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May 16, 2025

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(Stock code: 8919; Prime Market of Tokyo Stock Exchange)
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(Progress of Disclosed Matter)

Notice Regarding Changes to the "Financial Results Presentation For the 47th Fiscal Year Ending March 31, 2025 (FY2024) and FY2025-2027 Mid-Term Business Plan"

We hereby announce the following changes to the "Financial Results Presentation For the 47th Fiscal Year Ending March 31, 2025 (FY2024) and FY2025-2027 Mid-Term Business Plan" published on May 9, 2025.

1. Reason for Changes:

As announced in the "Notice Regarding Decision of Non-Acceptance of Appeal in the Lawsuit for Revocation of Consumption Tax Reassessment Penalty, etc." dated May 13, 2025, the lawsuit regarding the "Written Notice of Reassessment of Consumption Tax and Local Consumption Tax and Written Notice of Assessment and Determination Regarding Additional Tax" received from the Kanto Shinetsu Regional Taxation Bureau on April 28, 2020, has been finalized with an unfavorable ruling.

Accordingly, we have updated the content of the "Financial Results Presentation For the 47th Fiscal Year Ending March 31, 2025 (FY2024) and FY2025-2027 Mid-Term Business Plan" published on May 9, 2025, to reflect the outcome.

As announced on May 13, 2025, the Company has not revised its earnings forecast for the fiscal year ending March 31, 2026, which was initially disclosed on May 9, 2025. The finalized unfavorable ruling is expected to have no impact on operating profit or any subsequent levels of profit.

2. Details of Changes:

Page Numbers in Previous Materials	Content of Changes
5	Updated the progress of the lawsuit and added accounting treatment after the unfavorable ruling was finalized
22	Deleted the description regarding the calculation method of dividends in case of favorable ruling
62	Deleted the entire page
63	Updated the progress of the lawsuit and deleted the description regarding accounting treatment in case of favorable ruling

English Version

KATITAS Co., Ltd.

Financial Results Presentation

For the 47th Fiscal Year Ending March 31, 2025 (FY2024)

May 9, 2025

Before



After



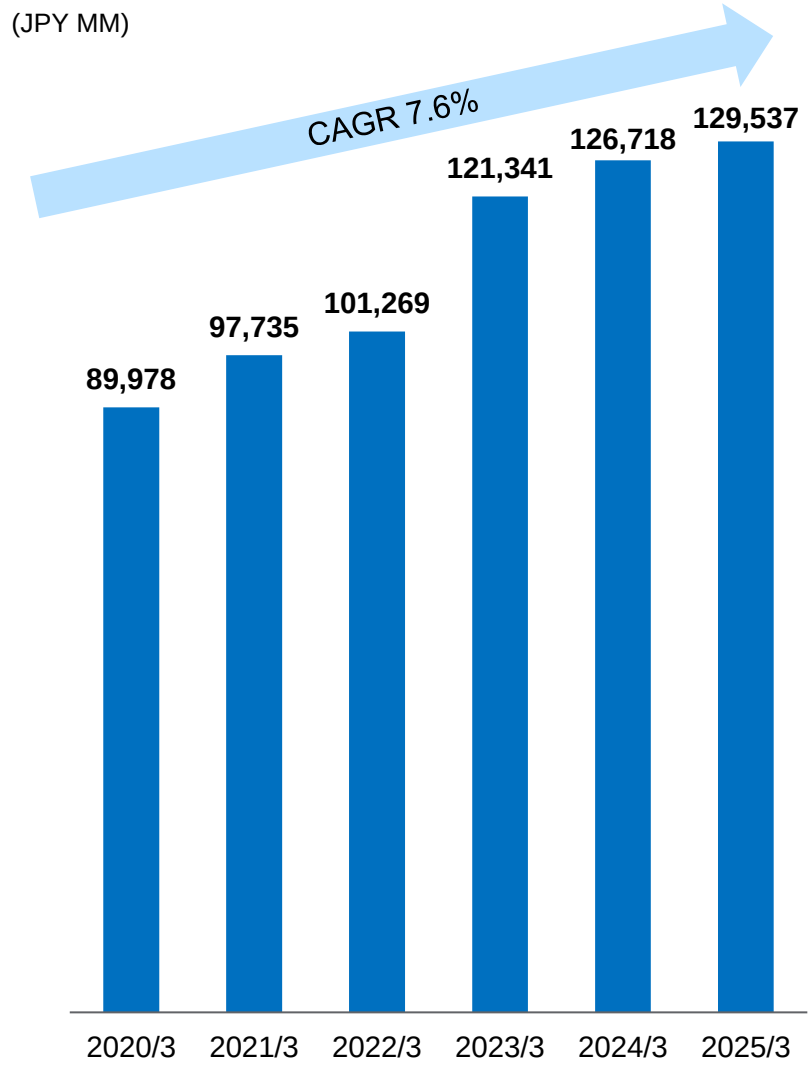
(Securities Code: 8919, Prime Market of TSE)

Presentation Highlights

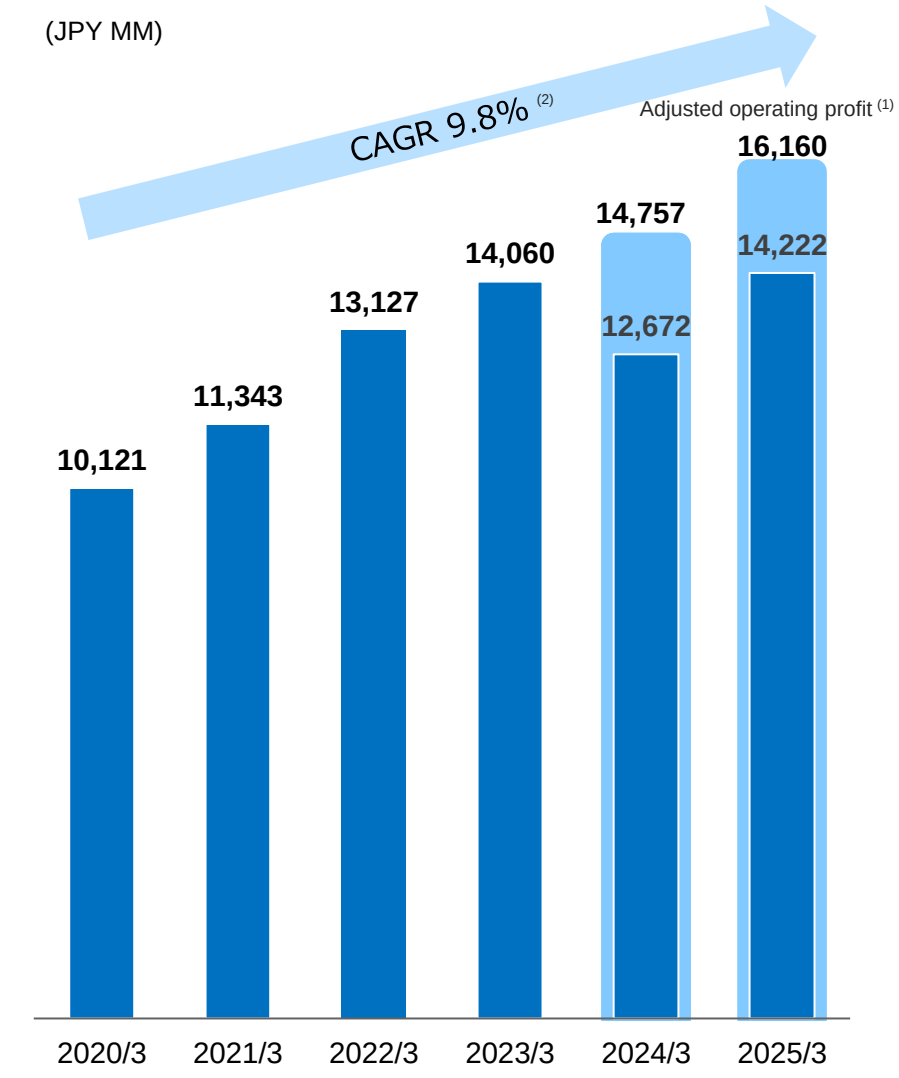
1.	Overview of Financial Results for the FY2024 (Ending March 31, 2025)	P3-P10
2.	Fourth Mid-Term Business Plan and Management Plan for FY2025 (Ending March 31, 2026)	P12-P26
3.	Overview of Business Model	P28-P48
4.	APPENDIX	P50-P64

1. Sales and Operating Profit Trend

Historical Net Sales (FY-base)



Historical Operating Profit (FY-base)



(1) When calculating the CAGR for operating profit, impact from FY2023 and FY2024 was measured using adjusted operating profit.
(2) For details on adjusted items, please see the Adjustment Item List on slide 9.

1. Highlights of Financial Results for the FY2024 (April 2024 - March 2025)

- Operating profit, our most important management indicator, exceeded full-year projections by 1.6%. We exceeded our initial plan after paying ¥350 million in special performance-linked bonuses as part of our investment in human capital for future growth
- Operating profit rose 12.2% YoY to a record high, mainly driven by improved gross profit margin
- Operating profit at KATITAS (parent) rose 9.8% YoY and operating profit at REPRICE increased 25.2% YoY
- We evaluate that FY2024 was a fiscal year in which we demonstrated stable growth and high profitability by overcoming the impact of the real estate and housing market conditions through a variety of measures aimed at improving gross profit
- Inventory shortages were an issue at the beginning of FY2024. We thoroughly managed the purchase KPI and increased the number of properties purchased by 18.8% YoY. Inventory shortages had been resolved as of the end of FY2024

(JPY MM)	FY2023	FY2024		FY2024(Plan)	
	Result	Result	YoY(%)	Plan	vs Plan(%)
Net sales	**126,718**	**129,537**	**+2.2%**	**134,500**	**-3.7%**
Number of properties sold	7,169	7,372	+2.8%	7,660	-3.8%
Number of properties purchased	7,008	8,323	+18.8%	-	-
Gross profit	27,814	30,702	+10.4%	30,200	+1.7%
Gross profit margin (%)	21.9%	23.7%	+1.8pt	22.5%	+1.2pt
SG&A expenses	15,141	16,479	+8.8%	16,200	+1.7%
Operating profit	**12,672**	**14,222**	**+12.2%**	**14,000**	**+1.6%**
Operating profit margin (%)	10.0%	11.0%	+1.0pt	10.4%	+0.6pt
(Ref) Adjusted operating profit	14,757	16,160	+9.5%	16,200	△0.2%
(Ref) Adjusted operating profit margin (%)	11.6%	12.5%	+0.8pt	12.0%	+0.4pt
Ordinary profit	12,321	13,876	+12.6%	13,700	+1.3%
Net income	8,497	9,550	+12.4%	9,400	+1.6%

(1) For details on adjusted items, please see the Adjustment Item List on slide 9

1. Highlights of Financial Results for 4Q FY2024 (January 2025 - March 2025)

	(JPY MM)	FY2023 4Q	FY2024 4Q	YoY
Sales	**Net sales**	**33,048**	**32,897**	**-0.5%**
	Number of properties sold	1,896	1,846	-2.6%
	Gross profit margin (%)	22.3%	24.7%	+2.4pt
Profit	SG&A expenses	4,062	4,769	+17.4%
	Operating profit	**3,309**	**3,355**	**+1.4%**
	Operating profit margin (%)	10.0%	10.2%	+0.2pt
Key indicators	Inventory real estates	52,252	61,535	+17.8%
	ROA (LTM) (1)	**17.6%**	**17.7%**	**+0.1pt**

■ **In 4Q, we focused on preparing properties for market rather than purchasing and sales activities. Number of deliveries fell YoY**

- KATITAS: Contracts were solid, reaching a quarterly record high. However, number of properties sold was slightly subdued as the increase in purchases during 2Q and 3Q led to a higher number of unfinished inventory that could not be delivered
- REPRICE: The number of units sold fell slightly due to a focus on preparing properties for market, while contracts reached a quarterly record high level. Efforts to offer low-priced products and sales channel strategies continued to contribute to results

■ **Gross profit margin improved YoY and QoQ**

- KATITAS: Despite a tendency for gross profit margin to decline due to seasonality, gross profit margin came in above 28%, continuing to exceed the record high level achieved during the COVID-19 pandemic
- REPRICE: Gross profit margin continued to improve by more than 1pt since 1Q, exceeding 17%. Efforts to offer low-priced products and cost reduction measures contributed to the improvement

■ **Secured operating profit growth after paying special performance-linked bonuses**

- Paid ¥350 million in special performance-linked bonuses as part of growth investment (¥190 million in FY2023)
- The increase in SG&A expenses was attributable to higher personnel expenses from increased bonuses and incentives, recruitment expenses for hiring expansion, and advertising expenses as part of investments for the next fiscal year
- On May 12, 2025, we received a notice of dismissal from the Supreme Court regarding the appeal in the consumption tax-related lawsuit. The difference in consumption taxes, etc. has been recorded under SG&A expenses from FY2023, and from FY2025 onward, the same amount will be recorded under net sales and gross profit. Operating profit and all subsequent profit categories will remain unaffected (for details, please see p. 62.)

■ **Number of properties purchased continued to grow. Secured sufficient inventory for double-digit growth going forward**

- Number of properties purchased in 4Q: 1,958 properties. This represents a 22.8% increase from 4Q FY2023, when we curtailed purchases.
  We will keep focusing on preparing properties for market while continuing to purchase high-quality inventory
- Purchase price: Purchase volume is increasing, while the prices remain flat

(1) ROA (LTM) = Total operating profit (LTM) / average of total assets at end-March of previous FY and end-March of current FY

(2) Number of inquiries (responses): The number of inquiries to property ads posted by KATITAS (parent) on its own website or other real estate portal sites. Includes telephone inquiries, e-mails, and requests for information to stores and call centers. The lead time between the receipt of an inquiry to delivery (sales booking) is about two to three months.

1. Progress of Measures to Improve Gross Profit

Objective		Measure	Executing organization	Progress
Increase in operating profit	Sales staff expansion	New graduate recruitment	KATITAS	• Recruited 129 new graduates for April 2025; planning to recruit 150 new graduates for April 2026
			REPRICE	• Recruited 28 new graduates for April 2025; planning to recruit 35 new graduates for April 2026
	Productivity growth	Brokerage of properties between KATITAS Group companies	KATITAS & REPRICE	• Policy under which KATITAS sales staff broker properties marketed by REPRICE • Group brokerage ratio (percentage of REPRICE sales unit brokered by KATITAS) for 4Q was approximately 17% (by number of properties sold), up from 12% in 3Q
		Sale of low-priced products	KATITAS	• Generated about 20% of 4Q sales (by number of properties sold)
			REPRICE	• Generated about 20% of 4Q sales (by number of properties sold)
		Reassessment of promotional activities	KATITAS	• TV commercials began airing in the Nagoya area
			REPRICE	• In addition to strengthening on-site sales promotions, furnished a total of about 300 properties with Nitori furniture
	Increase in operating profit per property sold	Price increases on properties held in inventory	KATITAS	• Raised prices by ¥500,000 across the board in April 2025 • Raised prices intermittently in April and October 2024, which helped improve gross profit margin
		Revision of incentive system	REPRICE	• Introduced an incentive system in April 2024. The system enhanced profit-consciousness of the sales staff • Aiming to further enhance profit awareness by reinforcing profit-linked incentives from April 2025
		Review of management accounting	KATITAS	• No revisions after July 2023 • Average projected gross profit per property at time of purchase has remained high since October 2023
		Reduction of renovation costs	KATITAS	• Curbed renovation costs by obtaining quotes from multiple service/material providers
			REPRICE	• Curbed costs by separate ordering and reassessing supplies provided by REPRICE to contractors, among other items

1. Financial Highlights

くらしに価値タス カチタス
(Prime Market 8919)

(JPY MM)	FY2023					FY2024					YoY			
	1Q	2Q	3Q	4Q	Full-year	1Q	2Q	3Q	4Q	Full-year	vs Q	vs Q (%)	vs YTD	YTD(%)
Net sales	31,613	30,441	31,614	33,048	126,718	31,195	32,814	32,629	32,897	129,537	-151	-0.5%	+2,819	+2.2%
Number of properties sold	1,789	1,696	1,788	1,896	7,169	1,786	1,890	1,850	1,846	7,372	-50	-2.6%	+203	+2.8%
Number of properties purchased	1,699	1,831	1,883	1,595	7,008	1,777	2,152	2,436	1,958	8,323	+363	+22.8%	+1,315	+18.8%
Gross profit	6,690	6,645	7,107	7,371	27,814	6,975	7,670	7,931	8,124	30,702	+753	+10.2%	+2,888	+10.4%
Gross profit Margin (%)	21.2%	21.8%	22.5%	22.3%	21.9%	22.4%	23.4%	24.3%	24.7%	23.7%	+2.4pt		+1.8pt	
SG&A expenses	3,829	3,655	3,594	4,062	15,141	3,868	3,956	3,885	4,769	16,479	+707	+17.4%	+1,338	+8.8%
Operating profit	2,860	2,989	3,512	3,309	12,672	3,107	3,713	4,046	3,355	14,222	+45	+1.4%	+1,550	+12.2%
Operating profit Margin (%)	9.0%	9.8%	11.1%	10.0%	10.0%	10.0%	11.3%	12.4%	10.2%	11.0%	+0.2pt		+1.0pt	
Ordinary profit	2,798	2,931	3,378	3,214	12,321	3,014	3,641	3,960	3,259	13,876	+45	+1.4%	+1,554	+12.6%
Ordinary profit margin (%)	8.9%	9.6%	10.7%	9.7%	9.7%	9.7%	11.1%	12.1%	9.9%	10.7%	+0.2pt		+1.0pt	
Net income	2,120	1,870	2,313	2,191	8,497	2,049	2,486	2,674	2,341	9,550	+149	+6.8%	+1,053	+12.4%
Net income margin (%)	6.7%	6.1%	7.3%	6.6%	6.7%	6.6%	7.6%	8.2%	7.1%	7.4%	+0.5pt		+0.7pt	
EPS (JPY)	27.29	24.06	29.75	28.13	109.23	26.27	31.81	34.21	29.93	122.22	+1.8	+6.4%	+12.99	+11.9%
													vs 24/3	vs 24/3(%)
Cash and deposits	9,680	9,857	13,095	22,027		21,375	22,289	16,646	18,766				-3,260	-14.8%
Real estate for sale	36,203	37,225	39,168	37,454		35,409	34,214	36,893	39,141				+1,686	+4.5%
Real estate for sale in process	17,948	18,301	17,067	14,798		15,734	18,863	22,108	22,394				+7,596	+51.3%
Inventory real estates	54,151	55,527	56,235	52,252		51,144	53,078	59,001	61,535				+9,282	+17.8%
Inventory turnover ratio (LTM)	1.91	1.85	1.78	1.86		1.87	1.83	1.73	1.74				-0.12	
Total assets	66,950	68,599	72,299	77,366		75,212	78,439	78,220	83,329				+5,962	+7.7%
ROA (LTM) (%)	20.8%	18.8%	18.3%	17.6%		18.2%	18.6%	18.8%	17.7%				+0.1pt	
Interest-bearing liabilities	23,000	21,000	26,500	26,500		26,500	26,500	26,500	26,500				–	–
Shareholders' equity	35,833	37,789	38,003	40,289		40,315	42,891	43,378	45,719				+5,429	+13.5%
Equity-to-asset ratio (%)	53.5%	55.1%	52.6%	52.1%		53.6%	54.7%	55.5%	54.9%				+2.8pt	
ROE (LTM) (%)	17.0%	13.8%	13.9%	22.4%		22.1%	22.4%	23.1%	22.2%				-0.2pt	
		1H		2H	Full-year		1H		2H	Full-year	vs 1H	vs 2H	FY	
Decrease in Inventory real estates		-1,388		+3,279	+1,891		-822		-8,462	-9,284	+565	-11,741	-11,176	
Cash flows from operating activities		+630		+8,872	+9,502		+2,363		-1,200	+1,162	+1,732	-10,073	-8,340	
Cash flows from investing activities		-58		-133	-192		-19		-132	-152	+38	+1	+40	
Cash flows from financing activities		+557		+3,431	+3,989		-2,081		-2,189	-4,270	-2,638	-5,621	-8,260	
Net increase (decrease) in cash and cash equivalents		+1,129		+12,170	+13,299		+261		-3,522	-3,260	-867	-15,693	-16,560	

(1) ROA (LTM) = Total operating profit (LTM) / average of total assets at end-March of previous FY and end-March of current FY
(2) ROE (LTM) = Total profit attributable to owners of parent (LTM) / average of balances of shareholders' equity at end-March of previous FY and end-March of current FY

1. (Reference) Financial Highlights Based on Adjusted Profits

(JPY MM)	FY2023					FY2024					YoY			
	1Q	2Q	3Q	4Q	Full-year	1Q	2Q	3Q	4Q	Full-year	vs Q	vs Q (%)	vs YTD	YTD(%)
Net sales	31,613	30,441	31,614	33,048	126,718	31,195	32,814	32,629	32,897	129,537	-151	-0.5%	+2,819	+2.2%
Number of properties sold	1,789	1,696	1,788	1,896	7,169	1,786	1,890	1,850	1,846	7,372	-50	-2.6%	+203	+2.8%
Number of properties purchased	1,699	1,831	1,883	1,595	7,008	1,777	2,152	2,436	1,958	8,323	+363	+22.8%	+1,315	+18.8%
Gross profit	6,690	6,645	7,107	7,371	27,814	6,975	7,670	7,931	8,124	30,702	+753	+10.2%	+2,888	+10.4%
Gross profit Margin (%)	21.2%	21.8%	22.5%	22.3%	21.9%	22.4%	23.4%	24.3%	24.7%	23.7%	+2.4pt		+1.8pt	
Adjusted SG&A expenses	3,286	3,154	3,071	3,543	13,056	3,378	3,433	3,408	4,321	14,542	+777	+21.9%	+1,485	+11.4%
Adjusted operating profit	3,403	3,490	4,035	3,828	14,757	3,597	4,236	4,522	3,803	16,160	-24	-0.6%	+1,402	+9.5%
Adjusted operating profit margin (%)	10.8%	11.5%	12.8%	11.6%	11.6%	11.5%	12.9%	13.9%	11.6%	12.5%	-0.0pt		+0.8pt	
Adjusted ordinary profit	3,340	3,432	3,900	3,733	14,406	3,503	4,164	4,436	3,708	15,814	-24	-0.7%	+1,407	+9.8%
Adjusted ordinary profit margin (%)	10.6%	11.3%	12.3%	11.3%	11.4%	11.2%	12.7%	13.6%	11.3%	12.2%	-0.0pt		+0.8pt	
Adjusted net income	2,315	2,331	2,674	2,550	9,872	2,387	2,847	3,003	2,651	10,889	+100	+3.9%	+1,017	+10.3%
Adjusted net income margin (%)	7.3%	7.7%	8.5%	7.7%	7.8%	7.7%	8.7%	9.2%	8.1%	8.4%	+0.3pt		+0.6pt	
Adjusted EPS（JPY）	29.79	29.99	34.39	32.73	126.90	30.61	36.43	38.41	33.90	139.35	+1.17	+3.6%	+12.45	+9.8%
Adjusted ROA (LTM)(%)	21.7%	20.4%	20.6%	20.5%		21.0%	21.4%	21.5%	20.1%		-0.4pt			
Adjusted ROE (LTM)(%)	27.2%	24.6%	25.6%	26.0%		26.1%	25.9%	26.5%	25.3%		-0.7pt			

(1) For details on adjusted items, please see the Adjustment Item List on slide 9.

