Fiscal Year March 2025 Earnings Announcement (Japanese GAAP)

May 14, 2025

Company Name: Hoosiers Holdings Co., Ltd. Listed market: Tokyo Stock Exchange Prime Market

Stock Code: 3284 URL: https://www.hoosiers.co.jp/

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Scheduled date of the annual meeting of shareholders: June 25, 2025

Scheduled date to file Securities Report: June 26, 2025

Scheduled date to commence dividend payment: June 26, 2025

Preparation of supplemental information of financial results: Yes

Holding of annual financial results briefing: Yes (For institutional investors and analysts)

(Figures are rounded down to the nearest million yen)

1. Fiscal Year March 2025 Consolidated Earnings Results (From April 1, 2024 to March 31, 2025)

(1) Consolidated Earnings

(% indicates changes from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY3/25	92,153	6.6	9,227	3.2	8,604	13.2	5,462	13.7
FY3/24	86,418	9.0	8,943	6.1	7,599	4.4	4,806	5.5

(Note) Comprehensive income: FY3/25 ¥5,696 million [(6.6)%] FY3/24 ¥6,100 million [14.5%]

	Earnings per Share	Diluted Earnings per Share	ROE	ROA	Operating Margin
	Yen	Yen	%	%	%
FY3/25	153.65	―	13.5	5.0	10.0
FY3/24	135.32	135.28	13.1	4.9	10.3

(Reference) Share of profit (loss) of entities accounted for using equity method FY3/25 ¥362 million FY3/24 ¥(433) million

(Note) Diluted earnings per share for FY3/25 is not reported as there are no dilutive shares.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of March 31, 2025	179,858	47,894	23.4	1,185.42
As of March 31, 2024	164,399	46,858	23.6	1,091.23

(Reference) Shareholders' equity: As of March 31, 2025 ¥ 42,143 million As of March 31, 2024 ¥38,795 million

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	Million yen	Million yen	Million yen	Million yen
FY3/25	(14,122)	274	12,534	27,739
FY3/24	186	(2,407)	2,413	29,001

2. Dividends

	Dividend per Share					Total Dividend (Annual)	Payout Ratio (Consolidated)	Dividend to Net Asset Ratio (Consolidated)
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	End of Year	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY3/24	―	27.00	―	28.00	55.00	1,982	40.6	5.3
FY3/25	―	29.00	―	33.00	62.00	2,235	40.4	5.4
FY3/26 (Forecast)	―	37.00	―	37.00	74.00		―	

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 2026 (From April 1, 2025 to March 31, 2026)

(% indicates changes from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Profit Attributable to Owners of Parent		Earnings per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	132,500	43.8	12,900	39.8	10,000	16.2	6,500	19.0	182.83

* Matters to be noted

(1) Significant changes in scope of consolidation during the period under review: Yes

Newly included: None
Excluded: 1 (WC Seattle V, LLC)

(2) Changes in accounting principles, changes in accounting estimates and retrospective restatements

(a) Changes in accounting principles in accordance with revisions to accounting and other standards: Yes

(b) Changes in accounting principles other than above (a): No

(c) Changes in accounting estimates: No

(d) Retrospective restatements: No

(Note) Please refer to "3. Consolidated Quarterly Financial Statements and Main Notes, (5) Matters to be Noted regarding Consolidated Financial Statements (Notes on changes in accounting policies)" on page 16.

(3) Outstanding shares (Common stock)

(a) Number of outstanding shares at the end of period (Including treasury shares)	March 31, 2025	36,916,775 shares	March 31, 2024	36,916,775 shares
(b) Number of treasury shares at the end of period	March 31, 2025	1,365,112 shares	March 31, 2024	1,365,112 shares
(c) Average number of shares during the period	FY3/25	35,551,663 shares	FY3/24	35,519,501 shares

The number of treasury shares includes 498,150 shares of the Company's stock held by the Board Benefit Trust as of March 31, 2025.

（Reference）Summary of Non-Consolidated Earnings Results

1. Fiscal Year March 2025 Non-Consolidated Earnings Results (From April 1, 2024 to March 31, 2025)

(1) Non-Consolidated Earnings (% indicates changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY3/25	3,763	(38.7)	1,436	(64.7)	1,759	(61.9)	(441)	ー
FY3/24	6,133	(11.0)	4,071	(18.3)	4,617	(14.6)	4,550	(14.7)

	Earnings Per Share	Diluted Earnings Per Share
	Yen	Yen
FY3/25	(12.41)	ー
FY3/24	128.12	128.09

(Note) Diluted earnings per share for FY3/25 is not reported as the Company posted net loss and also there are no dilutive shares.

(2) Non-Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
FY3/25	42,040	23,213	55.2	652.96
FY3/24	49,393	25,981	52.6	730.81

(Reference) Shareholders' equity: As of March 31, 2025 ¥23,213 million
As of March 31, 2024 ¥25,981 million

*Earnings Announcement is out of scope of an audit by certified public accountants or an audit corporation.

*Explanatory statement regarding the proper use of earnings forecasts and other notes

All forecasts provided in this document are based on the information currently available to the Company and certain assumptions deemed reasonable, and therefore it is not intended for guaranteeing to meet them. Actual results may differ from the forecasts due to various unforeseen reasons.

*The year-on-year percentage change exceeding 1,000% or negative figures in FY3/25 and/or FY3/24 is indicated as"ー."

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1. Overview of Business Performance, etc.

