%
 2. The Company holds 8,174,834 treasury shares.