1. Adjustment Item List

			FY2023					FY2024					FY2024 Plan		
			1Q	2Q	3Q	4Q	Full-year	1Q	2Q	3Q	4Q	Full-year	1H	2H	Full-year
SG&A expenses			3,829	3,655	3,594	4,062	15,141	3,868	3,956	3,885	4,769	16,479	8,000	8,200	16,200
Adjustments	Difference in consumption taxes, etc. (SG&A expenses)	①	-542	-500	-522	-518	-2,085	-489	-522	-476	-448	-1,937	-1,100	-1,100	-2,200
Adjusted SG&A expenses			3,286	3,154	3,071	3,543	13,056	3,378	3,433	3,408	4,321	14,542	6,900	7,100	14,000
Operating profit			2,860	2,989	3,512	3,309	12,672	3,107	3,713	4,046	3,355	14,222	6,400	7,600	14,000
Adjustments	Difference in consumption taxes, etc. (SG&A expenses)	①	+542	+500	+522	+518	+2,085	+489	+522	+476	+448	+1,937	+1,100	+1,100	+2,200
Adjusted operating profit			3,403	3,490	4,035	3,828	14,757	3,597	4,236	4,522	3,803	16,160	7,500	8,700	16,200
Ordinary profit			2,798	2,931	3,378	3,214	12,321	3,014	3,641	3,960	3,259	13,876	6,300	7,400	13,700
Adjustments	Difference in consumption taxes, etc. (SG&A expenses)	①	+542	+500	+522	+518	+2,085	+489	+522	+476	+448	+1,937	+1,100	+1,100	+2,200
Adjusted ordinary profit			3,340	3,432	3,900	3,733	14,406	3,503	4,164	4,436	3,708	15,814	7,400	8,500	15,900
Profit before income taxes			2,973	2,768	3,370	3,193	12,305	3,014	3,635	3,960	3,259	13,870	6,300	7,400	13,700
Adjustments	Difference in consumption taxes, etc. (SG&A expenses)	①	+542	+500	+522	+518	+2,085	+489	+522	+476	+448	+1,937	+1,100	+1,100	+2,200
	Difference in consumption taxes, etc. (extraordinary loss)	②	-180	+160	–	–	-19	–	–	–	–	–	–	–	–
	Other (extraordinary loss)	③	–	–	–	–	–	–	–	–	–	–	–	–	–
	Adjustment on profit before income taxes, subtotal	①+②+③	+362	+661	+522	+518	+2,065	+489	+522	+476	+448	+1,937	+1,100	+1,100	+2,200
Adjusted profit before income taxes			3,335	3,430	3,892	3,712	14,371	3,503	4,158	4,436	3,708	15,807	7,400	8,500	15,900
Total income taxes			852	897	1,056	1,001	3,808	964	1,149	1,286	918	4,319	2,000	2,300	4,300
Adjustments	Income taxes – current	④	–	–	–	–	–	–	–	–	–	–	–	–	–
	Refund of income taxes	⑤	–	+52	–	–	+52	–	–	–	–	–	–	–	–
	Tax adjustments in adjustment items	⑥	+167	+148	+161	+160	+638	+151	+161	+147	+138	+598	+400	+300	+700
	Adjustment on total income taxes, subtotal	④+⑤+⑥	+167	+201	+161	+160	+690	+151	+161	+147	+138	+598	+400	+300	+700
Adjusted total income taxes			1,020	1,098	1,218	1,161	4,498	1,116	1,310	1,433	1,057	4,918	2,400	2,600	5,000
Profit attributable to owners of parent			2,120	1,870	2,313	2,191	8,497	2,049	2,486	2,674	2,341	9,550	4,300	5,100	9,400
Adjustments	Difference in consumption taxes, etc. (SG&A expenses)	①	+542	+500	+522	+518	+2,085	+489	+522	+476	+448	+1,937	+1,100	+1,100	+2,200
	Difference in consumption taxes, etc. (extraordinary loss)	②	-180	+160	–	–	-19	–	–	–	–	–	–	–	–
	Other (extraordinary expenses)	③	–	–	–	–	–	–	–	–	–	–	–	–	–
	Adjustment on total income taxes	④+⑤+⑥	-167	-201	-161	-160	-690	-151	-161	-147	-138	-598	-400	-300	-700
	Adjustment on profit attributable to owners of parent, subtotal	①～⑥ total	+194	+460	+360	+358	+1,374	+338	+361	+328	+309	+1,338	+700	+800	+1,500
Adjusted profit attributable to owners of parent			2,315	2,331	2,674	2,550	9,872	2,387	2,847	3,003	2,651	10,889	5,000	5,900	10,900

1. Highlights of Financial Results for Group Companies

KATITAS (parent)	FY2023	FY2024		
		Result	YoY	YoY(%)
Net sales	89,149	89,709	+559	+0.6%
Number of properties sold	5,535	5,597	+62	+1.1%
Number of properties purchased	5,378	6,364	+986	+18.3%
Gross profit	22,504	24,755	+2,250	+10.0%
Gross profit Margin (%)	25.2%	27.6%	+2.4pt	
SG&A expenses	11,849	13,053	+1,203	+10.2%
Operating profit	10,654	11,701	+1,047	+9.8%
Operating profit Margin (%)	12.0%	13.0%	+1.1pt	
(Ref) Adjusted operating profit	12,337	13,248	+910	+7.4%
(Ref) Adjusted operating profit margin (%)	13.8%	14.8%	+0.9pt	
Ordinary profit	10,426	11,458	+1,031	+9.9%
Ordinary profit margin (%)	11.7%	12.8%	+1.1pt	
Net income	7,247	7,965	+717	+9.9%
Net income margin (%)	8.1%	8.9%	+0.7pt	
(Ref) Adjusted net income	8,346	9,032	+685	+8.2%
(Ref) Adjusted net income margin(%)	9.4%	10.1%	+0.7pt	
Number of sales staff (including part-time employees)	622	657	+35	+5.6%
Sales productivity per employee (number of properties)	17.9	18.8	+0.9	+5.0%
Total number of employees (including part-time employees)	737	778	+41	+5.6%
Total employee turnover rate (%)	10.1%	11.0%	+0.9pt	
Total productivity per employee (number of properties)	15.1	15.8	+0.7	+4.6%

REPRICE	FY2023	FY2024		
		Result	YoY	YoY(%)
Net sales	37,639	39,945	+2,306	+6.1%
Number of properties sold	1,634	1,775	+141	+8.6%
Number of properties purchased	1,630	1,959	+329	+20.2%
Gross profit	5,380	6,064	+684	+12.7%
Gross profit Margin (%)	14.3%	15.2%	+0.9pt	
SG&A expenses	3,378	3,560	+181	+5.4%
Operating profit	2,001	2,504	+503	+25.2%
Operating profit Margin (%)	5.3%	6.3%	+1.0pt	
(Ref) Adjusted operating profit	2,402	2,895	+492	+20.5%
(Ref) Adjusted operating profit margin (%)	6.4%	7.2%	+0.9pt	
Ordinary profit	1,895	2,418	+523	+27.6%
Ordinary profit margin (%)	5.0%	6.1%	+1.0pt	
Net income	1,249	1,585	+335	+26.9%
Net income margin (%)	3.3%	4.0%	+0.6pt	
(Ref) Adjusted net income	1,525	1,857	+331	+21.7%
(Ref) Adjusted net income margin(%)	4.1%	4.6%	+0.6pt	
Number of sales staff (including part-time employees)	99	113	+14	+14.1%
Sales productivity per employee (number of properties)	32.2	35.2	+3.0	+9.3%
Total number of employees (including part-time employees)	191	207	+16	+8.4%
Total employee turnover rate (%)	14.1%	7.9%	-6.1pt	
Total productivity per employee (number of properties)	17.2	18.7	+1.5	+8.7%

(1) Non-consolidated figures before consolidation eliminations
(2) For details on adjusted items, please see the Adjustment Item List on slide 9.

Presentation Highlights

1.	Overview of Financial Results for the FY2024 (Ending March 31, 2025)	P3-P10
2.	Fourth Mid-Term Business Plan and Management Plan for FY2025 (Ending March 31, 2026)	P12-P26
3.	Overview of Business Model	P28-P48
4.	APPENDIX	P50-P64

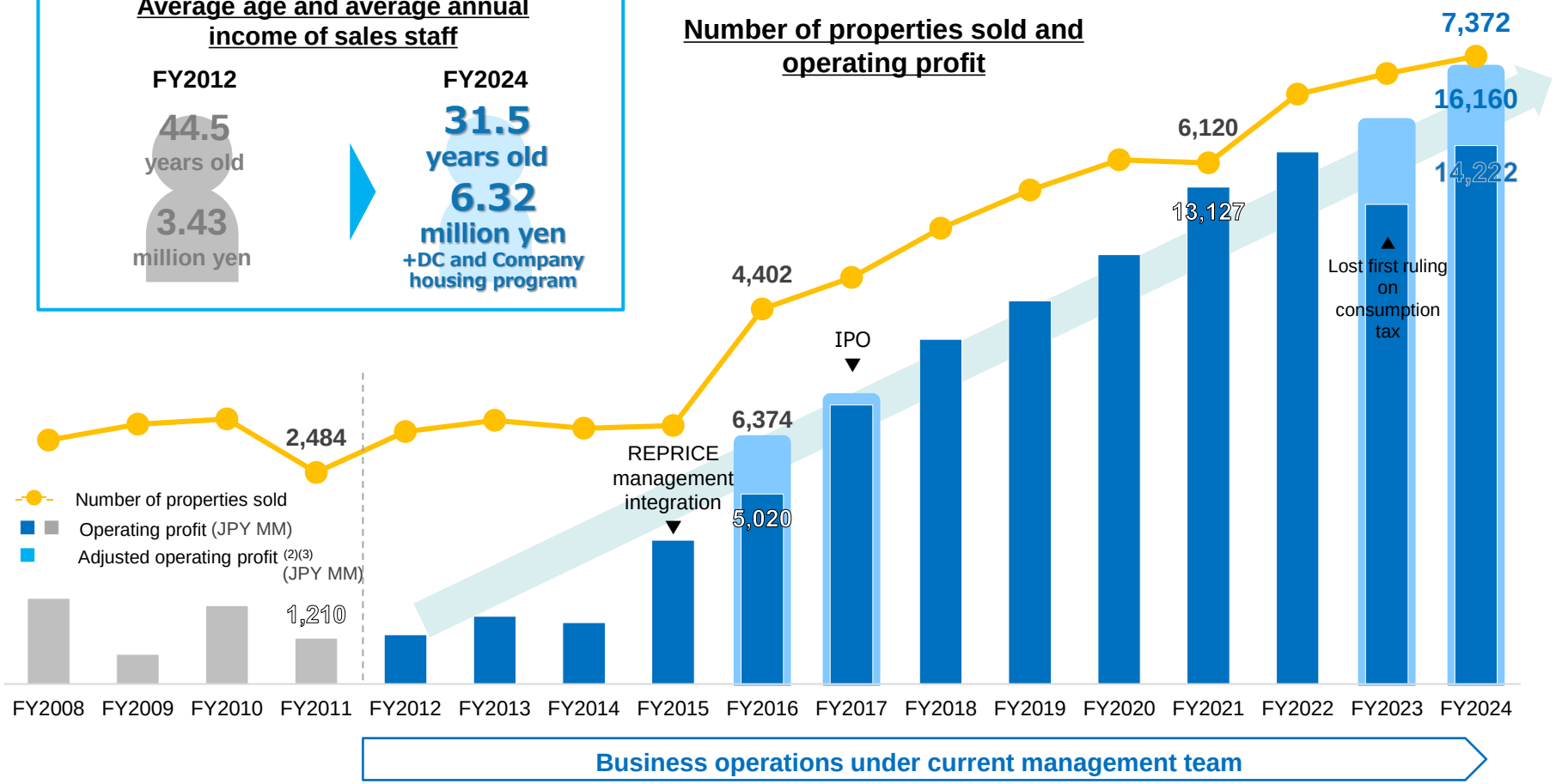
2. Continuing Steady Business Growth Since Launch of Current Management Team

- Current management team established in FY2012. Achieved continuous growth while improving profitability
- Number of properties sold rose approx. 3x and operating profit rose approx. 12x (adjusted operating profit approx. 13x) compared to FY2011
- Substantially improved employee treatment, with average age of sales staff becoming 13 years younger and average annual income increasing by 84% compared to FY2012

Average age and average annual income of sales staff (1)

	FY2012	FY2024
Average age	44.5 years old	31.5 years old
Average annual income	3.43 million yen	6.32 million yen +DC and Company housing program

Number of properties sold and operating profit



Business operations under current management team

(1) At KATITAS parent for second-year employees onward. Employees on leave are excluded.
(2) Conducted fair value assessment of inventory at the time of the REPRICE integration. Adjusted operating profit reflects operating profit assuming no such assessment had been made (FY2016–2017)
(3) Adjusted operating profit reflects the difference in consumption tax resulting from the loss of the consumption tax-related litigation (FY2023–2024)

2. Long-Term Vision and Positioning of Fourth Mid-Term Business Plan

- Our long-term vision is to become the company that enriches people's lives the most in Japan
- We achieved tangible results in our third mid-term business plan, which ended in FY2024, establishing a foundation for growth by improving the quantity and quality of human resources, etc.
- In the fourth mid-term business plan, we aim to achieve an operating profit CAGR of 12% and reach our mid-term target of 10,000 houses sold per year set in 2012

Achievement of mid-term targets under current management team

Mid-term targets set upon launch of current management team in 2012

- Annual number of houses sold: 10,000
- Net sales: 100 billion yen * Achieved in FY2021
- Operating profit: 10 billion yen * Achieved in FY2019

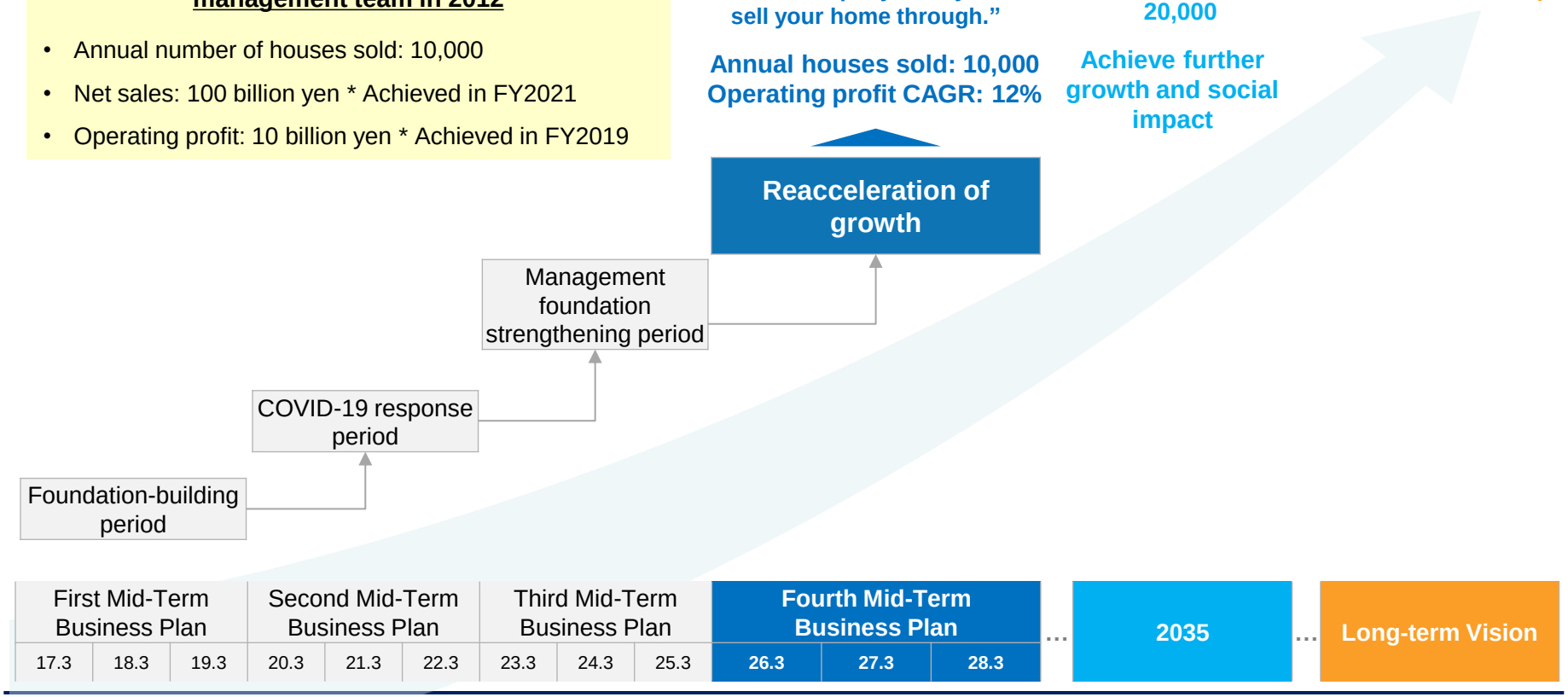
Realized the vision of "The company to buy or sell your home through."