(1) Overview of business performance during the consolidated fiscal year under review

During the consolidated fiscal year under review, the Japanese economy showed a gradual recovery mainly led by domestic demand in line with the recovery of real wages due to pay raises in the corporate sector. On the other hand, the economic outlook remained uncertain mainly because of concerns over the US administration's policy trend and rising inflation, as well as increasing geopolitical risks.

In the real estate industry, the continued concern over a rise in construction material prices, labor shortages and potential interest rate hike due to the Bank of Japan's policy highlights the need to keep a close watch on their impact on the housing sales market.

Under such business environment, during the consolidated fiscal year under review, the Group made steady progress toward the Medium-Term Management Plan (for FY3/22 to FY3/26) mainly due to an increase in the number of income-producing properties sold in the Real Estate Investment in addition to our mainstay Real Estate Development. As a result, we posted net sales of ¥92,153 million (up 6.6% year over year), operating income of ¥9,227 million (up 3.2% year over year), ordinary income of ¥8,604 million (up 13.2% year over year), and profit attributable to owners of parent of ¥5,462 million (up 13.7% year over year). During the consolidated fiscal year under review, the number of delivered units was 1,113 units, 20 buildings, and the number of units under management as of the end of the consolidated fiscal year under review was 24,825 units.

(Million yen)

Consolidated earnings	FY3/24	FY3/25	Changes	Full-year forecasts	Comparison to forecasts
Net sales	86,418	92,153	5,735	97,000	(4,846)
Operating income	8,943	9,227	284	9,400	(172)
Ordinary income	7,599	8,604	1,004	8,000	604
Profit attributable to owners of parent	4,806	5,462	656	5,100	362

(Units)

Number of units delivered	FY3/24	FY3/25	Changes	Full-year forecasts	Comparison to forecasts
Condominium apartments	1,066	1,062	(3)	1,157	(94)
Condominium apartments for seniors	256	42	(214)	67	(25)
Detached houses	52	9	(43)	15	(6)
Total	1,374	1,113	(261)	1,239	(125)

(Note) The number of units for joint venture properties is calculated by multiplying by the investment ratio and rounding down to the nearest integer.

(Buildings)

Number of buildings sold	FY3/24	FY3/25	Changes	Full-year forecasts	Comparison to forecasts
Inventories (income-producing properties)	8 Buildings 1 Block	10 Buildings	2 Buildings (1) Block	13	(3)
Inventories (flats)	9 Buildings	10 Buildings	1 Building	12	(2)
Total	17 Buildings 1 Block	20 Buildings	3 Buildings (1) Block	25	(5)

Results by segment are as follows.

(I) Real Estate Development

During the consolidated fiscal year under review, the Group recorded net sales of ¥53,605 million (up 5.4% year over year) and operating income of ¥4,849 million (up 16.8% year over year) due to a delivery of 1,071 units of condominium apartments and detached houses including “Duo Hills Jonai” (Saga City, Saga Prefecture), “Duo Hills Nagano Gondo” (Nagano City, Nagano Prefecture) and “MID TOWER IWAKI” (Iwaki City, Fukushima Prefecture), etc.

(II) CCRC

During the consolidated fiscal year under review, the Group recorded net sales of ¥3,725 million (down 69.2% year over year) and operating loss of ¥355 million (operating income of ¥2,193 million in the previous year) due to a delivery of 42 units including “DUO SCENE Saitama South” (Warabi City, Saitama Prefecture) as condominium apartments for seniors. Overall, the segment posted a decrease in both net sales and operating income due to a year-on-year decrease in the number of units delivered.

(III) Real Estate Investment

During the consolidated fiscal year under review, the Group recorded net sales of ¥26,449 million (up 68.8% year over year) and operating income of ¥4,404 million (up 95.7% year over year). Overall, the segment posted an increase in both net sales and operating income mainly due to a year-on-year increase in the number of buildings sold in inventories (income-producing properties and flats).

(1) Real Estate Sales

We recorded net sales of ¥23,034 million (up 89.4% year over year) due to a delivery of 20 buildings of inventories (income-producing properties and flats) such as “Duo Flats Hiroo” (Shibuya-ku, Tokyo) and “Duo Flats Meguroohashi” (Meguro-ku, Tokyo), etc.

(2) Rental Revenue

We recorded net sales of ¥3,036 million (down 3.1% year over year) due to the stable operation of owned income-producing properties.

(IV) Condominium Management and Related Services

During the consolidated fiscal year under review, the Group recorded net sales of ¥8,373 million (up 7.3% year over year) and operating income of ¥403 million (up 20.5% year over year).

(1) Condominium Management

We recorded net sales of ¥2,236 million (up 5.3% year over year) due to the start of the new management contracting of “Duo Hills Jonai” (Saga City, Saga Prefecture), “Duo Hills Nagano Gondo” (Nagano City, Nagano Prefecture), etc. in condominium management.

(2) Sports Club Operation Revenue

We recorded net sales of ¥3,719 million (up 0.3% year over year) mainly due to the operation of sports clubs.

(3) Other Income

We recorded net sales of ¥2,418 million (up 22.5% year over year) in the hotel business, PFI and consigned construction, etc.

(Million yen)

Net sales	FY3/24	FY3/25	Changes
Real Estate Development	50,862	53,605	2,742
CCRC	12,083	3,725	(8,358)
Real Estate Investment	15,665	26,449	10,784
Condominium Management and Related Services	7,806	8,373	567
Corporate/elimination	—	—	—
Total	86,418	92,153	5,735

(Million yen)

Operating income	FY3/24	FY3/25	Changes
Real Estate Development	4,152	4,849	697
CCRC	2,193	(355)	(2,548)
Real Estate Investment	2,251	4,404	2,153
Condominium Management and Related Services	334	403	68
Corporate/elimination	12	(73)	(86)
Total	8,943	9,227	284

(2) Overview of financial position as of the end of the consolidated fiscal year under review

Assets, liabilities, and net assets

As of the end of the consolidated fiscal year under review, due mainly to an increase in inventories attributable to the progress of procurement of income-producing properties and land for condominium apartments, total assets amounted to ¥179,858 million (up 9.4% from March 31, 2024), total liabilities amounted to ¥131,964 million (up 12.3% from March 31, 2024) and total net assets amounted to ¥47,894 million (up 2.2% from March 31, 2024).

(Million yen)

	As of March 31, 2024	As of March 31, 2025	Changes
Total assets	164,399	179,858	15,458
Total liabilities	117,541	131,964	14,422
(of which, interest-bearing debt)	90,664	106,634	15,969
Net assets	46,858	47,894	1,035
Equity ratio	23.6%	23.4%	—
D/E ratio	1.9 times	2.2 times	—
ROA	4.9%	5.0%	—
ROE	13.1%	13.5%	—

(Notes) 1. Interest-bearing debt include short-term loans payable, current portion of bonds, current portion of long-term loans payable, bonds, and long-term loans payable.

2. D/E ratio: Interest-bearing debt/net assets

(3) Overview of cash flows during the consolidated fiscal year under review

During the consolidated fiscal year under review, cash and cash equivalents decreased by ¥1,262 million to ¥27,739 million mainly due to increased cash outflows resulting from an increase in inventories despite increased cash inflows resulting from proceeds of loans payable.

(Million yen)

	FY3/24	FY3/25
Cash flows from operating activities	186	(14,122)
Cash flows from investing activities	(2,407)	274
Cash flows from financing activities	2,413	12,534
Cash and cash equivalents at end of period	29,001	27,739

Conditions of cash flows during the consolidated fiscal year under review and relevant factors are as follows:

(I) Cash flows from operating activities

Net cash used in operating activities was ¥14,122 million (¥186 million provided in the previous fiscal year), which was mainly due to recording of income before income taxes and an increase in inventories.

(II) Cash flows from investing activities

Net cash provided by investing activities was ¥274 million (¥2,407 million used in the previous fiscal year), which was mainly due to proceeds from distribution from investment securities.

(III) Cash flows from financing activities

Net cash provided by financing activities was ¥12,534 million (¥2,413 million provided in the previous fiscal year), which was mainly due to proceeds from long-term loans payable.

(Reference) Cash flow-related indicators

	FY3/23	FY3/24	FY3/25
Equity Ratio (%)	23.6	23.6	23.4
Equity Ratio (market capitalization-based) (%)	19.8	24.4	21.7

Equity Ratio: Shareholders' Equity / Total Assets
Equity Ratio (market capitalization-based): Market Capitalization / Total Assets

(Notes) 1. Each indicator is based on consolidated financial data.

2. Market capitalization = Period end share price × Number of outstanding shares at end of period (excluding treasury shares)

(4) Outlook for the next fiscal year

The consolidated earnings forecasts for the fiscal year ending March 31, 2026 are net sales of ¥132,500 million, operating income of ¥12,900 million, ordinary income of ¥10,000 million and profit attributable to owners of parent of ¥6,500 million.

For the fiscal year ending March 31, 2026, the number of units of condominium apartments, condominium apartments for seniors and detached houses to be delivered is forecasted to be a total of 1,534 units, and the number of buildings of inventories (income-producing properties and flats) to be sold is forecasted to be a total of 26 buildings.

(Million yen)

Consolidated earnings forecasts	FY3/25	FY3/26	Changes
Net sales	92,153	132,500	40,346
Operating income	9,227	12,900	3,672
Ordinary income	8,604	10,000	1,395
Profit attributable to owners of parent	5,462	6,500	1,037

Number of units to be delivered	Number of units to be delivered (Units)	Number of contracts signed (Units)	Progress
Condominium apartments	1,266	578	45.7%
Condominium apartments for seniors	251	107	42.6%
Detached houses	17	―	―%
Total	1,534	685	44.7%

(Note) The number of units for joint venture properties is calculated by multiplying by the investment ratio and rounding down to the nearest integer.

(Buildings)

Number of buildings to be sold	Number of buildings to be sold
Inventories (income-producing properties)	14
Inventories (flats)	12
Total	26

(5) Basic policy regarding the distribution of profits for the current and next fiscal years

We will continue to aim to enhance our business performance in order to implement a stable and continual dividend payment, in overall consideration of a need to secure internal reserves in anticipation of future performance and business development. Under the return policy of "payout ratio of over 40% and DOE of over 4%" set out in the Medium-Term Management Plan (FY3/22 to FY3/26), we proactively work to return profit to our shareholders in comprehensive consideration of optimal equity level and the investment environment.

For the fiscal year ended March 31, 2025, we will pay an annual dividend per share of ¥62, an increase by ¥4 per share from the most recent dividend forecast, as announced in "Notice of Dividends of Surplus (Dividend Increase)" dated May 14, 2025. As an interim dividend per share of ¥29 has already been paid, we will pay a year-end dividend of ¥33 per share.

For the fiscal year ending March 31, 2026, we plan to pay dividends per share of ¥74 (¥37 as interim dividend and ¥37 as year-end dividend).

2. Basic Policy for the Selection of Accounting Standards

The policy of the Group for the moment is to prepare consolidated financial statements under the Japanese GAAP in consideration of the comparability of the consolidated financial statements between periods and companies.