Annual houses sold: 10,000
Operating profit CAGR: 12%

Annual houses sold: 20,000

Achieve further growth and social impact

Become the company that enriches people's lives the most in Japan



2. Review of Third Mid-Term Business Plan (Financial KGI)

- Adjusted operating profit, our most important KGI, fell below 10% growth in FY2022 and FY2023 owing to a deterioration in the external environment. However, we achieved 10% growth in FY2024. This was the result of investments in management resources, including human resources, and we believe we are now in a position to expect further growth going forward
- At KATITAS (parent), we achieved stable growth, achieving our target three-year adjusted operating profit CAGR of 10%. REPRICE fell short of adjusted operating profit growth target, but operating profit grew 25% in FY2024

Third Mid-Term Plan: Financial KGI		Financial KGI Results	Review
Net sales	**134 billion yen** CAGR:**10%**	**129.5 billion yen** CAGR:**8.6%**	• Results fell slightly short of target due to inventory shortages at the start of FY2024 and the strategic use of low-priced products, which lowered the average selling price. **Inventory shortages were resolved by the end of FY2024** • **Low-priced products capture the demand for low-priced housing** and we continue to pursue them as we believe **it is an effective measure with high gross profit margin and high turnover** • Faced challenges increasing sales staff at REPRICE during the third mid-term plan period. Retention improved in FY2024 and new graduate hiring increased to 30 employees after April 2025
Adjusted operating profit	**17.5 billion yen** CAGR:**10%**	**16.1 billion yen** CAGR:**7.2%**	• **KATITAS: Achieved target with a three-year 10% CAGR** through initiatives such as low-priced products, price increases, and a revision of incentive system • **REPRICE:** We were unable to flexibly respond to changes in the detached housing market following the COVID-19 pandemic. Per-unit gross profit came short of target. **Results improved from 2H FY2024** through measures including the introduction of low-priced products, incentive system, and cost control for renovations
Adjusted ROA	**20%**	**20.1%**	• Indicator for achieving business growth while maintaining inventory turnover • Focused on core areas of regional/detached houses/vacant houses, and maintained high profit margins and inventory turnover rates
Dividend payout ratio	**40%** or more on an adjusted net income basis	**40.2%**	• Operating profit fell owing to the consumption tax-related litigation, which was not included in our initial mid-term plan. We calculated dividend payments based on “adjusted net income” excluding this impact and proceeded with dividend payments

(1) For details on adjusted items, please see the Adjustment Item List on slide 9.
(2) ROA = operating profit / average of total assets as of the beginning and end of period

* MTBPs announced externally after adopting the current structure are set as starting points.
1st: FY2016–2018; 2nd: FY2019–2021; 3rd: FY2022–2024

2. Review of Third Mid-Term Business Plan (Priority Measures)

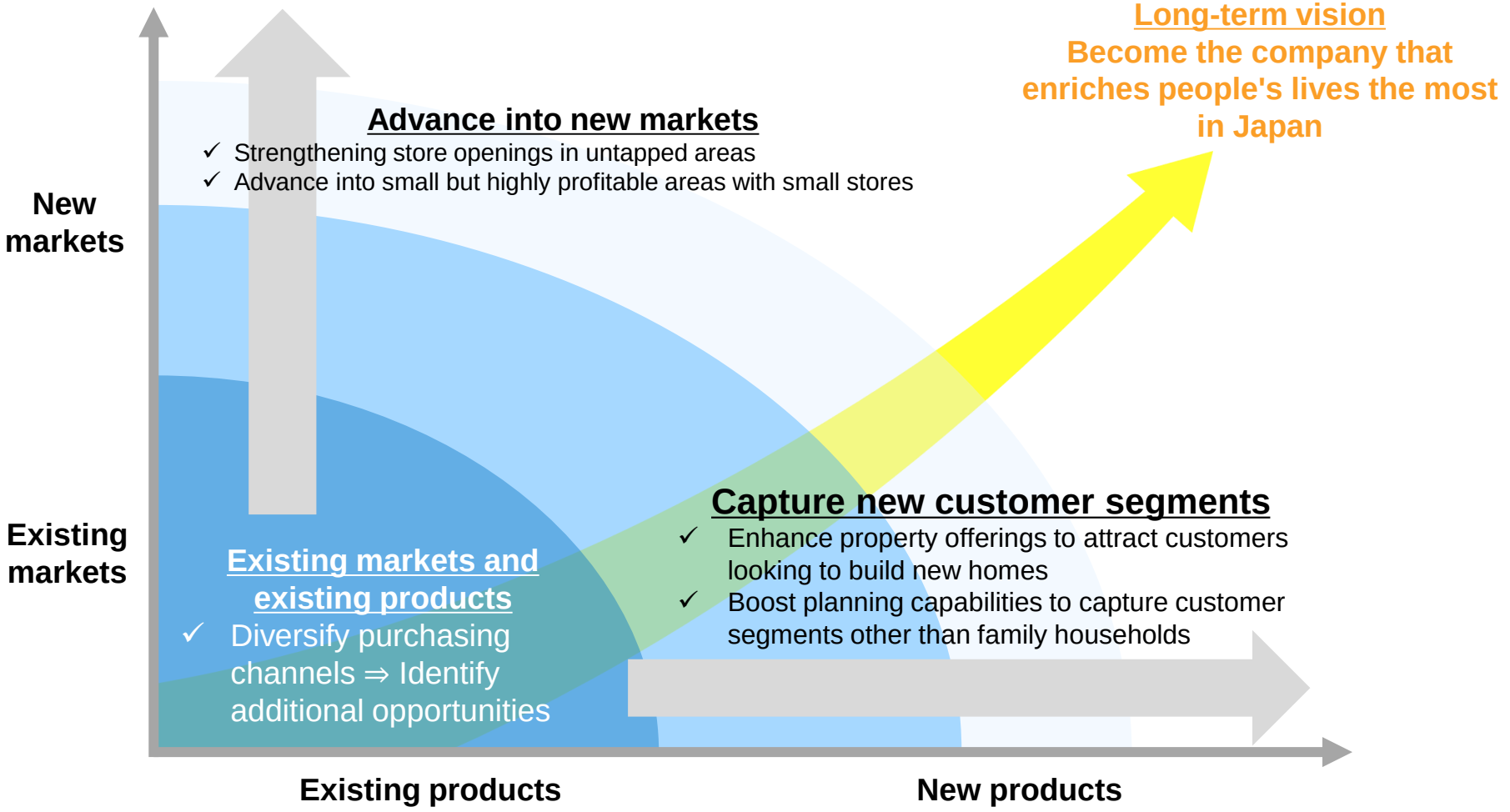
- The number of sales staff, a key driver of growth, increased as planned. The number and quality of store managers also improved. In addition, training capacity was expanded, establishing a stronger foundation for future growth
- Progress on various priority initiatives was generally positive. At Katitas, profitability per sales staff improved, raising expectations for future gains through headcount expansion

Third Mid-Term Plan: Priority Measures	Results and Review
Sales staff • Strengthen hiring efforts focused on new graduates and improve employee retention by enhancing various systems • Continue development and output of personnel at the store manager level and above	• CAGR of the number of sales staff: **KATITAS (parent) 5.7%, REPRICE 2.8%** • At Katitas, **the ratio of store managers who joined as new graduates exceeded 60%**, surpassing the initial target of 50% set at the start of new graduate hiring. This has become a driving force behind strategic initiatives • Engagement survey results, which serve as a leading KPI for employee turnover, remained at a favorable level. Received the Best Motivation Company Award 2025 (1)
Productivity • Optimize overall operations through BPR • Improve productivity through consideration of system implementation	• Sales productivity (2) CAGR: **KATITAS (parent) 1.1% (gross profit per sales staff CAGR 3.7%), REPRICE 6.3%** • Introduced marketing automation tools at KATITAS, improving the thoroughness of follow-up with prospective customers who have inquired. Recruited managerial talent from outside the Company and established a new digital transformation team. Prepared the organization for the new mid-term plan • REPRICE uses Salesforce as its core system. **Received an award from Salesforce headquarters in the US**
Con-tractors • Increasing the number of housing units that contractors and carpenters–our important partners in supplying houses–can construct by increasing their capacity	• Partner contractor count CAGR: **7.6% at KATITAS (parent), 12.0% at REPRICE** • Capacity constraints eased as new construction starts declined and low-priced products increased
M & A • Deliberate further on M&A possibilities to accelerate growth in existing businesses	• Created a long list and made progress in verifying synergy likelihood and deal feasibility • As the purpose is to secure human resources, M&A without consent is difficult, and realization may require a corresponding amount of time
Sustain-ability • Ratio of mortgage to annual income: 5x or lower • Increase number of properties sold • Improve product quality by considering renovation methods that balance higher insulation performance with cost control • Enhance disclosures based on the TCFD Framework	• Ratio of mortgage to annual income: **4.3x** (3) • Number of properties sold: 7,372 (**ratio of vacant houses** to total properties purchased is **78%**) (3) • Environmental initiatives: In addition to promoting the installation of interior storm windows, we introduced repair methods that generate less waste than conventional methods • Provided disclosures based on the TCFD Framework. Calculated and disclosed Scope 3 emissions

(1) Award for companies with high employee engagement presented by Link and Motivation Inc.; KATITAS Co., Ltd. press release
(2) Productivity= sum of the number of homes purchased and the number of homes sold over a period, divided by the average of the number of sales employees at the beginning and end of the period
(3) Figures for KATITAS (parent)

2. Aiming to Expand Growth Potential and Accelerate Growth In the Fourth Mid-Term Business Plan

- We will deepen our existing businesses while advancing into new geographical markets and developing new products that enable us to reach new customer segments
- We will expand our growth potential and accelerate growth by developing new markets and new customer segments



2. Vision for the Fourth Mid-Term Business Plan (Financial KGI)

- With a focus on vacant houses, rural areas, and adding value to the lifestyle of middle- and low-income earners, our long-term vision is to become the company that enriches people's lives the most in Japan
- In the fourth mid-term plan period, we will focus on quantitative growth while prioritizing operating profit as our most important KGI. We aim to achieve growth of 10% or more.
- We set ROE as a new KGI and aim to maintain a minimum of 20%. In addition, we increased the dividend payout ratio from the previous 40% to 50% or more and introduced a progressive dividend policy

	FY2024		FY2027	
	Results		Plan	CAGR
Number of properties sold	7,372	･･･	**10,000**	**10.7%**
Operating profit	14,222 Million yen	･･･	**20,000 Million yen**	**12.0%**
ROE	22.2%	･･･	**20% or more**	**-**
Dividend payout ratio	46.4%	･･･	**50.0% or more & progressive dividend payment**	**-**

2. External Environment and Challenges in the Fourth Mid-Term Business Plan

- Industry and business structure remains resistant to the external environment. Furthermore, changes in the external environment (society and competitive environment) creates additional growth opportunities
- We identified the following challenges to be addressed in order to take advantage of growth opportunities and continue the initiatives from the previous medium-term plan

Growth is driven by our own efforts as the external environment has limited impact

Industry and business structure (permanent factors)

- **Many vacant houses resulting from declining birthrate and aging population**

  ⇒There will continue to be ample target properties available for purchase

- **High demand for low-priced, high-quality housing**

  ⇒There is substantial underlying demand

- **Difficulty in handling regional/pre-owned/detached houses**

  ⇒There are many new entrants, but most companies exit without scaling up, resulting in no increase in supply

Growth opportunities driven by changes in external environment

Changes in society

- **High cost of new housing**
  - Increased costs and reduced supply of new housing due to inflation, stricter environmental regulations, etc.
  - Rise in mortgage interest rates due to increase in policy interest rates
- **Increase in demand for low-priced products due to rising living expenses**
- **Changes in household composition (decline in family households, increase in single-person households)**

Changes in competitive environment

- **Policies to promote market circulation of vacant houses**
  - Making inheritance registration mandatory
  - Revision of the Act on Special Measures for Vacant Houses
  - Relaxation of brokerage fee regulations for low-priced vacant houses

Challenges to be addressed during the fourth mid-term business plan period + ongoing challenges from the previous mid-term business plan (third mid-term business plan)

- [Ongoing] Increase sales staff and improve productivity to fulfill substantial underlying demand
- Shrinking household sizes and diversifying lifestyles: Address diversifying customer needs (acquire customers other than traditional family households)
- Build a purchasing channel to acquire target properties as more vacant homes become available
- [Ongoing] Explore M&A opportunities
- Curb the impact of changes in the market for newly built detached houses on REPRICE business results

2. Basic Strategy in Response to Management Challenges

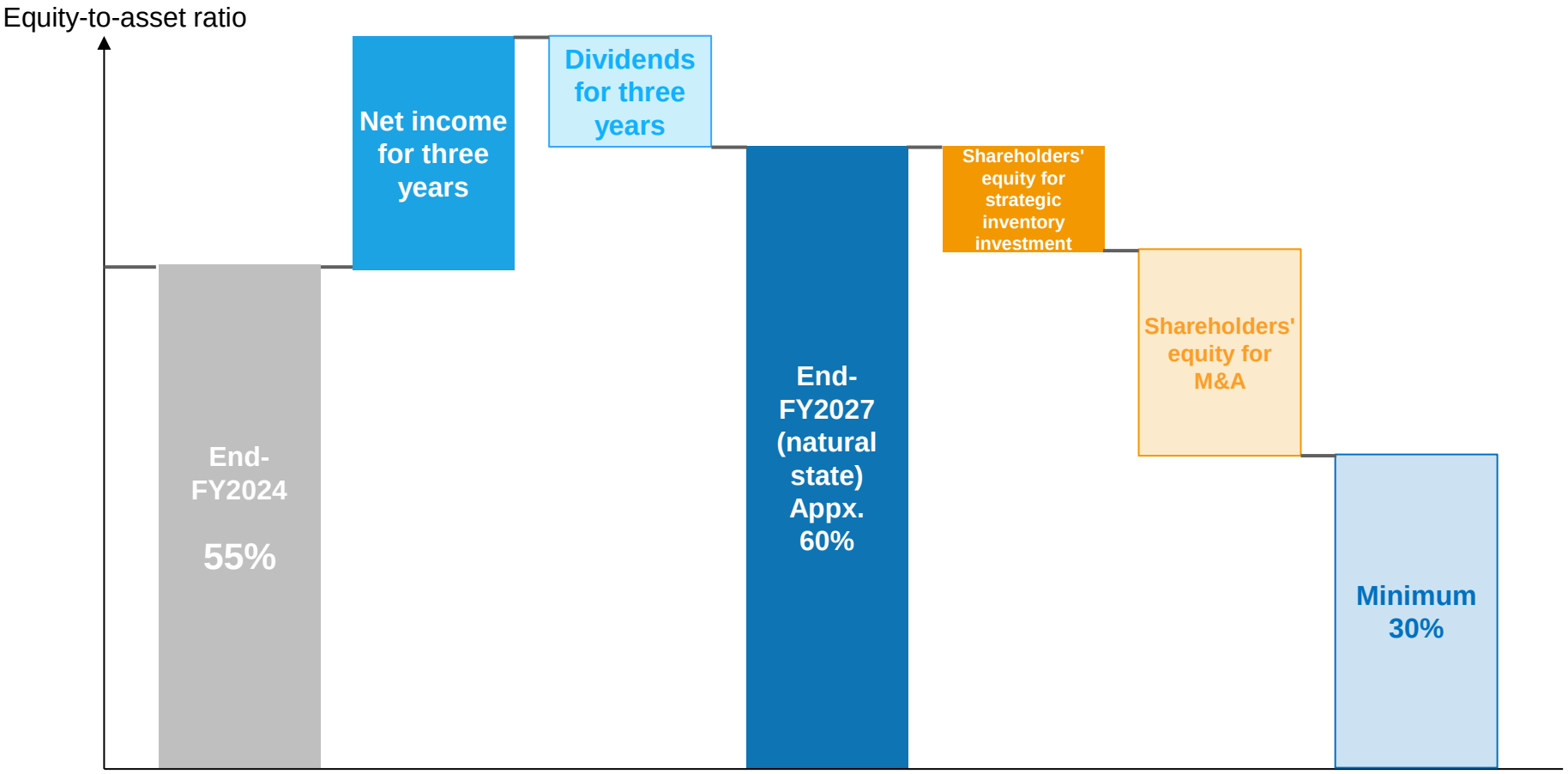
■ We formulated a basic strategy to address the challenges we will focus on during the fourth mid-term plan period and the ongoing challenges from the previous mid-term plan. We aim to accelerate growth by implementing this basic strategy.

Challenges to be addressed during the fourth mid-term business plan period + ongoing challenges from the previous mid-term business plan (third mid-term business plan)

Fourth Mid-Term Business Plan: Basic Strategy	Overview
① **Increase sales staff and strengthen training** ∟Open stores in untapped areas ∟Open small stores	• Aim to accelerate personnel growth by increasing the number of new graduate hires and enhancing retention efforts • Leverage our robust human capital to tap into areas without existing stores and small but highly profitable areas • Establish a Human Resources Organization Development Office to strengthen organizational capabilities at stores facing challenges
② **Improve productivity** ∟Set strategic inventory budget	• Continue efforts to improve productivity by investing in various systems • Set a strategic inventory budget for inventory with high turnover potential. Aim to boost the number of properties handled while keeping sales staff workload to a minimum
③ **Diversify renovation projects** ∟Capture new customer segments	• Shrinking household sizes and diversifying lifestyles: Enhance renovation projects that address customer needs • Continue efforts to expand construction capacity by finding new contractors
④ **Diversify purchasing channels**	• Maintain brokerage channel while diversifying purchasing channels through collaboration with local governments and other industries
⑤ **M&A**	• Objective is to leverage KATITAS sales capabilities and diversify purchasing channels • Currently reviewing multiple companies. Planning to fund M&A deals using debt
⑥ **Improve REPRICE earnings stability**	• Market impact on business results decreased due to various measures implemented in FY2024 • Aim to strengthen renovation cost control capabilities by finding new contractors

2. Capital Allocation

- During the three-year-period of the fourth mid-term business plan, we will invest in strategic inventory (properties with high turnover potential) and pursue the possibility of M&A implementation
- Our minimum required equity-to-asset ratio is approximately 30%. We are currently reviewing multiple M&A opportunities and will retain the shareholders' equity necessary for these investments on our balance sheet for the time being (planning to fund investments through debt).



2. Management Plan for FY2025 (Ending March 31, 2026)

- We aim to achieve 12% growth in properties sold and 14% growth in operating profit
  - ✓ Average price per sale: Expecting sales ratio of low-priced products to remain flat. Projecting a slight increase in average price per sale compared to FY2024, reflecting price increases of existing inventory and changes in the sales mix
  - ✓ Properties sold: Demand is strong. We have ample initial inventory.
  - ✓ Gross profit per property sold: Expecting increase YoY in 1H while maintaining the high level achieved in 2H FY2024, when various measures to improve gross profit bore fruit
  - ✓ REPRICE: Inventory level is ample. Expecting 1H gross profit per property sold to remain at the high level seen in 2H FY2024. Anticipating a gradual increase in new housing starts in 2H. Aiming to enhance responsiveness to market changes through further advancement of our sales channel strategy
- We expect inventory in the new housing market to gradually increase in 2H. However, we anticipate that the impact on our group will be minimal due to rising costs associated with environmental regulations.
- Most buyers opt for variable rate mortgages, so impact from fluctuations in long-term interest rates is small. Even if short-term interest rates rise, the impact on KATITAS is neutral, as the increase in monthly payments is relatively small
- Impact of cost increases due to inflation is minimal. This is due to the fact that we use few materials and that the supply and demand for carpenters is easing in regional areas due to a decline in new housing starts
- Since 100% of our group's revenue is generated from domestic sales, we do not expect any impact on our performance from the U.S. tariff measures

(JPY MM)	FY2024 (ended Mar 31, 2025)						FY2025 (ended Mar 31, 2026)								
	1H		2H		Full-year		1H			2H			Full-year		
	Results	vs sales (%)	Results	vs sales (%)	Results	vs sales (%)	Plan	YoY (%)	vs sales (%)	Plan	YoY (%)	vs sales (%)	Plan	YoY (%)	vs sales (%)
Net Sales	**64,010**	**100.0%**	**65,527**	**100.0%**	**129,537**	**100.0%**	**71,800**	**+12.2%**	**100.0%**	**74,200**	**+13.2%**	**100.0%**	**146,000**	**+12.7%**	**100.0%**
Number of properties sold	3,676	-	3,696	-	7,372	-	4,050	+10.2%	-	4,190	+13.4%	-	8,240	+11.8%	-
Gross profit	14,645	22.9%	16,056	24.5%	30,702	23.7%	17,200	+17.4%	24.0%	17,400	+8.4%	23.5%	34,600	+12.7%	23.7%
Operating profit	**6,820**	**10.7%**	**7,401**	**11.3%**	**14,222**	**11.0%**	**8,200**	**+20.2%**	**11.4%**	**8,000**	**+8.1%**	**10.8%**	**16,200**	**+13.9%**	**11.1%**
Ordinary profit	6,656	10.4%	7,220	11.0%	13,876	10.7%	8,000	+20.2%	11.1%	7,700	+6.6%	10.4%	15,700	+13.1%	10.8%
Profit attributable to owners of parent	4,535	7.1%	5,015	7.7%	9,550	7.4%	5,500	+21.3%	7.7%	5,300	+5.7%	7.1%	10,800	+13.1%	7.4%

* The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Please refer to the disclaimer on the last page of this presentation.

2. Dividends

- For FY2024, we expect to pay a year-end dividend of ¥28.0 per share as originally planned
- For FY2025, we expect to pay an interim dividend of ¥35.0 per share and a year-end dividend of ¥35.0 per share, for a total annual dividend of ¥70.0 per share. As stipulated in our fourth mid-term business plan, we aim to maintain a dividend payout ratio of 50% or more and implement a progressive dividend policy (total annual dividend of ¥70.0 per share is 2.7x the dividend paid after listing our IPO in 2017 (equivalent to ¥26.0 per year)).

	FY2024 (ended March 31, 2025)		Forecast for FY2025 (ending March 31, 2026)	
	Interim	Year-end	Interim	Year-end
Dividends per share (initial forecast)	28.0 yen	28.0 yen	**35.0 yen**	**35.0 yen**
Dividend payout ratio	45.8%		**50.7%**	
Dividend payout ratio (based on adjusted net profit)	40.2% (1)		-	

(1) For details on adjusted items, please see the Adjustment Item List on slide 9.

* The above information includes forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Please refer to the disclaimer on the last page of this presentation.

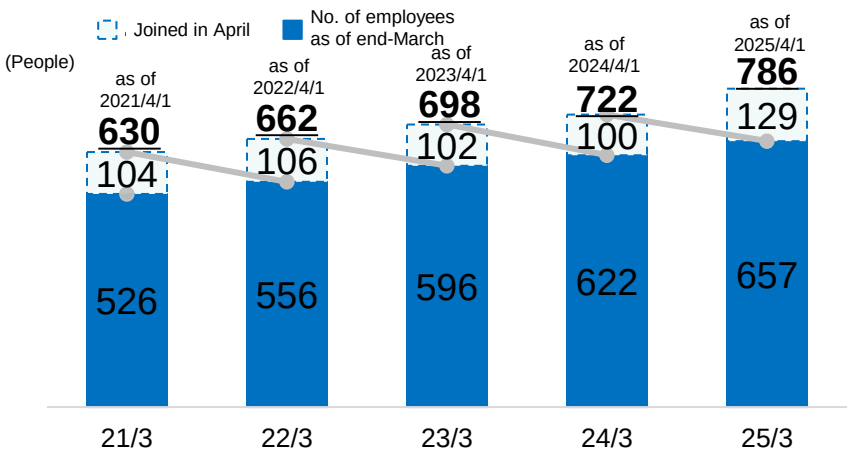
2. Growth Strategy at KATITAS (1): Enhance Sales Force (FY2024 Results)

- There's ample supply of vacant houses in Japan and sufficient demand for low-priced houses. The potential market is sizable both for purchases and sales.
- KATITAS plans to expand through an increase in procured and sold homes by increasing sales staff headcount while maintaining and improving productivity.
- We expanded our capacity to train new graduate employees by continuing our recruitment efforts. In April 2025, we increased the number of new hires from the usual 100 to 129. Next year, we plan to hire 150 new employees

Sales Staff		Productivity		Capacity (FY2024 Results)
Sales employees(1) (average during the fiscal year) 639.5	×	Purchases 10.0 / sales employee	=	Number of properties purchased: 6,364(2)
	×	Sales 8.8 / sales employee	=	Number of properties sold: 5,597

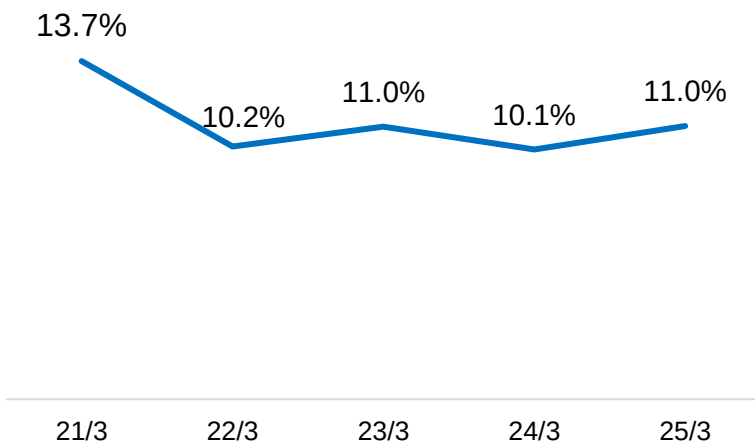
Number of sales staff

- ✓ As of April 1, 2025, our sales force had expanded 8.9% YoY.
- ✓ We continue to focus primarily on recruiting new graduates. Under the fourth mid-term plan kicking off this fiscal year, we plan to accelerate the pace of our personnel expansion.