Furthermore, we have a policy to appropriately support the application of IFRS upon consideration of various conditions in Japan and around the world.

3. Consolidated Financial Statements and Main Notes

(1) Consolidated Balance Sheet

(Million yen)

	End of Previous Fiscal Year (March 31, 2024)	End of Fiscal Year under Review (March 31, 2025)
Assets		
Current assets		
Cash and deposits	30,709	29,665
Accounts receivable - trade	991	819
Merchandise	19	18
Real estate for sale	19,279	20,442
Real estate for sale in process	75,748	94,506
Operational investment securities	909	890
Prepaid expenses	1,498	2,291
Other	3,611	5,411
Allowance for doubtful accounts	(124)	(139)
Total current assets	132,643	153,907
Non-current assets		
Property, plant and equipment		
Buildings and structures	18,842	14,330
Accumulated depreciation	(6,702)	(5,741)
Buildings and structures, net	12,140	8,588
Machinery, equipment and vehicles	60	80
Accumulated depreciation	(34)	(29)
Machinery, equipment and vehicles, net	26	51
Tools, furniture and fixtures	537	474
Accumulated depreciation	(452)	(393)
Tools, furniture and fixtures, net	85	81
Land	10,870	9,489
Leased assets	1,350	1,366
Accumulated depreciation	(900)	(918)
Leased assets, net	449	447
Construction in progress	119	501
Total property, plant and equipment	23,691	19,159
Intangible assets		
Goodwill	191	162
Other	631	605
Total intangible assets	822	768
Investments and other assets		
Investment securities	3,122	2,175
Long-term loans receivable	504	84
Deferred tax assets	1,300	1,497
Other	2,332	2,281
Allowance for doubtful accounts	(16)	(16)
Total investments and other assets	7,243	6,022
Total non-current assets	31,756	25,950
Total assets	164,399	179,858

(Million yen)

	End of Previous Fiscal Year (March 31, 2024)	End of Fiscal Year under Review (March 31, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,294	3,161
Electronically recorded obligations - operating	6,289	5,691
Short-term loans payable	9,857	13,123
Current portion of bonds	2,804	3,928
Current portion of long-term loans payable	13,252	20,166
Income taxes payable	2,006	1,765
Advances received	5,256	7,689
Provision for bonuses	370	454
Provision for bonuses for directors (and other officers)	18	26
Provision for after-sales services	31	24
Other	5,160	2,898
Total current liabilities	48,342	58,930
Non-current liabilities		
Bonds	5,365	2,118
Long-term loans payable	59,384	67,298
Deferred tax liabilities	1,065	870
Provision for share awards for directors	257	264
Net defined benefit liability	12	12
Asset retirement obligations	895	684
Other	2,216	1,784
Total non-current liabilities	69,198	73,033
Total liabilities	117,541	131,964
Net assets		
Shareholders' equity		
Capital stock	5,000	5,000
Capital surplus	10,843	10,843
Retained earnings	21,743	25,150
Treasury shares	(893)	(893)
Total shareholders' equity	36,693	40,101
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	757	485
Foreign currency translation adjustment	1,343	1,556
Total accumulated other comprehensive income	2,101	2,041
Non-controlling interests	8,063	5,750
Total net assets	46,858	47,894
Total liabilities and net assets	164,399	179,858

(2) Consolidated Income Statement and Comprehensive Income Statement

Consolidated Income Statement

(Million yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Fiscal Year under Review (From April 1, 2024 to March 31, 2025)
Net sales	86,418	92,153
Cost of sales	65,980	70,359
Gross profit	20,437	21,794
Selling, general and administrative expenses	11,494	12,566
Operating income	8,943	9,227
Non-operating income		
Interest income	108	116
Dividend income	286	175
Contract cancellations	120	131
Foreign exchange gains	—	407
Share of profit of entities accounted for using equity method	—	362
Gain on investments in partnership	186	50
Other	159	262
Total non-operating income	860	1,506
Non-operating expenses		
Interest expenses	1,215	1,541
Commission fee	360	553
Foreign exchange losses	158	—
Share of loss of entities accounted for using equity method	433	—
Other	35	34
Total non-operating expenses	2,203	2,129
Ordinary income	7,599	8,604
Extraordinary income		
Gain on sale of non-current assets	12	1
Gain on sale of available-for-sale securities	5	—
Gain on sale of shares of subsidiaries and associates	—	64
Total extraordinary income	18	66
Extraordinary losses		
Loss on sale of non-current assets	—	37
Impairment losses	70	169
Loss on valuation of investment securities	—	0
Loss on retirement of non-current assets	2	21
Loss on valuation of shares of subsidiaries and associates	19	—
Loss on sale of shares of subsidiaries and associates	—	26
Loss on valuation of golf club membership	—	6
Loss on disaster	4	—
Loss on store closings	7	0
Total extraordinary losses	105	262
Income before income taxes	7,512	8,408
Income taxes - current	2,906	3,019
Income taxes - deferred	(398)	(385)
Total income taxes	2,508	2,633
Profit	5,004	5,775
Profit attributable to non-controlling interests	198	312
Profit attributable to owners of parent	4,806	5,462

Consolidated Comprehensive Income Statement

(Million yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Fiscal Year under Review (From April 1, 2024 to March 31, 2025)
Profit	5,004	5,775
Other comprehensive income		
Valuation difference on available-for-sale securities	551	(271)
Foreign currency translation adjustment	624	276
Share of other comprehensive income of entities accounted for using equity method	(80)	(82)
Total other comprehensive income	1,096	(78)
Comprehensive income	6,100	5,696
Comprehensive income attributable to:		
Owners of parent	5,896	5,403
Non-controlling interests	204	293