Turnover rate(3)

- ✓ Turnover rate in FY2024 came in as expected at 11.0%.
- ✓ Employee engagement survey results exceeded the benchmark "BBB" and we received the Best Motivation Company Award 2025 (4)



(1) Number of sales staff = Number of store staff (incl. contract and part-time) + number of deputy sales managers and section managers
(2) Earnings presentation materials from the fiscal year ended March 31, 2021, will include properties purchased at auction, retroactively applied in previous fiscal years.
(3) Turnover rate = number of employees who resigned or retired during the fiscal year / number of employees at the beginning of the fiscal year
(4) Award for companies with high employee engagement presented by Link and Motivation Inc.; KATITAS Co., Ltd. press release (5) Figures represent historical results of KATITAS (non-consolidated)

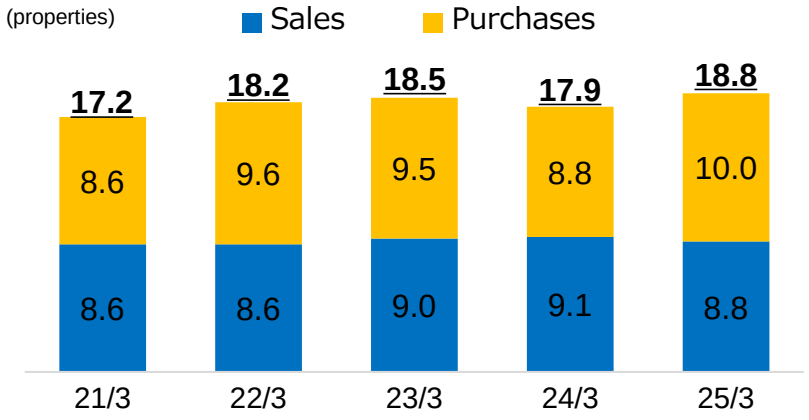
2. Growth Strategy at KATITAS (2): Productivity Improvement (FY2024 Results)

- Productivity continued to rise, reaching a record high in FY2024. Contributing factors included strengthening KPI management for purchasing and increasing turnover through low-priced products
- In FY2025, we will focus on bolstering properties with high turnover potential, enhancing our sales website, diversifying our promotional activities, and stepping up marketing automation

Sales Staff		Productivity		Capacity (FY2024 Results)
Sales employees(1) (average during the fiscal year) 639.5	×	Purchases 10.0 / sales employee	=	Number of properties purchased: 6,364 (2)
	×	Sales 8.8 / sales employee	=	Number of properties sold: 5,597

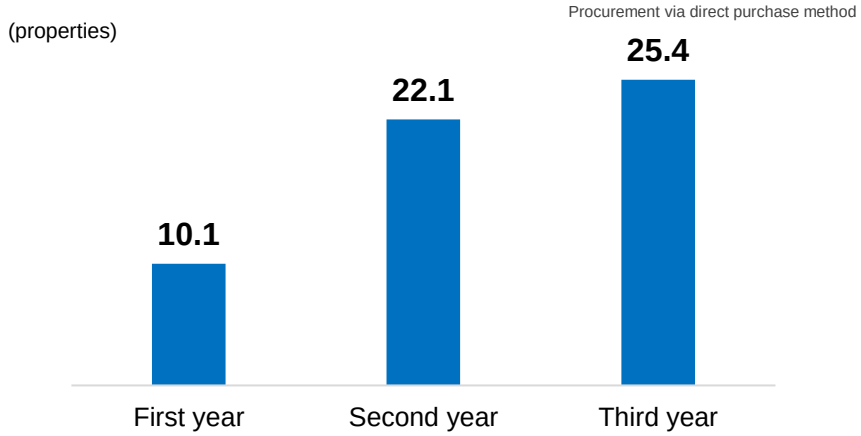
Productivity of sales staff(2) (3)

- ✓ Growth in contracts for which renovations are underway (and also those sold in the present condition) continued
- ✓ We will continue improving productivity while aiming to boost gross profit per property



Productivity of new graduate employees(4)

- ✓ By increasing the number of employees at store-manager level, we increased capacity for training and accelerated the time it takes until new employees start contributing to the business.
- ✓ Effective from FY2023, the target productivity of sales employees raised from 24 properties (purchased and sold) to 32 properties sold.



(1) Number of sales staff = Number of store staff (incl. contract and part-time) + number of deputy sales managers and section managers
(2) Earnings presentation materials from the fiscal year ended March 31, 2021, will include properties purchased at auction, retroactively applied in previous fiscal years.
(3) Productivity= sum of the number of homes purchased and the number of homes sold by KATITAS over a period, divided by the average of the number of sales employees of KATITAS at the beginning and end of the period
(4) Average calculated from the results of the last three fiscal years (5) Figures represent historical results of KATITAS (non-consolidated)

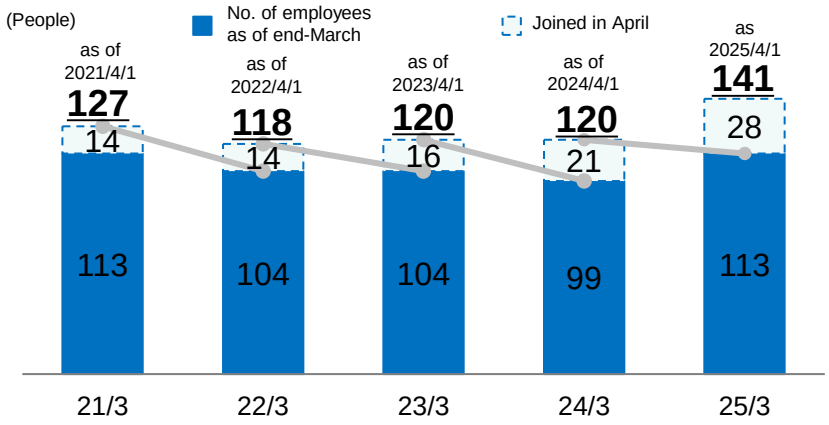
2. Growth Strategy at REPRICE (FY2024 Results)

- Like KATITAS, we plan to drive growth at REPRICE by increasing sales staff and maintaining or raising productivity.
- Sales staff headcount grew substantially as we increased hiring and stepped-up retention efforts
- Productivity is trending upward and reached a record high in FY2024. Contributing factors include low-priced products and changes in sales channel strategy

Sales Staff		Productivity		Capacity (FY2024 Results)
Sales employees (1) (average during the fiscal year) 106.0	×	Purchases 18.5 / sales employee	=	Number of properties purchased: 1,959
	×	Sales 16.7 / sales employee	=	Number of properties sold: 1,775

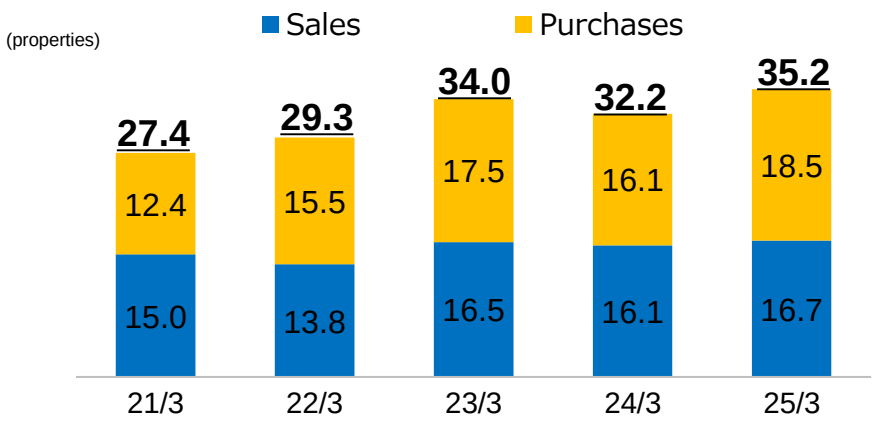
Number of sales staff

- ✓ As of April 1, 2025, our sales force had expanded 17.5% YoY.
- ✓ Hired 28 new graduates in April 2025.
- ✓ Employee engagement survey results exceeded the benchmark “BBB,” and there were no resignations among new employees hired in April 2024



Productivity(2)

- ✓ Reached a record high in FY2024
- ✓ From FY2025 onward, we will aim to improve profit per property while maintaining productivity, as the ratio of new employees will rise due to increased hiring

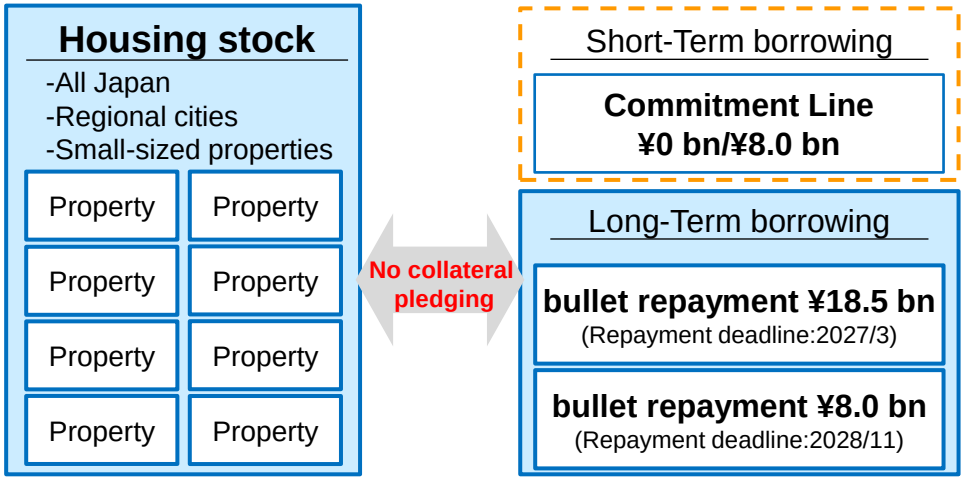


(1) Number of sales staff = Number of sales representatives + Number of sales block managers and area managers
(2) Productivity= sum of the number of homes procured and the number of homes sold by REPRICE over a period, divided by the average of the number of sales employees of REPRICE at the beginning and end of the fiscal year

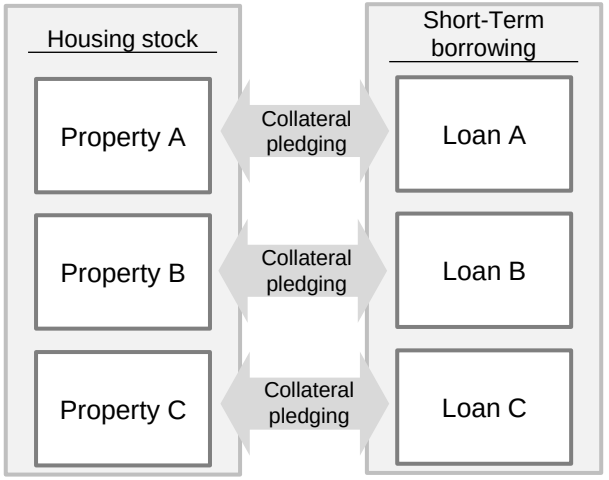
2. Established a flexible, unsecured funding structure, owing to improved creditworthiness

- Due to improved creditworthiness from financial institutions, we have been able to refinance our bank loans as unsecured loans. This refinancing has allowed us to reduce various costs, such as trust fees and administrative burdens associated with collateral pledging.
- We secure working capital through long-term borrowing and maintain a system that facilitates flexible purchase operations. In addition, we have established a commitment line of ¥8.0bn to address mid-year inventory fluctuations.

KATITAS
Stable funding through long-term debt



Borrowing by taking out individual short-term loans for each property



Strengths of funding structure UPDATE

- We are one of the few companies in the real estate industry to borrow long-term working capital on an unsecured basis by establishing good relationships with financial institutions. This is because we demonstrate high safety and profitability, with an equity ratio of 54.9%, current rate(1) of 176.9%, and ratio of fixed assets to long-term capital(2) of 3.2%.
- Because of this unsecured funding, we no longer need administrative work associated with borrowing each time when making purchases, giving us greater flexibility when purchasing properties. We also don't need to pay trust fees or mortgage-related expenses when making purchases, thereby giving us a cost advantage.
- The inventory turnover ratio is 1.74/year indicating a fast inventory cash conversion rate. We use long-term debt to finance our operations and if we decide to halt our cash outflows (for real estate purchases, etc.) we can do so in about a month, meaning that it's not hard for us to increase our cash buffer level during times of sales deceleration.

(1) Current rate ＝(Current assets – Real estate for sale – Real estate for sale in process)/ Current liabilities
(2) Ratio of fixed assets to long-term capital ＝ Total non-current assets /(Total non-current liabilities＋Total net assets)
(Ref) "Notice Regarding the Conclusion of a Changing Syndicated Loan Agreement"

Presentation Highlights

1.	Overview of Financial Results for the FY2024 (Ending March 31, 2025)	P3-P10
2.	Fourth Mid-Term Business Plan and Management Plan for FY2025 (Ending March 31, 2026)	P12-P26
3.	Overview of Business Model	P28-P48
4.	APPENDIX	P50-P64

3. Business Model of KATITAS

- KATITAS purchases pre-owned detached houses in regional areas, and renovate them to accommodate today's living styles before selling them at half the price of newly built houses.
- About 80% of properties we purchase are empty, vacant houses. We create social value by resolving the issue of vacant houses and providing affordable housing.

Procurement → **Renovation** → **Sale**

Seller

Ability to procure properties

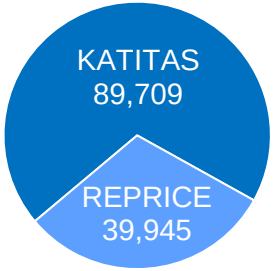
Ability to assess property purchase risks

Before



KATITAS Group

FY2024 Revenue (JPY millions)



	KATITAS	REPRICE
Operating areas	Suburban areas and Regional Cities	Cities and Suburban areas
Number of properties sold	5,597 Houses	1,775 houses
Ratio of single-family detached houses	93.8%	73.5%
Average price per property sold (1)	15.8MM	22.4MM

Large-volume orders

Price discounts

Price discount

Regular orders

Building materials manufacturers

Contractors

Buyer

After









Ability to plan renovation work

Ability to implement renovation work







(1) Excluding tax

3. Business Development Areas and Building Ages of the Group

- KATITAS focuses on regional cities (population 50,000-300,000) and buildings with an average 30 years. It has strengths in in-house sales ability, survey ability, renovation planning ability, and renovation implementation ability.
- REPRICE focuses on urban and suburban areas (population 300,000-500,000) and buildings with an average 20 years. It has strengths in its broker network, speed, and pricing accuracy

Building age

old | 50 years | 40 years | 30 years | 20 years | 10 years | New

Area

Lightly populated areas, holiday home and sightseeing areas (1)	985 municipalities 15.4 million people
Regional cities (2)	236 municipalities 24.7 million people
Suburban (3)	476 municipalities 48.6 million people
Cities (4)	10 municipalities 10.6 million people
Metropolitan city centers (5)	11 municipalities 27.0 million people

KATITAS
populations of 50,000-300,000
Average building age 30 years
Strengths: In-house sales ability, survey ability, renovation planning ability, and renovation implementation ability

REPRICE
populations of 300,000-500,000
Average building age 20 years
Strengths: Relationships with brokers, speed, pricing

Properties that are not eligible for purchasing





Source: Created by KATITAS based on the Ministry of Internal Affairs and Communications' Population Census/ -Data Table by Prefecture and Municipality 2020

(1) Lightly populated areas, holiday home and sightseeing areas: Municipalities with populations under 50,000 excluding areas within the three metropolitan areas
(2) Regional cities: Municipalities with populations of 50,000-300,000 excluding areas within the three metropolitan areas
(3) Suburban areas : Areas within three metropolitan areas excluding Tokyo 23 wards, ordinance-designated cities same as above and municipalities with populations of 300,000-500,000
(4) Cities: Ordinance-designated cities outside the Tokyo 23 wards and three metropolitan areas (Sapporo-shi, Fukuoka-shi, Hiroshima-shi, Sendai-shi, Kitakyushu-shi, Niigata-shi, Hamamatsu-shi, Kumamoto-shi, Okayama-shi, Shizuoka-shi)
(5) Metropolitan city centers: Tokyo 23 wards and ordinance-designated cities within three metropolitan areas (Osaka-shi, Nagoya-shi, Kyoto-shi, Yokohama-shi, Kobe-shi, Kawasaki-shi, Chiba-shi, Saitama-shi, Sakai-shi, Sagamihara-shi)

3. Our Purpose: Bring as Much Joy as Possible to Towns and Cities”

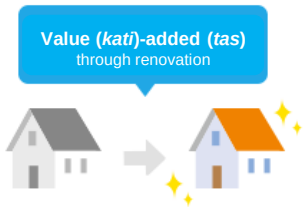
We purchase, renovate, and re-sell vacant houses without buyers: This is how value (“*Kati*”) is added (“*tas*”) to lifestyle that we sell.

- We purchase vacant and old houses that are unmarketable as-is. We then renovate them and make them marketable.
- We operate a value-added reselling business where we “add value (*kati tasu*)” to vacant houses that would otherwise have no value on its own.
- We consider this to be the “fourth option” in addition to newly built, pre-owned, and rental housing. And by offering these houses at reasonable prices, we help create better lives for customers.

Unaffordable **“Newly built houses”**

Old and non-renovated **“Pre-owned houses”**

”Rental houses” which do not meet demand



High-quality and reasonably priced **“KATITAS houses”**

Aiming to solve social issues through business: “Adding value *(kati- tas)”* to society

Supplying affordable housing	Despite slow-to-increase income levels in Japan, we supply decent housing at reasonable prices, which is in shortage.
Solving the social problem of vacant houses	We utilize the existing properties that are no longer in use in Japan where population is declining.
Revitalizing towns and cities	We contribute to stimulating regional economies through the utilization of vacant houses, orders to local construction companies, etc.
Realizing a circular economy	We reuse anything we can in our renovation work in order to save resources and reduce CO2 emissions.

3. Examples of Value-Added Properties (1): Appearance and Exterior Work

- Work on appearance is intended to improve endurance and make houses look more attractive
- Expansion of parking spaces is essential in Regional areas; decisions on procuring properties are made depending on whether such expansion is possible or not, and potential acquisition of adjacent land and scaling-down of the size of houses are examined









Renovated one-story house: replaced the damaged eaves and refreshed the dilapidated exterior



House where porch tiles were replaced, a new exit door was installed and the exterior wall was clad with accent tiles



Removed the gate and front yard to create four parallel parking spaces that can comfortably accommodate visitors.

3. Examples of Value-Added Houses (2): Interior Work

- Not only re-wallpapering and re-flooring, but also a willingness to make floor plan changes helps KATITAS' efforts to "create comfortable dwelling spaces"
- Renovation work is intended to erase traces of former owners completely, while selected parts of houses are left untouched in order to curb costs (and eventually, to rein in selling prices)









New look of an integrated LDK space with replaced flooring and wallpaper, after the floor plan with the living and dining rooms separated was altered by changing the location of the kitchen



Conversion of two adjoining Japanese rooms into two modern Western rooms, by installing a wall and replacing tatami mats with flooring, at a low cost achieved by using the original sash



Renovated entrance, by replacing the carpet with flooring, cladding the entrance foyer with new terracotta-style tiles and installing a new shoe closet

3. Examples of Value-Added Houses (3): Facilities Work

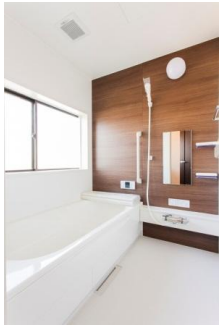
- New plumbing products are installed to improve usability and cleanliness
- Materials are purchased at lower prices through bulk purchases, which results in large-scale renovation work at about half the price paid in personally-requested renovation work





Newly-installed kitchen unit with a hanging cupboard, replacing the inconvenient unit used for more than 30 years and resulting in drastic improvement in both usability and appearance





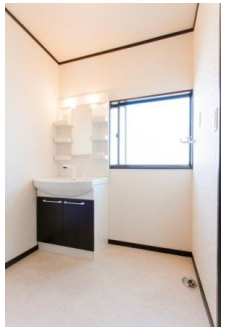
A new modular bath system is installed in approx. 90% of houses purchased



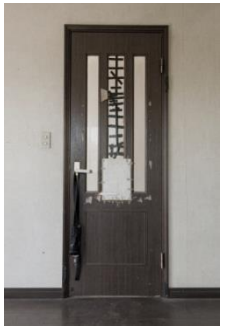


A new multi-functional toilet is also installed in approx. 90% of houses purchased





A new washstand is installed in approx. 90% of houses purchased and many requests for locational change are met





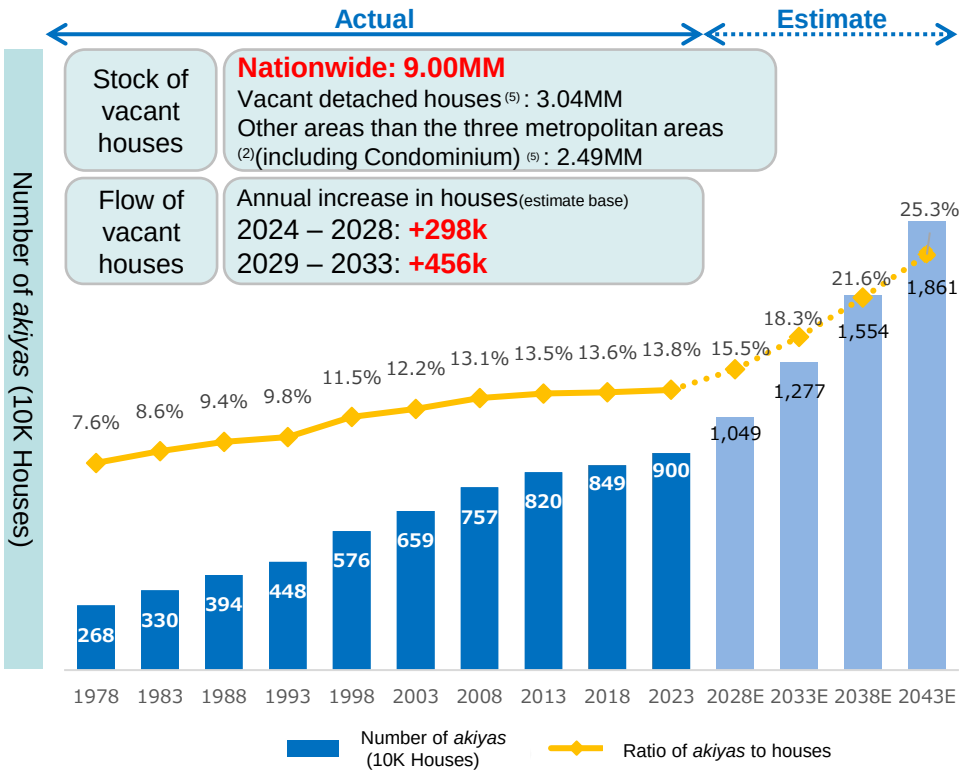
Room doors and other fittings are replaced and repaired as necessary

3. Medium and Long Term Expansion with Opportunities for Procurement Based on Increased Supply of Vacant Houses

- There is a large number of vacant houses and the number is expected to increase, which provides KATITAS with procurement opportunities
- Although a large majority of such vacant houses cannot be distributed in the housing market on an "as-is" basis, KATITAS is capable of acquiring such houses with a low level of competition

Abundance in Stock and Flow of Vacant Houses(1)

Number and Predicted Rate of Increase of Vacant Houses



Source: Ministry of Internal Affairs and Communications, "2023 Housing and Land Survey Approximate Tabulation of Dwellings (Revised Report)", Estimates are prepared by KATITAS based on the news release, "New Housing Starts Expected to Fall to 580,000 in FY2040 and the Ratio of Vacant Houses Expected to Rise to Around 25% in 2043," (June 13, 2024) issued by Nomura Research Institute, Ltd.

Unique Business Segment

	Metropolitan city centers (3)	Urban areas (4)	Regional cities / Regional areas (Areas excluding metropolitan city centers and suburban areas)
Single-family houses	# of vacant houses(4): 0.220 million	**# of vacant houses(5): 0.766 million** reprice	**# of vacant houses(5): 2.056 million** くらしに価値タス カチタス KATITAS
Condo-miniums	# of vacant houses (5) 0.363 million Competitors' focused area	# of vacant houses(5): 0.345 million	# of vacant houses(5): 0.432 million

KATITAS Group's focused areas

✓ **KATITAS Group's business domain is unique and has relatively high barriers to entry**

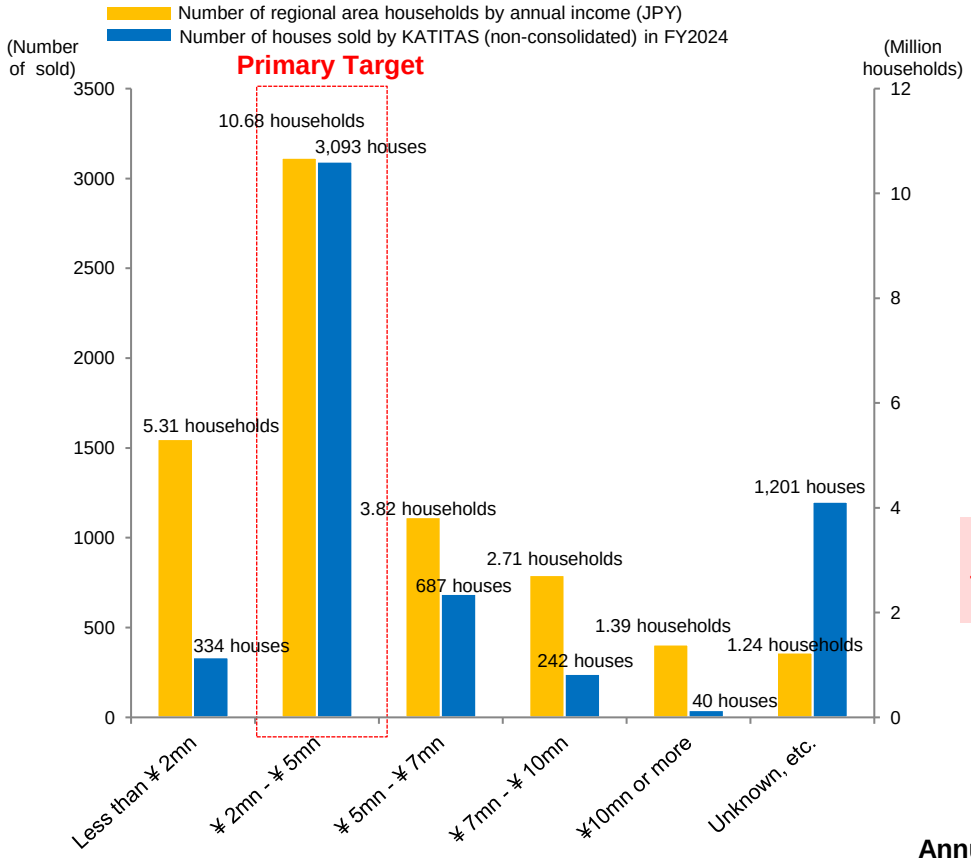
Source: Ministry of Internal Affairs and Communications,"2023 Housing and Land Survey (Revised Report)"

(1) Vacant houses include pre-owned properties and rental houses.
(2) Three Metropolitan Areas (defined by the Ministry of Internal Affairs and Communications): Tokyo area (Saitama, Chiba, Kanagawa and Tokyo prefectures), Nagoya area (Gifu, Aichi and Mie prefectures) and Osaka area (Osaka, Hyogo, Nara and Kyoto prefectures).
(3) Tokyo 23 wards and ordinance-designated cities within three metropolitan areas (Osaka-shi, Nagoya-shi, Kyoto-shi, Yokohama-shi, Kobe-shi, Kawasaki-shi, Chiba-shi, Saitama-shi, Sakai-shi, Sagamihara-shi).
(4) Areas within three metropolitan areas excluding Tokyo 23 wards and ordinance-designated cities same as above. (5) Pre-owned properties and rental houses are excluded from the calculation of vacant houses same as above.

3. Fourth Housing Option in Regional Areas: Pre-Owned and Renovated Single-Family Houses

- KATITAS' primary target customer base consists of approximately 1.27 million households currently living in rental houses in regional areas, with annual income of JPY2-5 million and the intention to own a house
- Based on the assumption that there is demand for 127,000 units if the duration of the abovementioned families considering the purchase of housing units is 10 years.
- The number of properties sold by KATITAS in FY2024 was 5,597, which is equivalent to around 4.4% of the estimated market and many potential customers still exist.

Customer Group by Annual Income and Macro Environment



Large Potential Customer Base

Number of households in Japan
55.67 million

Households in regional areas
25.15 million
Approx. 45% of nationwide households

Households with annual income of JPY 2-5 million
10.68 million
Approx. 43% of households in regional areas

Households living in rental houses
3.70 million
Approx. 35% of households with JPY2-5 million annual income are living in rental residence

KATITAS' main target — **Households with intention to own a house: 1.27 million**
Approx. 34% of the households living in a rental house have the intention to own a house

Based on the assumption that the duration of considering the purchase of housing units is **10 years**.
⇒The size of the market including potential demand is estimated at about **127,000 houses** per year.

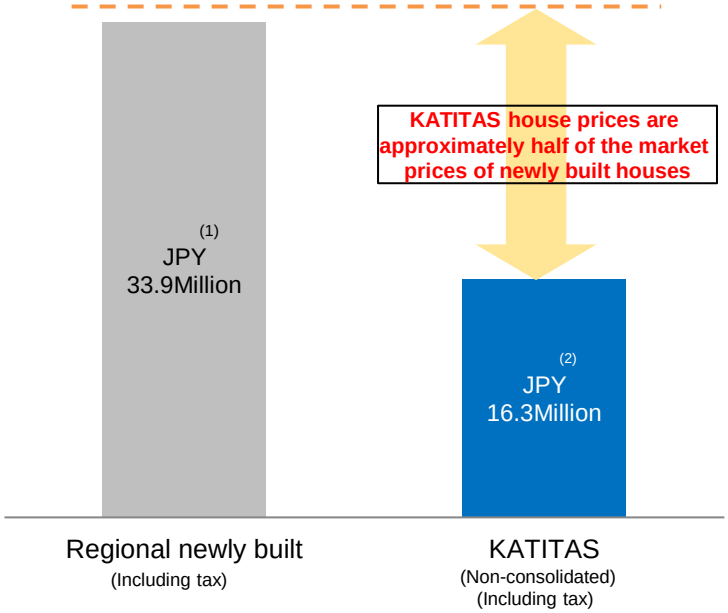
Annual number of houses sold by KATITAS: 5,597 (around 4.4% of target)
⇒ There are still many potential customers

Sources: Ministry of Internal Affairs and Communications "2023 Housing and Land Survey (Revised Report)", Ministry of Land, Infrastructure, Transport and Tourism "2018 Comprehensive Survey on Housing and Living Environments"

3. Offering High-Quality Renovated Houses at Reasonable Prices

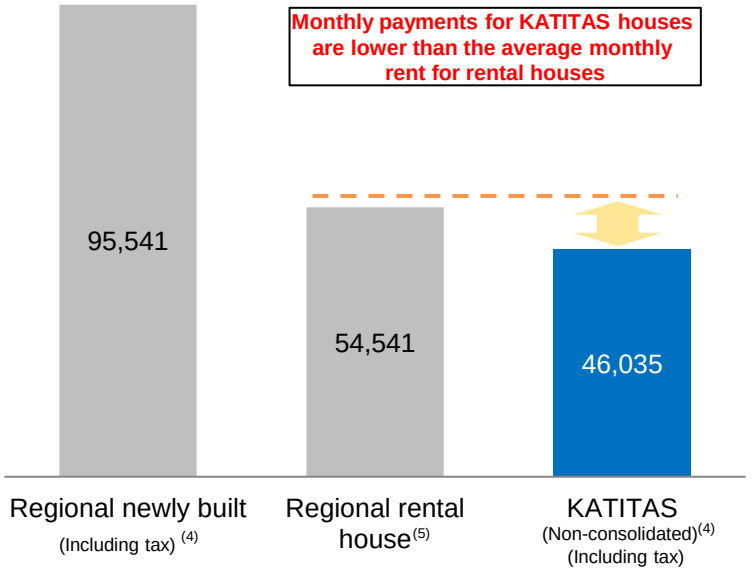
- KATITAS is able to offer renovated houses at roughly half the price of comparable newly built houses, that also offer lower monthly mortgage payments compared to renting
- Customers can purchase a home with a mortgage within their means, in accordance with the growth of their children and other life stages.
- Mortgage repayments will not increase as much as newly built houses even if interest rates were to rise.

Less Expensive than the Average Selling Price of Newly Built Houses UPDATE



Timing of transaction	From January 2024 to December 2024
Timing of construction	In January 2024 and after
Type	Building lot (land and building)
Total floor area (m^2)	Between 50 and 200
Use of building	Housing

Lower Payments than Rental Houses(3) UPDATE



Monthly repayment amount when mortgage interest rate rise

		Regional newly built	KATITAS
Mortgage interest rates	1.0%	¥ 95,541	¥ 46,035
	1.5%	¥ 103,630	¥ 49,933
	2.0%	¥ 112,117	¥ 54,023

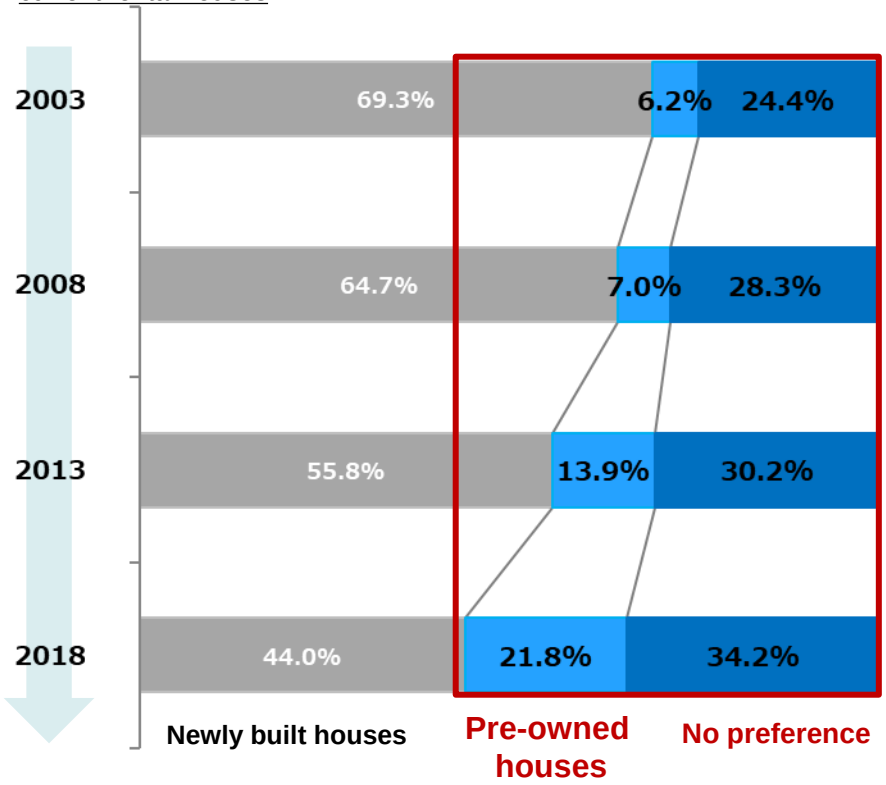
(1)Average prices (including tax) of newly built houses are surveyed under the screening method described above, based on the "Integrated System of Land Information" operated by Ministry of Land, Infrastructure, Transport and Tourism
(2)The average sales price of KATITAS is calculated based on the sale price of properties constructed during the period between April 2024 and March 2025.
(3) Monthly rent paid by households other than single-person households
(4) Payment amounts for Regional newly built and KATITAS are calculated based on the premise assuming that a buyer pays the average sale price under a 35-year loan with no initial down payment or other incentive payments at a fixed interest rate of 1.0% for the life of the loan
(5) Source: Ministry of Internal Affairs and Communications, "2023 Housing and Land Survey (Revised Report)"

3. Consumer Preferences Have Shifted Toward Accepting Pre-Owned Houses

- Increasing number of households with less preference for newly built houses and increasing preference for pre-owned houses even in the Japanese market where traditionally people tend to prefer newly built houses
- There is huge potential for more pre-owned houses to be distributed in the market if we can supply enough properties that are “clean and inexpensive.”
- The pre-owned housing market has been expanding in recent years and is expected to continue growing in the future.

Mindset Change toward Ownership of Pre-owned Houses

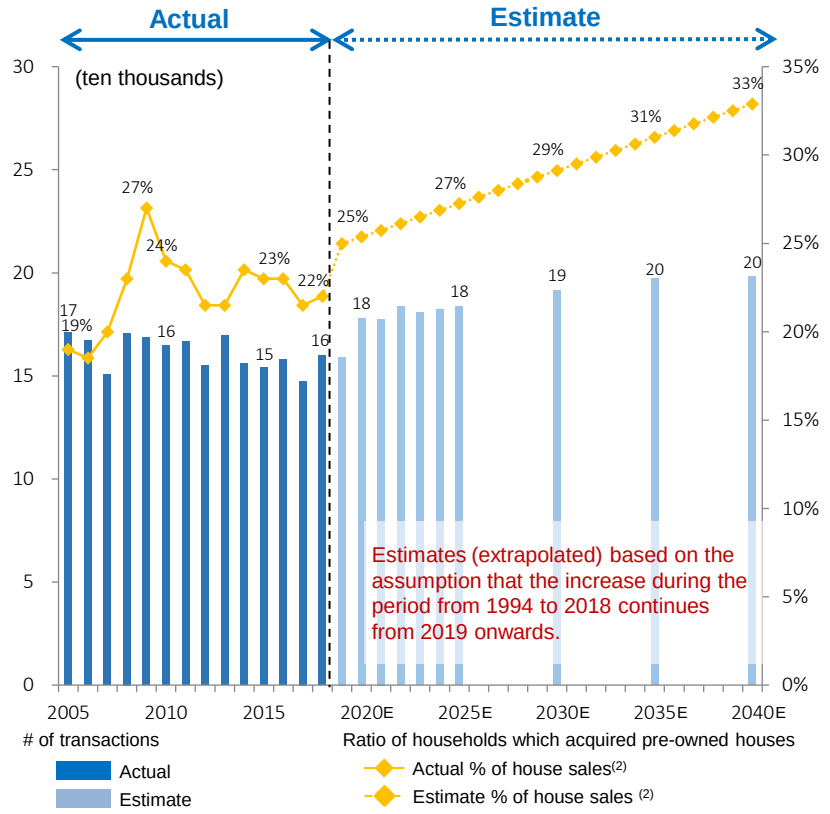
Survey of preference in moving to newly built or pre-owned houses from the current rental houses



Source: Housing Bureau of Ministry of Land, Infrastructure, Transport and Tourism, “Comprehensive Survey on Housing and Living Environments (2018)”

Increase in Transactions of Pre-owned Houses

Actual and estimated figures of transactions of pre-owned houses and ratio of households which acquired pre-owned houses from 2005 to 2018



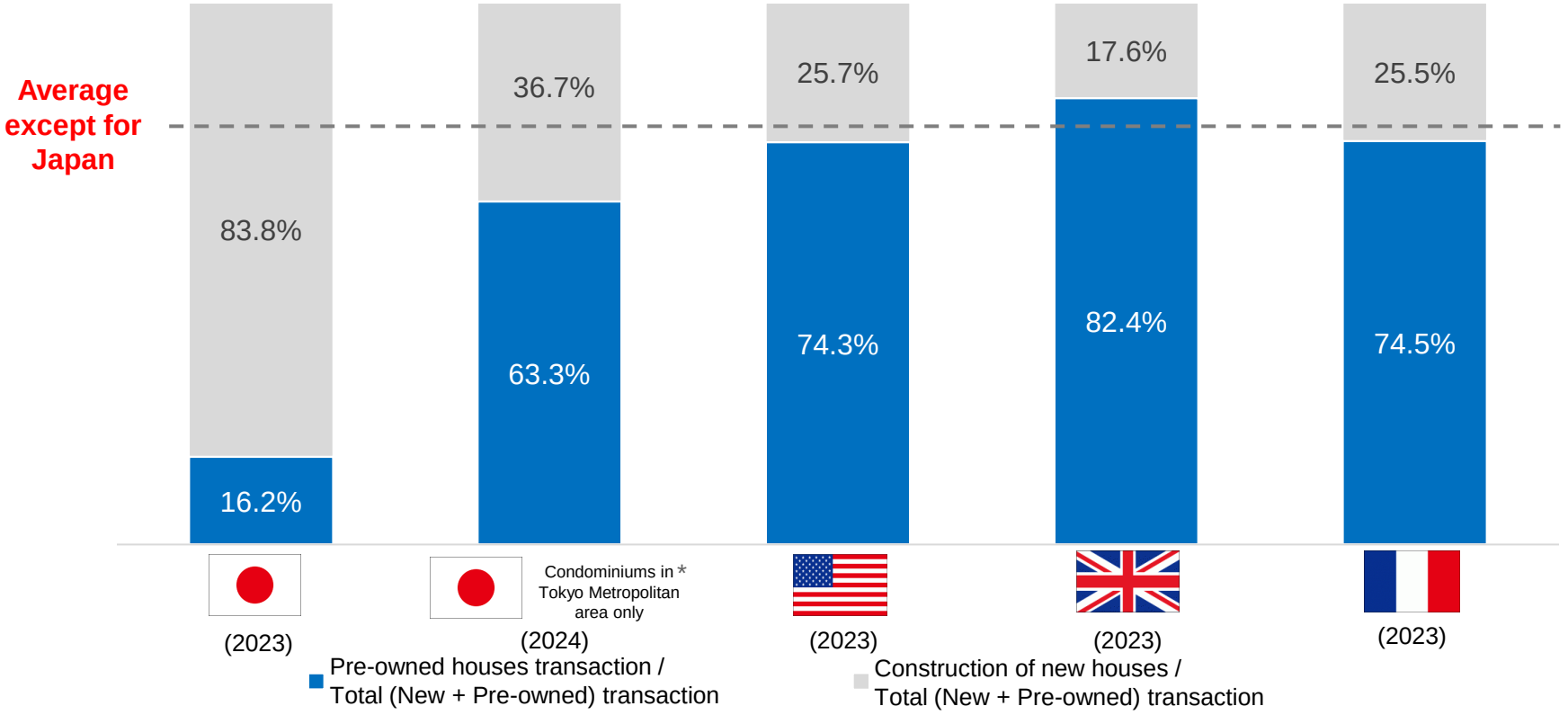
Source: Produced by KATITAS based on data in NRI’s June 9, 2022 press release claiming that new housing starts in 2040 are expected to decline to 490,000 units, while pre-owned houses in transactions will increase to 200,000 houses in 2040

(1) NRI estimates / forecasts based on Census, National Social Security and Population Research Institute "Forecast of number of Japan's households“, Ministry of Internal Affairs and Communications, “Housing and Land Survey”, and NRI Questionnaire on housing purchasers
(2) Questionnaire by NRI : Ratio of households which acquired pre-owned houses (excluding newly built houses) out of households which acquired a house

3. Room for Growth in the Share of Regional Pre-owned Houses in Distribution

- Lower market share of pre-owned houses compared with United States and Europe
- In the Tokyo Metropolitan area, there are many “clean and inexpensive” used condominiums being supplied that their distribution volume has already surpassed that of new condominiums.
- By supplying “clean and inexpensive” detached houses in rural areas, we have a chance of capturing the untapped market for pre-owned houses.