(3) Consolidated Statement of Changes in Shareholders' Equity

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the year	5,000	10,878	18,907	(1,002)	33,783
Changes of items during period					
Dividends of surplus			(1,979)		(1,979)
Profit attributable to owners of parent			4,806		4,806
Disposal of treasury shares		(34)		68	33
Increase in retained earnings due to deconsolidation			9		9
Disposal of treasury shares by Board Benefit Trust				41	41
Net changes in items other than shareholders' equity					
Total changes during period	―	(34)	2,835	109	2,910
Balance at the end of the year	5,000	10,843	21,743	(893)	36,693

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at the beginning of the year	205	805	1,011	0	7,869	42,663
Changes of items during period						
Dividends of surplus						(1,979)
Profit attributable to owners of parent						4,806
Disposal of treasury shares						33
Increase in retained earnings due to deconsolidation						9
Disposal of treasury shares by Board Benefit Trust						41
Net changes in items other than shareholders' equity	551	537	1,089	(0)	194	1,284
Total changes during period	551	537	1,089	(0)	194	4,194
Balance at the end of the year	757	1,343	2,101	―	8,063	46,858

Fiscal Year under Review (From April 1, 2024 to March 31, 2025)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the year	5,000	10,843	21,743	(893)	36,693
Changes of items during period					
Dividends of surplus			(2,054)		(2,054)
Profit attributable to owners of parent			5,462		5,462
Disposal of treasury shares					—
Increase in retained earnings due to deconsolidation					—
Disposal of treasury shares by Board Benefit Trust					—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	3,407	—	3,407
Balance at the end of the year	5,000	10,843	25,150	(893)	40,101

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at the beginning of the year	757	1,343	2,101	—	8,063	46,858
Changes of items during period						
Dividends of surplus						(2,054)
Profit attributable to owners of parent						5,462
Disposal of treasury shares						—
Increase in retained earnings due to deconsolidation						—
Disposal of treasury shares by Board Benefit Trust						—
Net changes in items other than shareholders' equity	(271)	212	(59)	—	(2,312)	(2,372)
Total changes during period	(271)	212	(59)	—	(2,312)	1,035
Balance at the end of the year	485	1,556	2,041	—	5,750	47,894

(4) Consolidated Cash Flow Statement

(Million yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Fiscal Year under Review (From April 1, 2024 to March 31, 2025)
Cash flows from operating activities		
Income before income taxes	7,512	8,408
Depreciation	1,611	1,473
Amortization of goodwill	28	28
Loss on valuation of shares of subsidiaries and associates	19	—
Impairment loss	70	169
Loss (gain) on sale of non-current assets	(10)	57
Gain on sale of other securities	(5)	—
Loss (gain) on sale of shares of subsidiaries and associates	—	(38)
Increase (decrease) in allowance for doubtful accounts	3	16
Increase (decrease) in provision for bonuses	2	83
Increase (decrease) in provision for bonuses for directors (and other officers)	(9)	7
Increase (decrease) in provision for share awards for directors (and other officers)	30	7
Increase (decrease) in net defined benefit liability	(0)	(0)
Increase (decrease) in provision for after-sales services	7	(6)
Interest and dividend income	(394)	(291)
Interest expenses	1,215	1,541
Share of loss (profit) of entities accounted for using equity method	433	(362)
Foreign exchange losses (gains)	158	(407)
Decrease (increase) in notes and accounts receivable - trade	(512)	172
Decrease (increase) in inventories	(15,920)	(17,762)
Decrease (increase) in operational investment securities	(274)	90
Decrease (increase) in prepaid expenses	18	(788)
Increase (decrease) in notes and accounts payable - trade	4,843	(729)
Decrease (increase) in consumption taxes refund receivable	(152)	166
Increase (decrease) in accrued consumption taxes	(274)	63
Increase (decrease) in advances received	1,266	2,434
Increase (decrease) in deposits received	(248)	163
Increase (decrease) in other payables	1,914	(2,436)
Other	1,664	(2,325)
Subtotal	2,998	(10,264)
Interest and dividends received	394	272
Interest paid	(1,153)	(1,550)
Income taxes refund received	1,179	771
Income taxes paid	(3,233)	(3,352)
Net cash provided by (used in) operating activities	186	(14,122),

(Million yen)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Fiscal Year under Review (From April 1, 2024 to March 31, 2025)
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(2,569)	(893)
Proceeds from sale of property, plant and equipment and intangible assets	32	158
Purchase of investment securities	(124)	(7)
Proceeds from distribution from investment securities	398	910
Purchase of available-for-sale securities	(422)	—
Proceeds from sale of available-for-sale securities	209	—
Payments of loans receivable	(172)	(2)
Collection of loans receivable	338	153
Payments into time deposits	(140)	(220)
Proceeds from withdrawal of time deposits	91	1
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	163
Other	(49)	11
Net cash provided by (used in) investing activities	(2,407)	274
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	4,479	2,490
Proceeds from long-term loans payable	31,784	46,533
Repayments of long-term loans payable	(31,550)	(29,496)
Proceeds from issuance of bonds	250	700
Redemption of bonds	(463)	(2,836)
Proceeds from share issuance to non-controlling shareholders	26	—
Proceeds from disposal of treasury shares resulting from exercise of subscription rights to shares	33	—
Dividends paid	(1,980)	(2,053)
Repayments to non-controlling shareholders	(10)	—
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1)	(2,159)
Withdrawal of limited purpose deposit	357	—
Other	(512)	(644)
Net cash provided by (used in) financing activities	2,413	12,534
Effect of exchange rate change on cash and cash equivalents	187	51
Net increase (decrease) in cash and cash equivalents	379	(1,262)
Cash and cash equivalents at beginning of period	28,623	29,001
Decrease in cash and cash equivalents due to deconsolidation	(2)	—
Cash and cash equivalents at end of period	29,001	27,739

(5) Matters to be Noted regarding Consolidated Financial Statements

(Notes on the premise of a going concern)

Not applicable.