Pre-owned houses Market Share - Japan vs United States and Europe



*Ratio of pre-owned condominium units under contract to new condominium units on the market.

Source: Ministry of Land, Infrastructure, Transport and Tourism “Organizations Utilizing Housing and the Distribution of Existing Housing (September 25, 2024)” / Real Estate Economic Institute “Nationwide New Condominium for Sale Market Trends 2024 (Annual Summary)” / Real Estate Information Network for East Japan “Trends in the Metropolitan Real Estate Distribution Market (2024)”

3. The Company's Customer Profile

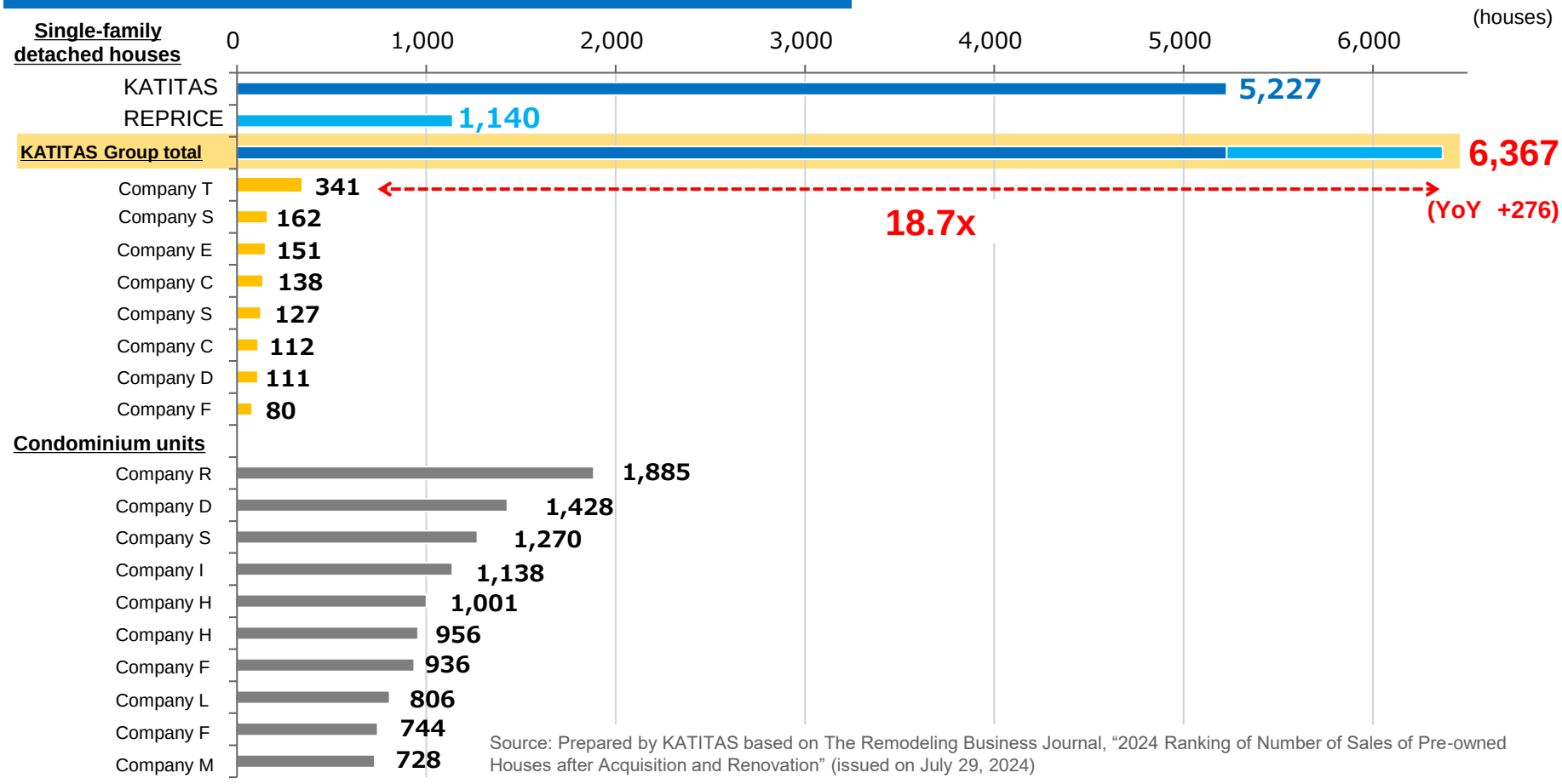
	Customer profile
Business area	**Suburban areas surrounding regional cities** (Targeting regions with populations of 50,000 – 300,000)
Properties handled	Mainly pre-owned single-family **detached houses** which have become vacant due to events such as inheritance
Average selling price	**JPY 16.3 million** (including tax)
Buyers' needs	**Actual demand** (our customers purchase the properties to live in rather than for investment)
Buyers' age range	**30s–50s** (65.8% of the Company's sales results)
Buyers' annual income	**JPY 2-5 million** (55.3% of the Company's sales results) (home loan to annual income ratio is 4.3) * Households with annual incomes between JPY 2-5 million are the largest volume zones in rural areas, excluding the three major cities.
Type of buyers' loan	**Mortgage**
Financial institutions with loan transactions	**Nationwide** regional banks, shinkin banks, credit associations and labor banks, etc.
Source of loan payments	Buyer's **flow income**

(1) Figures for average selling price, buyers' age range, and buyers' annual income are from cumulative results for the fiscal year ended March 31, 2025.
(2) Home loan to annual income ratio = selling price (including tax) / annual income
Annual income based on customer responses. Calculated excluding customers that pay in full in cash, customers with unknown income, and corporations.

3. Number of Houses Sold is Over 10 Times that of No.2 Ranked Company

- No.1 among House Reselling Businesses(1) in terms of number of units sold
- Established unique positioning by focusing on pre-owned single-family detached houses located in regional cities and Regional areas that competitors find challenging to bring to the market

Number of Units Sold by Major House Re-sellers (FY2023)



Source: Prepared by KATITAS based on The Remodeling Business Journal, "2024 Ranking of Number of Sales of Pre-owned Houses after Acquisition and Renovation" (issued on July 29, 2024)

(1) A "Housing Reselling Business" is defined as one conducted by certified "building lot and transactions" dealers with extensive know-how in renovation so as to efficiently and effectively improve the quality of existing house inventory (Requests for FY2016 Tax Reform (Special Measures Concerning Taxation))

3. Our Greatest Strength is the Know-How We Accumulated by Selling a Cumulative Total of 80,000 Houses. We Approach Even the Tedious Details with Persistent Care, While Managing Risks to Minimize Failures.

- KATITAS has accumulated a stock of “failure cases” through purchasing and selling more than 80,000 houses. These cases frequently occur as a result of errors made at the time of purchasing. Failure cases are shared with branches nationwide on a weekly basis.
- Before purchasing, in addition to clarifying the boundaries with adjacent land, KATITAS conducts “three-party on-site meetings” with the renovation contractor and termite exterminator. The three parties will check the entire house to ascertain whether the building has deterioration in the frame, or a history of roof leakage.
- KATITAS will also carry out extensive inspections both during renovation and at the time of completion, in order to minimize failures and problems that may occur after the property has been delivered.

Examples of Pre-purchase Inspections: Inspections concerning Three Major Risks Associated with Older Detached Houses

Termite Risk



The termite exterminator performs an inspection of the underfloor space looking for evidence of termite damage. This avoids unexpected renovation costs, and reduces the risk of procuring a property that is difficult to renovate

Rain Leakage Risk



The renovation contractor will check the entire frame of the building including the roof space looking for evidence of roof leaks and pests. These inspections increase the accuracy of renovation cost estimates.

Risks Associated with Property Rights



A land survey is conducted on every project. This provides comfort to the buyer. Land surveys are unnecessary for pre-owned condominiums.

Examples of cases which required major repair after purchasing or after sale



Unstable foundations were discovered after purchasing. This needed to be repaired before sale which led to additional costs.



Case in which subsidence under the floor was discovered after purchasing. A major rebuilding of the foundation was necessary.



Case in which the roof leaked after sale. A full repair was carried out under the warranty against defects.



Case in which deterioration in roof materials was noticed after sale. As a partial repair was not possible, the entire roof had to be replaced.

●KATITAS regards these failure cases as the “assets of the company,”. They are shared with the entire company on a weekly basis to prevent recurrences (= minimize risk)

●Nevertheless, unsaleable properties are occasionally procured due to unexpected defects.

3. Barriers to Entry and Competitive Advantages of Our Business Model: Economies of Scale Do Not Apply Because Renovations Vary From One House to Another

Entry Barrier

Individual property characteristics

Property conditions are extremely varied
Even with properties built by the same home builder, the deterioration of properties differs based on the location and maintenance.

Economies of scale do not apply
In addition to the individual characteristics of the homes themselves, extreme differences in the levels of deterioration make standardized reforms difficult, and economies of scale do not easily apply.

Regional characteristics

Lifestyles by region
Lifestyles differ throughout Japan with its heavy snowfall regions and hot and humid regions, meaning thorough regional knowledge is required to respond to customer needs.

Differing business environments
The presence of competition as well as the number and level of partner companies such as contractors and other licensed professionals differ by region.

We will create our own unique positioning by properly managing the balance between "standardization" and "individual solutions"

Competitive Advantage

Standardization policies

●**Preparation and weekly updates of manuals**
～Organize individual work processes including purchasing, reforms, and sales in detail.
Create manuals for renovation contractors as well.

●**Standardization of knowledge**
～Collect information on good knowledge and bad knowledge through weekly business condition reports.
Standardize and disseminate solution methods to workplaces through weekly company-wide morning video conferences.

●**Checking system at headquarters**
～Check the contents of contracts and reforms at headquarters from a third-party perspective.

Individual solutions policies

●**Sales staff oversees every phase of the business flow**
～By overseeing every phase from the property acquisition to reform plans to sales, the sales staff takes responsibility for everything from property quality to customer support.

●**Hire personnel with ties to each region throughout Japan**
～Hire "exceptional students wishing to work for the region" at local universities and establish positioning as a company that works for the region.

●**Compensation system not reliant on results**
～Compensation system based on fixed salaries to allow employees to work for a long time and accumulate the benefits of experience.

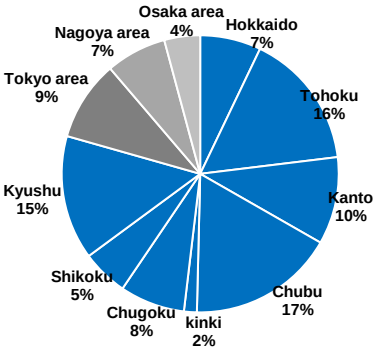
- Accumulate "experiences of success and failure" based on the results of more than 80,000 properties
- By focusing on regional cities and the middle-income range, we will build a platform that, unlike metropolitan city center and high-end markets, is resistant to market conditions
- Detailed management by a management class with diverse backgrounds

3. Nationwide Branch Network and High Brand Recognition

- KATITAS maximizes purchasing and sales opportunities by covering geographic areas not or rarely accessed by competitors, including small- and medium-sized cities with populations between 50,000-300,000
- KATITAS has No.1 brand recognition in regional areas

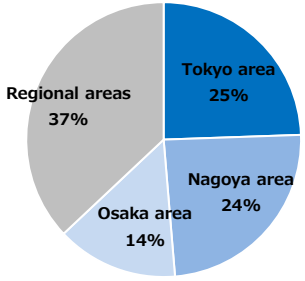
Nationwide Branch Network UPDATE

KATITAS: Sales by area(1)
(FY2024, based on number of units)



*Number of properties sold (FY2024): 5,597

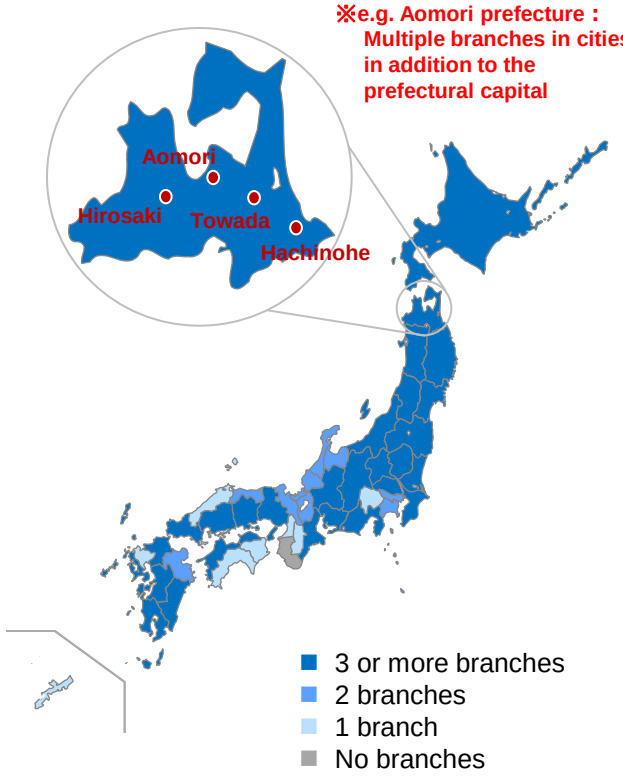
REPRICE: Sales by area
(FY2024, based on number of unit)



*Number of properties sold (FY2024): 1,775
*"Regional areas" are other areas than the "three metropolitan areas"(2)

Branch Locations(3) of KATITAS
(As of March 31, 2025)

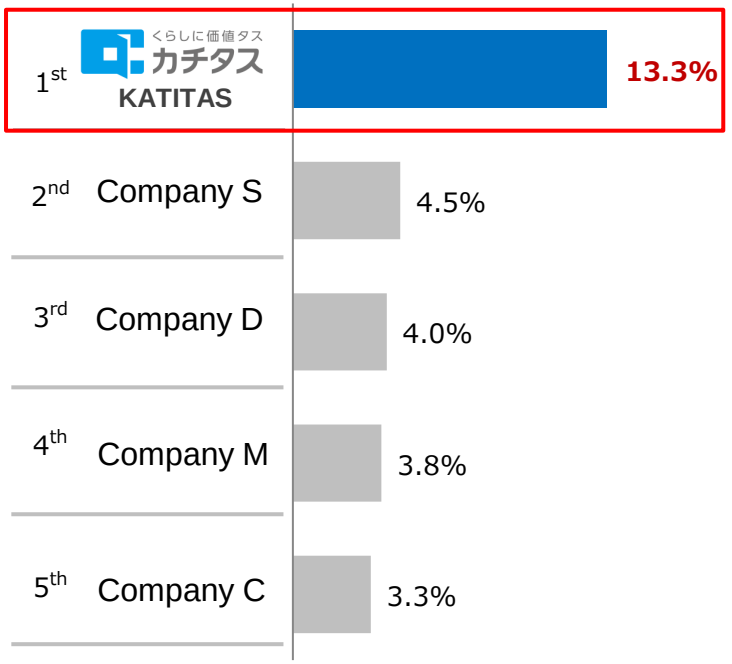
※e.g. Aomori prefecture : Multiple branches in cities in addition to the prefectural capital



High Brand Recognition in Regional Areas UPDATE

Survey on Brand Recognition(4)

Q. "Which company comes to mind if you are asked about a company to which one could sell a house?"

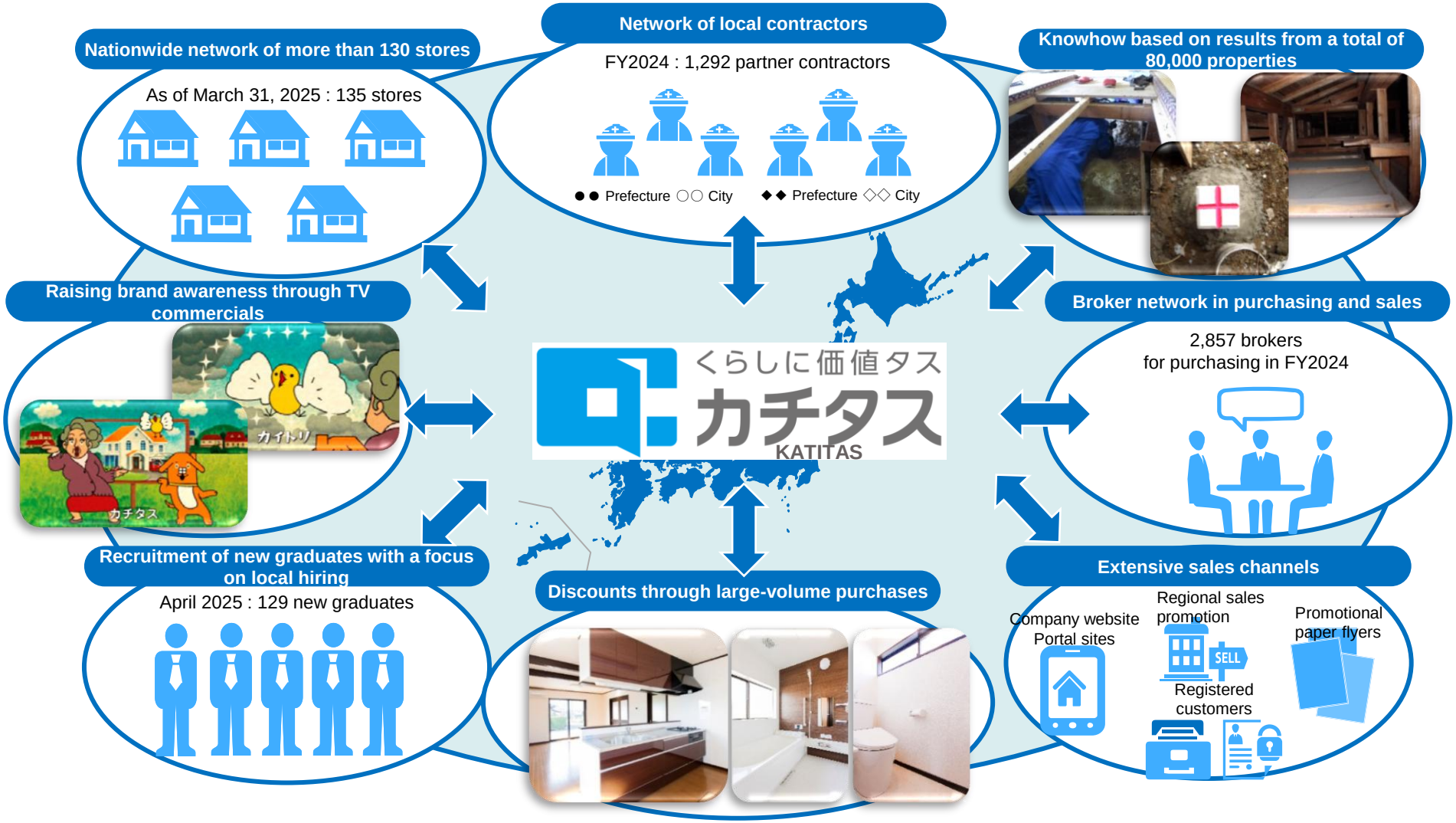


Source: Web-based survey without presenting answers options in February 2025 conducted by a third-party research firm requested by KATITAS. The number of samples of each survey was 1,100. 10 prefectures were selected as target survey areas and the surveys were conducted in rotation. The above chart shows aggregated results of prefectures where KATITAS TV commercials were aired

(1) Tohoku: Aomori, Iwate, Miyagi, Akita, Yamagata and Fukushima prefectures. Kanto: Ibaraki, Tochigi and Gunma Prefectures. Chubu: Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano and Shizuoka prefectures. Kinki: Shiga and Wakayama prefectures. Chugoku: Tottori, Shimane, Okayama, Hiroshima and Yamaguchi prefectures. Shikoku: Tokushima, Kagawa, Ehime and Kochi prefectures. Kyushu: Fukuoka, Saga, Nagasaki, Kumamoto, Oita, Miyazaki, Kagoshima and Okinawa prefectures.
(2) Three Metropolitan Areas (defined by the Ministry of Internal Affairs and Communications): Tokyo area (Saitama, Chiba, Kanagawa and Tokyo prefectures), Nagoya area (Gifu, Aichi and Mie prefectures) and Osaka area (Osaka, Hyogo, Nara and Kyoto prefectures)
(3) Branch list is explained in detail on P.52
(4) Surveyed areas in February 2025 were Akita, Yamagata, Niigata, Ishikawa, Nagano, Ehime, Nagasaki, Kagoshima prefectures (where TV commercials were aired), as well as Gunma and Shiga prefectures (where no TV commercials were aired)

3. Our Advantage Over Competitors is an Organic and Integrated Ecosystem

- The strength of KATITAS' business model is as a strong, organically integrated collective, and not in individual, exceptional strengths.
- Build a highly unique business model that cannot be easily imitated by competitors.