(Notes on changes in accounting policies)

(Application of "Accounting Standard for Current Income Taxes," etc.)

On April 1, 2024, the Company applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022, "Revised Accounting Standard 2022").

Revisions to categories in which current income taxes, etc. (taxation on other comprehensive income) should be recorded conform to the transitional treatments prescribed in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and the proviso of Paragraph 65-2 (2) of "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022, "Revised Guidance 2022"). The change in accounting policies has no impact on the consolidated financial statements.

With regard to revisions related to changes in the treatment in the consolidated financial statements when gains or losses on sales of shares of subsidiaries, etc. arising from transactions between consolidated companies are deferred for tax purposes, the Company applied the Revised Guidance 2022 effective April 1, 2024. The change in accounting policies were applied retrospectively to the consolidated financial statements for the fiscal year ended March 31, 2024. The change has no impact on the consolidated financial statements for the fiscal year ended March 31, 2024.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segments

The Group's reportable segments are components of the Group for which discrete financial information is available and whose results are regularly reviewed by the Board of Directors to make decisions about management resources to be allocated and assess their performance.

The Group's reportable segments consist of four segments: "Real Estate Development" handling newly built condominium apartments for families and singles and detached houses; "CCRC" handling condominium apartments and ancillary services targeting active seniors; "Real Estate Investment" engaging in purchase/sale and rental of income-producing properties, international businesses, etc.; and "Condominium Management and Related Services" handling mainly condominium management service and hotel businesses and sports club operations.

2. Method of calculating net sales, profit or losses, assets, liabilities and other items by reportable segment

The accounting treatments applied for reportable segments are in accordance with accounting principles and procedures adopted in preparing the consolidated financial statements.

Segment income is based on operating income.

Intersegment sales and transfers are based on market prices.

3. Information concerning net sales, income or losses, assets, liabilities and other items by reportable segment

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

(Million yen)

	Reportable Segment					Adjustment	Consolidated financial statements amount
	Real Estate Development	CCRC	Real Estate Investment	Condominium Management and Related Services	Total		
Net sales							
Sales to external customers	50,862	12,083	15,665	7,806	86,418	—	86,418
Intersegment sales or transfers	16	—	822	136	975	(975)	—
Total	50,878	12,083	16,487	7,943	87,394	(975)	86,418
Segment income	4,152	2,193	2,251	334	8,931	12	8,943
Segment assets	53,374	9,849	72,766	2,625	138,615	25,784	164,399
Other items							
Depreciation	18	3	1,452	44	1,519	92	1,611
Amortization of goodwill	14	—	2	11	28	—	28
Impairment losses	55	—	—	14	70	—	70
Investments in entities accounted for using equity method	—	—	555	—	555	—	555
Increases in property, plant and equipment and intangible assets	19	1	2,125	122	2,268	375	2,643

(Notes)
1. The adjustment for segment income consists of elimination of intersegment transactions of ¥7 million, the amounts unable to be allocated to reportable segments of ¥(0) million and income (loss) of the holding company (the filing company of the consolidated financial statements) not allocated to reportable segments of ¥5 million.
2. The segment income is adjusted with operating income in the consolidated income statement.
3. The adjustment for segment assets consists of elimination of intersegment transactions of ¥(49) million, the amounts unable to be allocated to reportable segments of ¥16,692 million and assets of the holding company (the filing company of the consolidated financial statements) not allocated to reportable segments of ¥9,141 million.
4. The adjustment for depreciation consists of the amounts unable to be allocated to reportable segments of ¥0 million and depreciation of the holding company (the filing company of the consolidated financial statements) not allocated to reportable segments of ¥91 million.
5. The adjustment for increases in property, plant and equipment and intangible assets represents an increase of ¥375 million in the holding company (the filing company of the consolidated financial statements) not allocated to reportable segments.
6. Part of property, plant and equipment was transferred to real estate for sale due to a change in holding purpose, but this change has no impact on segment income.

Fiscal Year under Review (From April 1, 2024 to March 31, 2025)

(Million yen)

	Reportable Segment					Adjustment	Consolidated financial statements amount
	Real Estate Development	CCRC	Real Estate Investment	Condominium Management and Related Services	Total		
Net sales							
Sales to external customers	53,605	3,725	26,449	8,373	92,153	—	92,153
Intersegment sales or transfers	41	1	1,009	77	1,130	(1,130)	—
Total	53,647	3,726	27,458	8,451	93,283	(1,130)	92,153
Segment income (loss)	4,849	(355)	4,404	403	9,301	(73)	9,227
Segment assets	55,518	13,392	81,897	3,254	154,062	25,795	179,858
Other items							
Depreciation	21	2	1,277	60	1,362	111	1,473
Amortization of goodwill	14	—	2	11	28	—	28
Impairment losses	—	—	169	—	169	—	169
Investments in entities accounted for using equity method	—	—	948	—	948	—	948
Increases in property, plant and equipment and intangible assets	7	1	657	136	802	142	945