Note: Figures on this slide are for KATITAS on a non-consolidated basis.

3. KATITAS' Advantages in Supplying High-Quality Renovated Homes at Reasonable Prices

- Track record of dealing over 80,000 pre-owned single-family homes, leading to accumulation of know-how (Management of failure)
- Conducting efficient procurement and renovation by utilizing organized third parties such as builders and intermediaries
- Advantage in ability to procure vacant pre-owned homes that competitors are unable to acquire, utilizing our ability to judge, procure, plan and renovate

Accumulated Knowhow based on Track Record

Ability to assess property purchase risks

- ✓ Careful inspection and leverage track record to knowledgeably assess properties that on face might seem too risky for competitors to procure
- ✓ Purchase price determined with strong awareness of expected renovation costs and likely selling price

Ability to plan renovation work

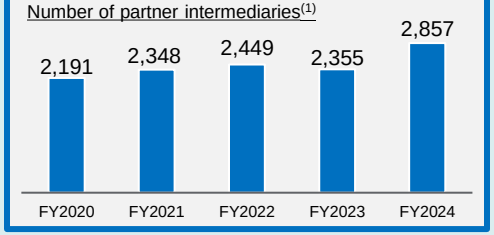
- ✓ Exploit renovation know-how to meet customer needs with a reasonable selling price
- ✓ Plan renovation to make purchased properties sellable, by addressing region specific needs
- ✓ Awarded by the Ministry of Economy, Trade and Industry as an Innovative Renovation Company in 2015(2)

Well-organized Third Parties

Ability to purchase properties

- ✓ Form alliances with local brokers throughout Japan to gain strength of presence in local markets
- ✓ Stable purchase system

Number of partner intermediaries(1)

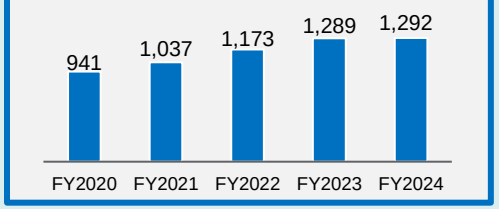


* Number of intermediary companies with which KATITAS concluded one or more purchase transaction annually

Ability to implement renovation work

- ✓ Entrust renovation work to partner contractors that are knowledgeable about KATITAS quality
- ✓ Efficiency and quality of renovation work

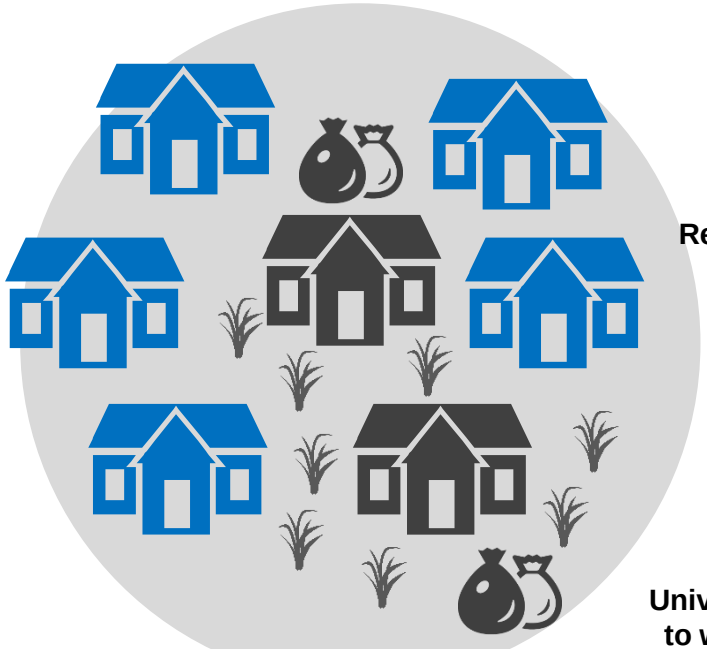
Number of partner contractors(1)



(1) The number of contractors and intermediary companies are on a non-consolidated basis
(2) Starting in 2014, METI has been granting annual awards to companies that address a variety of needs of consumers with the strengths of their unique business models

3. KATITAS' ESG and SDGs : Contributing to Acquisition of Affordable Housing for Low- and Middle-Income Households

There are 9.00 million vacant houses nationwide, a large social problem



Vacant houses spoil the landscape and create concern over public safety



Various regional social problems including the aging population, young people leaving and the hollowing out of the economy

17 PARTNERSHIPS FOR THE GOALS

Renovation contractors

Creating employment

University students wishing to work for the community

8 DECENT WORK AND ECONOMIC GROWTH

Resolving the vacant house issue by renovating and distributing vacant houses

Affordable houses for people with annual household income of ¥2-5 million

1 NO POVERTY

3 GOOD HEALTH AND WELL-BEING

Stimulation of the community

Work-Life balance

11 SUSTAINABLE CITIES AND COMMUNITIES



Population concentration in urban areas

*The UN's Sustainable Development Goals website：https://www.un.org/sustainabledevelopment/

3. KATITAS' ESG and SDGs: Status of Overall Initiatives

KATITAS' pre-owned house renovation business

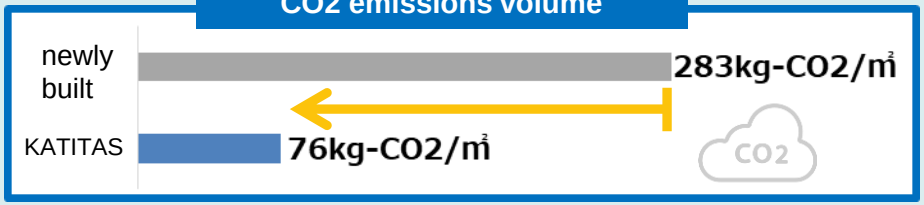


12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Scrap and build new houses



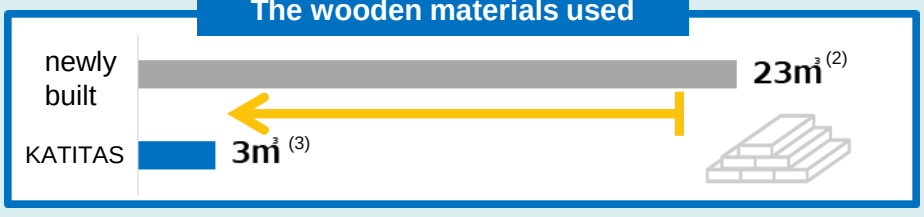
CO2 emissions volume (1)



7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

The wooden materials used



15 LIFE ON LAND

Independent outside directors: 1/3 of the total

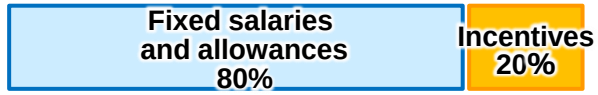
- ✓ Of those, three are Independent Outside Directors.
- ✓ Outside Director attendance ratio: 91.7% (4)
- ✓ Flat Board of Directors operations in which Directors can comment freely.



Salaries of sales employees are mainly fixed salaries

- ✓ Incentives make up a small percentage of salaries, which are less likely to become contributors to unreasonable sales activities and sales.

Wage system (5)



Weekly video conference connecting all branches nationwide

- ✓ Communication including failure cases and compliance.



The three reporting principles

- ✓ Thorough internal notifications on compliance awareness.

1. Promptly report trouble
2. Report the bad things first
3. Do not lie

- Voluntary Remuneration Advisory Committee
- Monthly partner meetings held with renovation contractors (KRP Meeting)
- Regular distribution of awareness-raising materials related to human rights

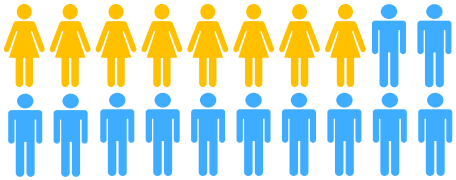
(1) Source: Kimoto, Ikaga, Hanaki, Shintani, and Noguchi (2009), "Projection of CO2 Emissions from Construction, Renovation, and Demolition of Housing to 2050"
(2) Source: "Current Status and Issues in the Forestry, Logging, and Timber Industry," Forestry Agency (March 2021)
(3) Our standard remodeling property results, constructed in December 2018
(4) Results for the fiscal year ended March 31, 2025
(5) Results for the fiscal year ended March 31, 2020
(for employees ranging from personnel in charge to sales department managers)

3. KATITAS‘ ESG and SDGs : Company Where Female Employees Can Take an Active Role

- KATITAS actively recruits and promotes women because operations to purchase houses and to remodel them are ones in which women can take an active role.
- KATITAS contributes to the revitalization of local regions through the creation of job opportunities for women, which is an issue in local regions and the suburbs where the Company operates.
- In June 2020, KATITAS was selected as a new constituent of the MSCI Japan Empowering Women Select Index.

Annual sales ranking of sales employees (FY2024 results)

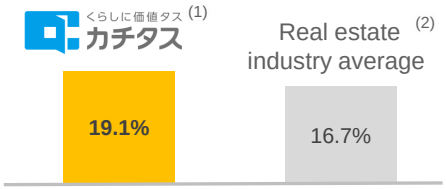




40% (8) of the company’s top-ranking sales personnel were women

Percentage of female managers(As of April 2025)





KATITAS also has a high percentage of women in managerial positions*1

Female employee ratio: 40.0% (As of April 2025)





Many women interested in renovations and housing

Ratio of women and men in terms of average years of service (As of March 31, 2025) (3)

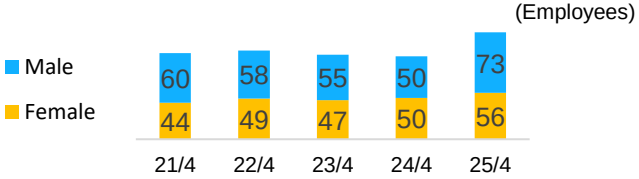




There is little difference in average years of service between men and women.

Breakdown of new-graduate recruits by gender





A high percentage of the company’s new-graduate recruits are women

Selected as a new constituent of the MSCI Japan Empowering Women Select Index

2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

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(1) Total number in management and supervisory roles, including KATITAS’s sales and administrative divisions
(2) Source: Teikoku Databank “Awareness Survey of Corporate Attitudes Towards Promotion of Women (2023)”
(3) Average years of service of female employees(6.5years) / Average years of service of male employees(6.6years)
(4) Average years of service of female employees(10.4years) / Average years of service of male employees(15.3years)
Source: The Ministry of of Health, Labour and Welfare "Basic Survey on Wage Structure (2024)"

Presentation Highlights

1.	Overview of Financial Results for the FY2024 (Ending March 31, 2025)	P3-P10
2.	Fourth Mid-Term Business Plan and Management Plan for FY2025 (Ending March 31, 2026)	P12-P26
3.	Overview of Business Model	P28-P48
4.	APPENDIX	P50-P64

4. Company Summary

Name	KATITAS Co., Ltd.
Date of Establishment	September 1, 1978
Representative	Katsutoshi Arai, President and CEO
Fiscal Year-End	March 31
Capitalization	JPY 3,778,871,000
Number of outstanding shares	78,650,640 shares
Listed Stock Market	TSE Prime Market (Securities Code: 8919)
Headquarters	4-2 Mihara-cho, Kiryu-shi, Gunma
Tokyo office	PMO Hatchobori Shinkawa Bld., 2-9-11, Shinkawa, Chuo-ku, Tokyo
MSI Management Center	3-12 Kotohira-cho, Kiryu-shi, Gunma
Subsidiary	REPRICE Co., Ltd.

Name	REPRICE Co., Ltd.
Date of Establishment	June 19, 1996
Representative	Katsutoshi Arai, chairman and executive director Takayuki Ushijima, President
Fiscal Year-End	March 31
Capitalization	JPY 75,000,000
Headquarters	NF Bld., 1-9-16, Sakae, Naka-ku, Nagoya-shi, Aichi
Parent company	KATITAS Co., Ltd.

4. History

Date	Event
Sep. 1978	Established as Yasuragi Co., Ltd., in Kiryu, Gunma Prefecture with ¥10 million in capital to conduct the stone quarrying business
Dec. 1988	Acquired a real estate brokerage license and started the real estate sales and agency business
Aug. 1998	In line with the revised Civil Execution Act, established a business model of purchasing real estate at property auctions and selling refurbished properties
Mar. 1999	Opened the Takasaki Branch (later opened more regional branches, reaching a total of 134 as of March 31, 2024)
Feb. 2004	Listed on the Centrex Market of the Nagoya Stock Exchange
Mar. 2012	Tender offer for the Company’s shares by Advantage Partners Inc., a private-equity fund
Jul. 2012	Delisted from the Centrex Market of the Nagoya Stock Exchange
Jul. 2013	Changed company name to KATITAS Co., Ltd.
Feb. 2016	Received the METI Minister Award for “Advanced Rehabilitation Remodeler” from the Ministry of Economy, Trade and Infrastructure
Mar. 2016	Acquired all shares of REPRICE Co., Ltd. (now a consolidated subsidiary)
Apr. 2017	Formed a capital and business alliance with Nitori Holdings Co., Ltd.
Oct. 2017	Received the 17th Porter Prize (sponsored by the School of International Corporate Strategy, Hitotsubashi University Business School)
Dec. 2017	Listed on the First Section of the Tokyo Stock Exchange
Mar. 2020	Due to stable growth post-listing, achieved consolidated operating profit of ¥10.0 billion
May. 2021	Cumulative number of homes sold by REPRICE surpasses 10,000
Apr. 2022	Listed on the Prime Market of the Tokyo Stock Exchange
Feb. 2025	Cumulative number of homes sold by KATITAS surpasses 80,000

4. KATITAS Group Branch List（All Own Branches）

Branches (As of March 31, 2025)

KATITAS ⇒ **Nationwide network covering regional small- to medium- sized cities**

Hokkaido	**Kanto**	**Koshinetsu, Hokuriku**	**Kansai**	**Shikoku**
Sapporo	Mito	Nagaoka	Hikone	Tokushima
Otaru	Tsukuba	Niigata	Kusatsu	Takamatsu
Asahikawa	Shimotsuma	Joetsu	Fukuchiyama	Marugame
Iwamizawa	Hitachi	Shibata	Fushimi	Matsuyama
Kitami	Utsunomiya	Tsubamesanjo	Kobe	Saijo
Hakodate	Oyama	Toyama	Himeji	Uwajima
Kushiro	Nasu	Takaoka	Takarazuka	Kochi
Obihiro	Tochigi	Kanazawa	Akaho	
Muroran	Ota	Nanao	Nara	**Kyushu**
	Midori	Fukui		Fukuoka
Tohoku	Numata	Tsuruga (1)	**Chugoku**	Kita-Kyushu
Hirosaki	Takasaki	Kofu	Tottori	Kurume
Towada	Maebashi	Ueda	Yonago	Iizuka
Hachinohe	Kumagaya	Nagano	Izumo	Omuta
Aomori	Koshigaya	Matsumoto	Okayama	Fukuoka-Higashi
Morioka	Kawagoe	Ina	Tsuyama	Saga
Ichinoseki	Iruma	Suwa	Hiroshima	Sasebo
Hanamaki	Higashi-Matsuyama		Fukuyama	Isahaya
Sendai	Honjo	**Tokai**	Miyoshi	Nagasaki
Osaki	Mobara	Gifu	Higashi-Hiroshima	Kumamoto
Natori	Sakura	Tajimi	Yamaguchi	Yatsushiro
Ishinomaki	Kisarazu	Ogaki	Shimonoseki	Uki
Akita	Chiba	Shizuoka	Iwakuni	Oita
Yokote	Hachioji	Numazu		Nakatsu
Odate	Hon'atsugi	Iwata		Miyazaki
Yamagata		Fuji		Miyakonojo
Sakata		Nagoya		Nobeoka
Yonezawa		Toyohashi		Kirishima
Koriyama		Toyota		Kagoshima-Chuo
Iwaki		Matsuzaka		Satsumasendai
Aizu		Nabari		Okinawa
Fukushima		Yokkaichi		

Total 135 Branches

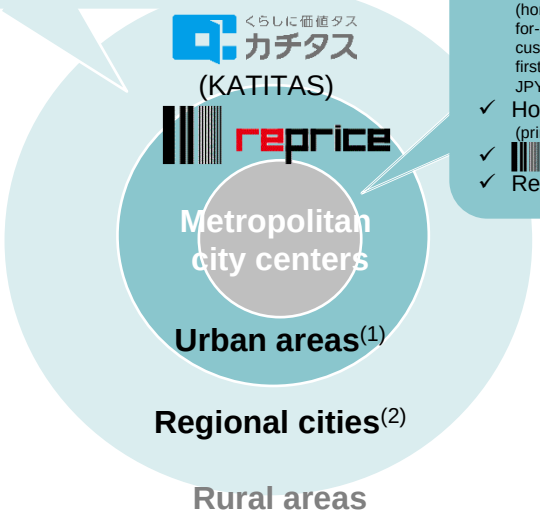
\+

reprice ⇒**Focus on urban areas**

REPRICE Tokai	REPRICE Gifu
REPRICE Tokyo	REPRICE Kansai
REPRICE Kanagawa	REPRICE Chugoku
REPRICE Hokkaido	REPRICE Okayama
REPRICE Tohoku	REPRICE Shikoku
REPRICE Kita-Kanto	REPRICE Kyushu
REPRICE Shinshu	
REPRICE Shizuoka	

Total 14 Branches

Main types of house sellers
- ✓ Local home builders
- ✓ カチタス(KATITAS)
- ✓ Real estate brokers



Main types of house sellers
- ✓ Home builders
- ✓ "Power Builders"
  (home builders specializing in built-for-sale houses primarily targeting customers purchasing home for the first time in the price range of JPY20MM-30MM)
- ✓ House re-sellers
  (primarily condominium units)
- ✓ reprice
- ✓ Real estate brokers

(1) The branches newly opened in FY2024.

(1) Primarily regional cities and suburban areas in proximity to the three major metropolitan cities of Japan (Tokyo, Nagoya and Osaka)

(2) Suburban areas surrounding regional cities across Japan

4. (Ref)Shift from Auction Procurement to Direct Purchases (FY2016 Results)

■ Shift from procurement by auction to direct purchase has enabled us to alleviate difficulty in procurement, minimize price competition, reduce inventory turnover period, and minimize quality risk

	Residential properties procured mainly through auction	Residential properties procured mainly through direct purchase
Targeted portfolios	✓ Residential properties subject to auction due to owners' inability to repay housing loans, etc. ✓ Sold through courts	✓ Residential properties purchased from house owners directly or through housing brokers
Difficulty in procurement	✓ Anyone can participate in auction process ✓ Purchasing team is not required for negotiations with house owners → **Entry barrier: Low**	✓ Purchasing requires relationships with residential brokers and brand power ✓ Proposals and negotiations with house owners are required for sale (a strong purchasing team is essential) → **Entry barrier: High**
Price competition	✓ Supply volume is unstable and sensitive to economic circumstances ✓ Many participants in the market spurs price competition → **Gross margin ratio(2): Low (20.1%(1))**	✓ Stable supply volume backed by events such as inheritance and relocation of residence ✓ Negotiation-based transactions are less likely to cause price competition → **Gross margin ratio(2): High (25.7%(1))**
Inventory period	✓ Longer time for properties to be delivered after a successful bid → **Inventory period(3): Long (340 days(1))**	✓ Properties can be delivered shortly after purchase, which enables us to commence renovations promptly → **Inventory period(3): Short (177 days(1))**
Quality risk	✓ Preliminary inspection of properties prior to a bidding is not possible → **Risk related to quality of residence: High**	✓ Preliminary inspection of properties prior to purchase is possible → **Risk related to quality of residence: Low**

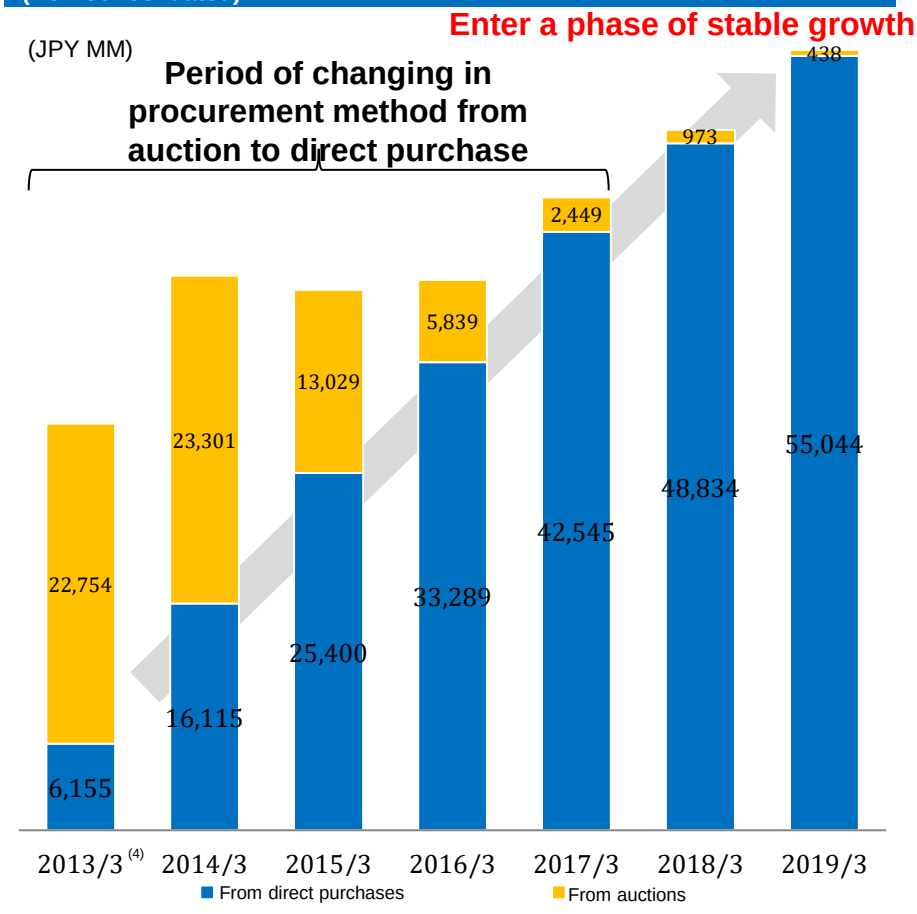
(1) Figures in brackets represent historical results of KATITAS on a non-consolidated basis (averages with respect to properties procured through auctions or direct purchases (FY2017/3))
(2) Gross margin ratio (Management accounting base): Gross profit ÷ Net sales
(3) Inventory period: Simple average number of days from the date procured to the date sold of each property