(Notes)
1. The adjustment for segment income (loss) consists of elimination of intersegment transactions of ¥(100) million, the amounts unable to be allocated to reportable segments of ¥(0) million and income (loss) of the holding company (the filing company of the consolidated financial statements) not allocated to reportable segments of ¥27 million.
2. The segment income (loss) is adjusted with operating income in the consolidated income statement.
3. The adjustment for segment assets consists of elimination of intersegment transactions of ¥(101) million, the amounts unable to be allocated to reportable segments of ¥17,939 million and assets of the holding company (the filing company of the consolidated financial statements) not allocated to reportable segments of ¥7,956 million.
4. The adjustment for depreciation consists of the amounts unable to be allocated to reportable segments of ¥0 million and depreciation of the holding company (the filing company of the consolidated financial statements) not allocated to reportable segments of ¥110 million.
5. The adjustment for increases in property, plant and equipment and intangible assets represents an increase of ¥142 million in the holding company (the filing company of the consolidated financial statements) not allocated to reportable segments.
6. Part of property, plant and equipment was transferred to real estate for sale due to a change in holding purpose, but this change has no impact on segment income (loss).

[Related information]

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

1. Information by product and service

(Million yen)

	Real estate sales	Real estate rental	Condominium management	Sports club operation	Other	Total
Sales to external customers	72,576	3,426	2,123	3,709	4,582	86,418

2. Information by region

(1) Net sales

The disclosure is omitted as sales to external customers in Japan exceed 90% of net sales in the consolidated income statement.

(2) Property, plant and equipment

The disclosure is omitted as the amount of property, plant and equipment located in Japan exceeds 90% of the balance of property, plant and equipment in the consolidated balance sheets.

3. Information by major customer

The disclosure is omitted as there are no external customers that account for more than 10% of net sales in the consolidated income statement.

Fiscal Year under Review (From April 1, 2024 to March 31, 2025)

1. Information by product and service

(Million yen)

	Real estate sales	Real estate rental	Condominium management	Sports club operation	Other	Total
Sales to external customers	77,532	3,231	2,236	3,719	5,433	92,153

2. Information by region

(1) Net sales

The disclosure is omitted as sales to external customers in Japan exceed 90% of net sales in the consolidated income statement.

(2) Property, plant and equipment

The disclosure is omitted as the amount of property, plant and equipment located in Japan exceeds 90% of the balance of property, plant and equipment in the consolidated balance sheets.

3. Information by major customer

The disclosure is omitted as there are no external customers that account for more than 10% of net sales in the consolidated income statement.

［Information on impairment loss of non-current assets by reportable segment］

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

The disclosure is omitted as the same information is disclosed in segment information.

Fiscal Year under Review (From April 1, 2024 to March 31, 2025)

The disclosure is omitted as the same information is disclosed in segment information.

［Information about amortization of goodwill and year-end balance by reportable segment］

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

(Million yen)

	Reportable Segment					Corporate and elimination	Total
	Real Estate Development	CCRC	Real Estate Investment	Condominium Management and Related Services	Subtotal		
Amortization amount for the year	14	—	2	11	28	—	28
Impairment loss for the year	—	—	—	—	—	—	—
Year-end balance	53	—	8	128	191	—	191

Fiscal Year under Review (From April 1, 2024 to March 31, 2025)

(Million yen)

	Reportable Segment					Corporate and elimination	Total
	Real Estate Development	CCRC	Real Estate Investment	Condominium Management and Related Services	Subtotal		
Amortization amount for the year	14	—	2	11	28	—	28
Impairment loss for the year	—	—	—	—	—	—	—
Year-end balance	39	—	5	117	162	—	162

［Information about gain on bargain purchase by reportable segment］

Previous Fiscal Year (From April 1, 2023 to March 31, 2024)

Not applicable.

Fiscal Year under Review (From April 1, 2024 to March 31, 2025)

Not applicable.

(Per share information)

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Fiscal Year under Review (From April 1, 2024 to March 31, 2025)
Net assets per share	¥1,091.23	¥1,185.42
Earnings per share	¥135.32	¥153.65
Diluted earnings per share	¥135.28	¥—

(Notes) 1. Diluted earnings per share for the consolidated fiscal year under review is not reported as there are no dilutive shares.

2. Basis for calculation of net assets per share is as follows:

Item	End of Previous Fiscal Year (March 31, 2024)	End of Fiscal Year under Review (March 31, 2025)
Total net assets (Million yen)	46,858	47,894
Amount deducted from total net assets (Million yen)	8,063	5,750
(Of which, subscription rights to shares (Million yen))	(—)	(—)
(Of which, non-controlling interests (Million yen))	(8,063)	(5,750)
Net assets at end of year attributable to common stock (Million yen)	38,795	42,143
Number of outstanding common stock (Shares)	36,916,775	36,916,775
Number of treasury shares of common stock (Shares)	1,365,112	1,365,112
Number of common stock used to calculate net assets per share (Shares)	35,551,663	35,551,663

3. Basis for calculation of earnings per share and diluted earnings per share is as follows:

Item	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)	Fiscal Year under Review (From April 1, 2024 to March 31, 2025)
Earnings per share		
Profit attributable to owners of parent (Million yen)	4,806	5,462
Amounts not attributable to common stock shareholders (Million yen)	—	—
Profit attributable to owners of parent related to common stock (Million yen)	4,806	5,462
Average number of common stock during the year (Shares)	35,519,501	35,551,663
Diluted earnings per share		
Adjustment to profit attributable to owners of parent (Million yen)	—	—
Increase in common stock (Shares)	9,174	—
(Of which, subscription rights to shares (Shares))	(9,174)	(—)
Description of potentially dilutive shares not included in the calculation of diluted earnings per share due to their anti-dilutive effect	—	—

4. The Company's shares held by the Board Benefit Trust as trust assets under the "Board Benefit Trust" program are included in treasury shares deducted in calculating the number of average shares during the year for the calculation of earnings per share and also those deducted from the total number of outstanding shares at end of year for the calculation of net assets per share. The number of those treasury shares as of March 31, 2024 and 2025 was 498,150 shares and 498,150 shares, respectively.
   The average number of treasury shares during the year deducted for the calculation of earnings per share for the fiscal years ended March 31, 2024 and 2025 was 515,557 shares and 498,150 shares, respectively.

(Important subsequent events)

Not applicable.

4. Other Information

(1) Records of Sales

Segment Name	Previous Fiscal Year (From April 1, 2023 to March 31, 2024) Net sales (Million yen)	Fiscal Year under Review (From April 1, 2024 to March 31, 2025) Net sales (Million yen)	YoY Change (%)
(I) Real Estate Development			
(1) Real Estate Sales	49,770	52,328	105.1
(2) Other Income	1,092	1,277	117.0
Total Real Estate Development	50,862	53,605	105.4
(II) CCRC			
(1) Real Estate Sales	10,643	2,169	20.4
(2) Other Income	1,440	1,555	108.0
Total CCRC	12,083	3,725	30.8
(III) Real Estate Investment			
(1) Real Estate Sales	12,162	23,034	189.4
(2) Rental Revenue	3,133	3,036	96.9
(3) Other Income	368	378	102.6
Total Real Estate Investment	15,665	26,449	168.8
(IV) Condominium Management and Related Services			
(1) Condominium Management	2,123	2,236	105.3
(2) Sports Club Operation Revenue	3,709	3,719	100.3
(3) Other Income	1,973	2,418	122.5
Total Condominium Management and Related Services	7,806	8,373	107.3
Total	86,418	92,153	106.6

(Note) Intersegment transactions are offset and omitted.

(2) Real Estate Sales Information

	Previous Fiscal Year (From April 1, 2023 to March 31, 2024)			
	Outstanding Contracts at Beginning of Period	New Contracts Signed during Period	Number of Delivery during Period	Outstanding Contracts at End of Period
	Transaction volume	Transaction volume (YoY comparison)	Transaction volume (YoY comparison)	Transaction volume (YoY comparison)
Real Estate Development	709 Units 1 Block — Building ¥30,447 million	964 Units 1 Block — Building ¥43,639 million (87.2%)	1,118 Units 2 Blocks — Building ¥49,770 million (101.0%)	555 Units — Block — Building ¥24,316 million (79.9%)
CCRC	92 Units — Block — Building ¥4,029 million	179 Units — Block — Building ¥7,352 million (57.5%)	256 Units — Block — Building ¥10,643 million (90.3%)	15 Units — Block — Building ¥738 million (18.3%)
Real Estate Investment	— Unit — Block 1 Building ¥357 million	— Units 1 Block 17 Buildings ¥12,654 million (220.9%)	— Unit 1 Block 17 Buildings ¥12,162 million (201.5%)	— Units — Block 1 Building ¥850 million (237.7%)
Total	801 Units 1 Block 1 Building ¥34,834 million	1,143 Units 2 Blocks 17 Buildings ¥63,647 million (92.9%)	1,374 Units 3 Blocks 17 Buildings ¥72,576 million (108.2%)	570 Units — Block 1 Building ¥25,905 million (74.4%)

	Fiscal Year under Review (From April 1, 2024 to March 31, 2025)			
	Outstanding Contracts at Beginning of Period	New Contracts Signed during Period	Number of Delivery during Period	Outstanding Contracts at End of Period
	Transaction volume	Transaction volume (YoY comparison)	Transaction volume (YoY comparison)	Transaction volume (YoY comparison)
Real Estate Development	555 Units — Block — Building ¥24,316 million	1,232 Units — Block — Building ¥63,826 million (146.3%)	1,071 Units — Block — Building ¥52,328 million (105.1%)	716 Units — Block — Building ¥35,814 million (147.3%)
CCRC	15 Units — Block — Building ¥738 million	142 Units — Block — Building ¥7,388 million (100.5%)	42 Units — Block — Building ¥2,169 million (20.4%)	115 Units — Block — Building ¥5,956 million (806.6%)
Real Estate Investment	— Unit — Block 1 Building ¥ 850 million	— Unit — Block 22 Buildings ¥36,024 million (284.7%)	— Unit — Block 20 Buildings ¥23,034 million (189.4%)	— Unit — Block 3 Buildings ¥13,839 million (1,628.2%)
Total	570 Units — Block 1 Building ¥25,905 million	1,374 Units — Block 22 Buildings ¥107,238 million (168.5%)	1,113 Units — Block 20 Buildings ¥77,532 million (106.8%)	831 Units — Block 3 Buildings ¥55,611 million (214.7%)

(Note) 1. Transaction volume represents the total amount of tax-excluded selling prices of condominium apartments, detached houses, etc. The number of units and transaction volume for joint venture properties are calculated by multiplying by the investment ratio and rounding down to the nearest integer.

2. In the Real Estate Development, sale of interest in joint venture properties to joint venture partners is excluded from the number of units above.