4. Increased Ratio of Properties Procured Through Direct Purchases as Compared to Auction Purchases Contributed to Rapid Growth in Sales and Gross Profit

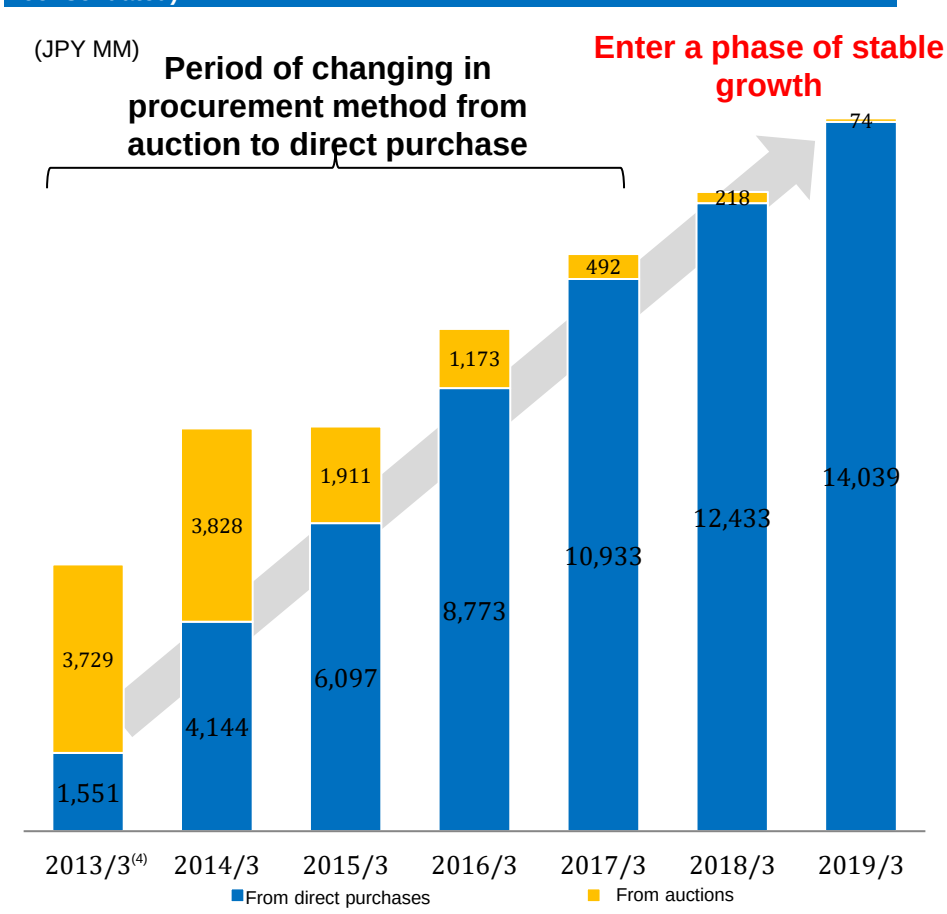
(Reposted from 4Q FY2018)

- KATITAS has largely shifted its property procurement method from auctions to direct purchases.(1) This drastic reform increased gross profit
- From the fiscal year ended March 31, 2018, KATITAS is likely to enter a phase of stable growth of around 10% annually

Historical Sales (2) Breakdown by Procurement Method (Non-consolidated)



Historical Gross Profit(2)(3) Breakdown by Procurement Method (Non-consolidated)

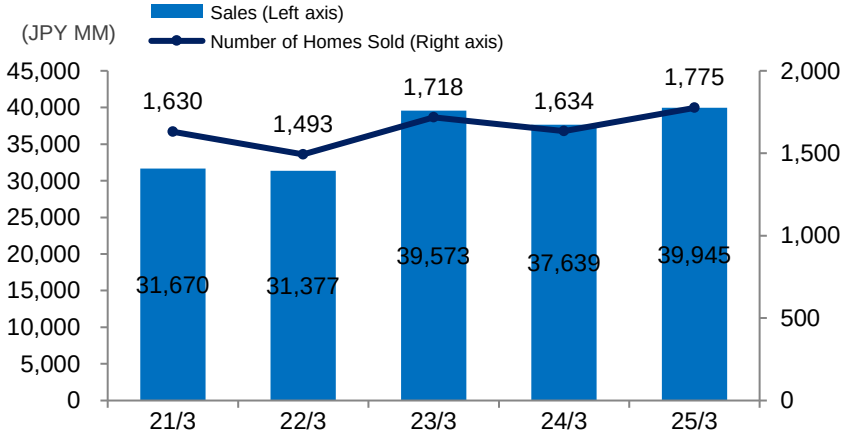


(1) Please refer to P.53 regarding the comparison between procurement through auctions and direct purchases
(2) Sales and gross profit are based on managerial accounting
(3) Gross profit from sales attributed to homes procured through auction and direct purchases is based on the procurement costs and renovation costs of the homes before appraisal loss, loss from lower-of-cost-or-market valuation, impairment loss and other minor adjustments
(4) During the fiscal year ended March 31, 2013, we changed the end of our fiscal year from January 20 to March 31 and as a result the fiscal year ended March 31, 2013 covers the approximately 14-month period from January 21, 2012 until March 31, 2013

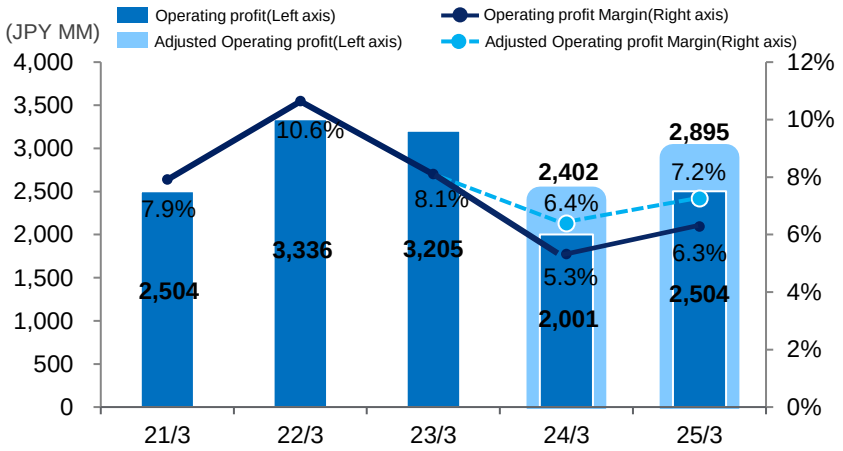
4. Merger and Synergies with REPRICE

- In March 2016, we conducted a merger with REPRICE by acquiring 100% of its shares and thereby removed funding constraints, which was the biggest hindrance to REPRICE's growth.
- We injected our know-how to REPRICE and have effectively switched their purchase strategy from auction to direct purchase and shifted property types from condominiums to detached houses.
- Both sales and operating profit have increased since the merger. Unlike KATITAS' operations which are centered around rural areas, REPRICE's operations are in the suburbs of the three major metropolitan areas where there are competitors.

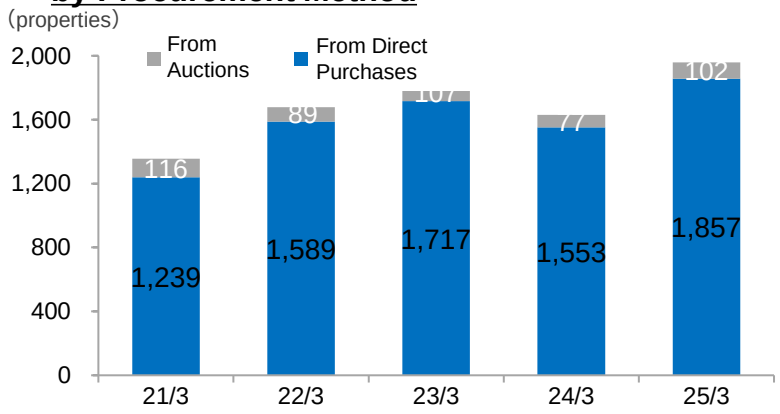
Sales and number of properties sold



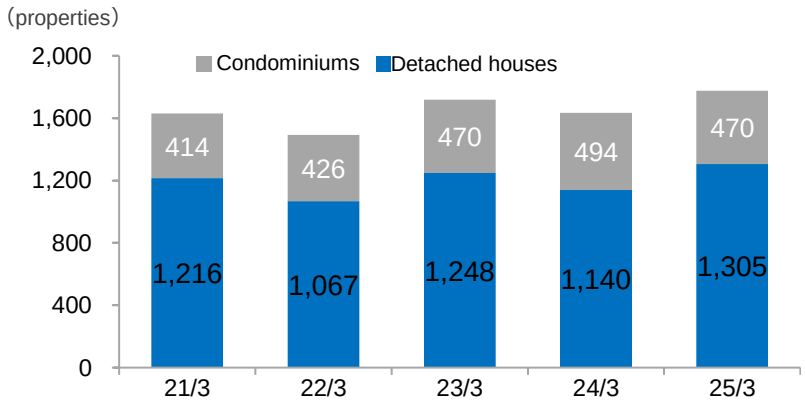
Operating profit and operating profit margin



Number of Houses Procured by Procurement Method



Number of sales by detached houses/condominiums



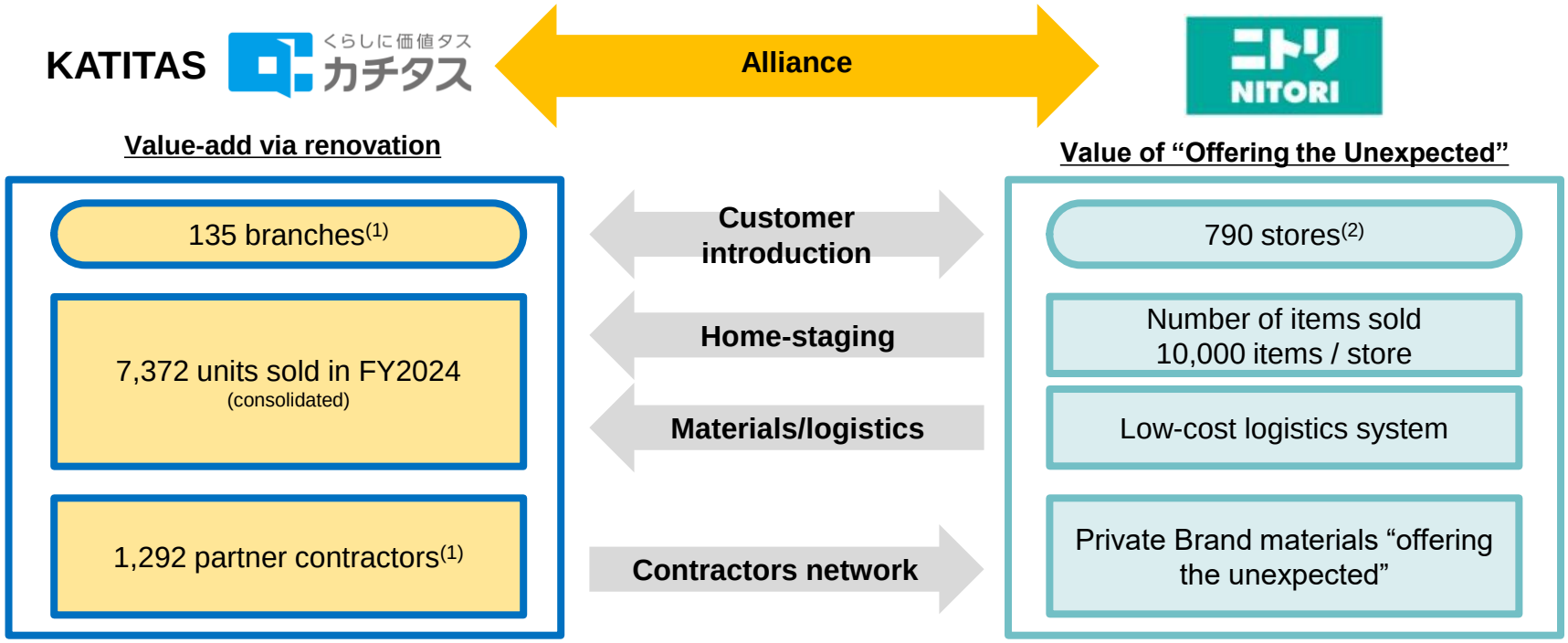
(1) For details on adjusted items, please see the Adjustment Item List on slide 9.

4. Alliance with Nitori Holdings (Announced on April 28, 2017)

- Advantage Partners transferred 34% of KATITAS' shares to Nitori Holdings for JPY23,300 MM
- KATITAS and Nitori entered into an alliance that aims to utilize their respective strengths to provide enriched and more comfortable living environments to their customers

Expected Synergies

From House Re-seller to Lifestyle Provider



(1) As of March 31, 2025
(2) Aggregate of "Nitori" stores, "Nitori Deco home" stores, "Nitori Express" stores and "Shimachu" stores in Japan (as of December 31, 2024)

4. Progress of Alliance-based Operations(1/2)

- Pre-owned houses fitted with Nitori furniture and interior items not only convey a more concrete image of the post-move lifestyle and living space to those considering purchasing, but also have the advantage to the purchaser of incorporating the expense into the home loan, so that there is no burden associated with the new lifestyle.
- Buyers of KATITAS Group properties will receive two coupons that multiply reward points received through purchases at NITORI by five.

Sales Service Offering and selling pre-owned houses fitted with Nitori furniture and interior items

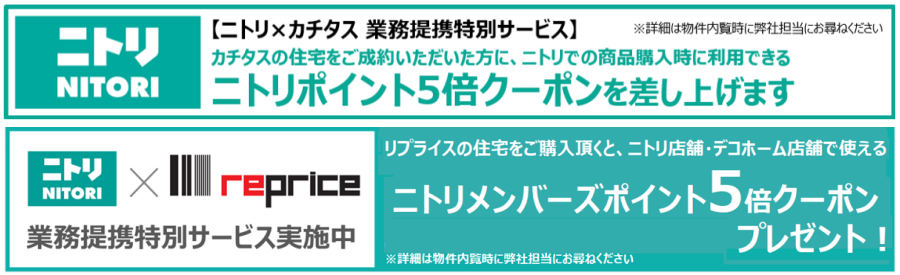




Sales Service Issuing coupons that can be used for purchases of Nitori products



Coupons provided to buyers upon conclusion of property contracts and upon delivery



Website banner announcing that coupons will be given

4. Progress of Alliance-based Operations(2/2)

- "VHS (Virtual Home Staging)" virtually installs Nitori furniture in KATITAS properties.
- This can be implemented more easily in terms of cost and furniture delivery logistics than showing a "furnished house“.
- VHS increases the success rate, so using VHS before revising prices helps to curtail price reductions.





Links to a 360° panorama allows viewers to take virtual tour of a property while moving the view around.



Switchable with one click



Currently, VHS is used mainly for living rooms

4. Unique Business Model to Add Value to Vacant Houses

- KATITAS adds value to under-valued vacant houses by renovating them for re-sale
- KATITAS' unique business model and its efforts to solve problems related to vacant houses in regional areas are highly regarded by external parties, as represented by the award given by the Ministry of Economy, Trade and Industry and the Porter Prize

Awarded by the Ministry of Economy, Trade and Industry as an Innovative Renovation Company in FY2015(1)

先進的なリフォーム事業者表彰
経済産業大臣賞



- Contribution made through purchasing/reselling pre-owned houses with a focus on regional single-family houses. Developed a framework to enhance customer satisfaction by minimizing renovation costs
- As an industry leader, not only tackling the empty house problem but also established its own construction quality standard which contributes to the soundness of the industry

Porter Prize in FY2017

PORTER PRIZE-2017 AWARD WINNER




KATITAS CO., LTD

The reasons awards were received can be viewed through the following URL or by double-clicking on the above icon.

http://katitas.jp/information/ir/file/2017porter_prize_Eng.pdf

- The prize is intended to recognize outstanding Japanese companies that implement **excellent competitive strategies**
- The prize bestows recognition on Japanese companies that have **achieved and maintained superior profitability** by implementing **unique strategies** based on innovations in products, processes, and ways of managing
- Reason for the award; (1) KATITAS renovates pre-owned houses in regional areas and sells them at price levels that make mortgage payments competitive with renting. (2) KATITAS continues its growth by providing high quality houses in regional areas where population is decreasing with limited supply of newly built houses

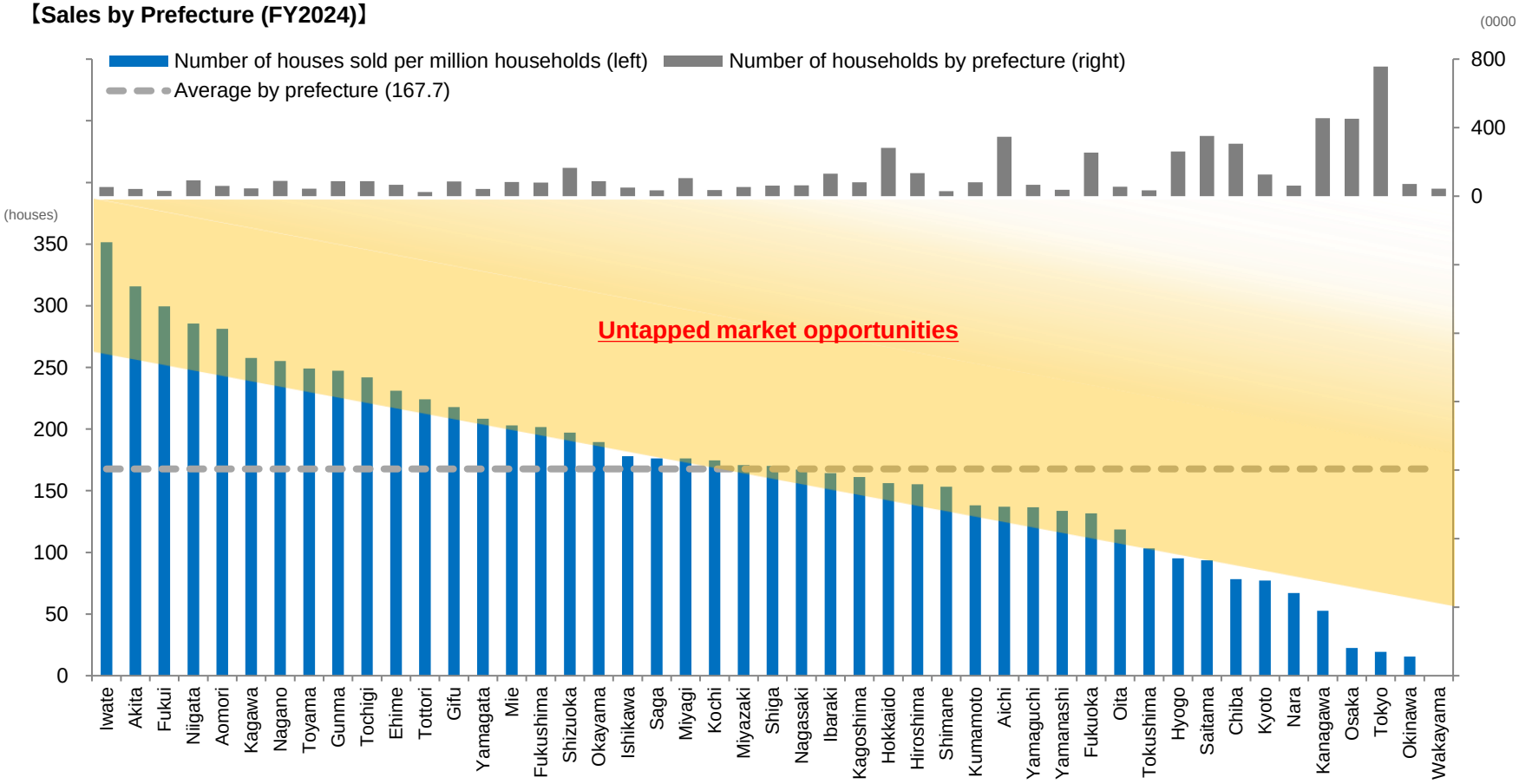
(1) Starting in 2014, METI has been granting annual awards to companies that address a variety of needs of consumers with the strengths of their unique business models

4. Untapped Market Opportunities

- Rural areas where the population is declining are more likely to see power builders* and new homebuilders pull out. Hence, the more rural a region is, the more attention our homes are getting.
- Prospective homebuyers in rural areas tend to have a lower income than those in the three major metropolitan areas, making it difficult for them to purchase expensive new homes.

Gap in Market Share by Region

【Sales by Prefecture (FY2024)】



*Power builders: Home builders specializing in built-for-sale houses primarily targeting customers purchasing homes for the first time in the price range of JPY20MM-30MM.

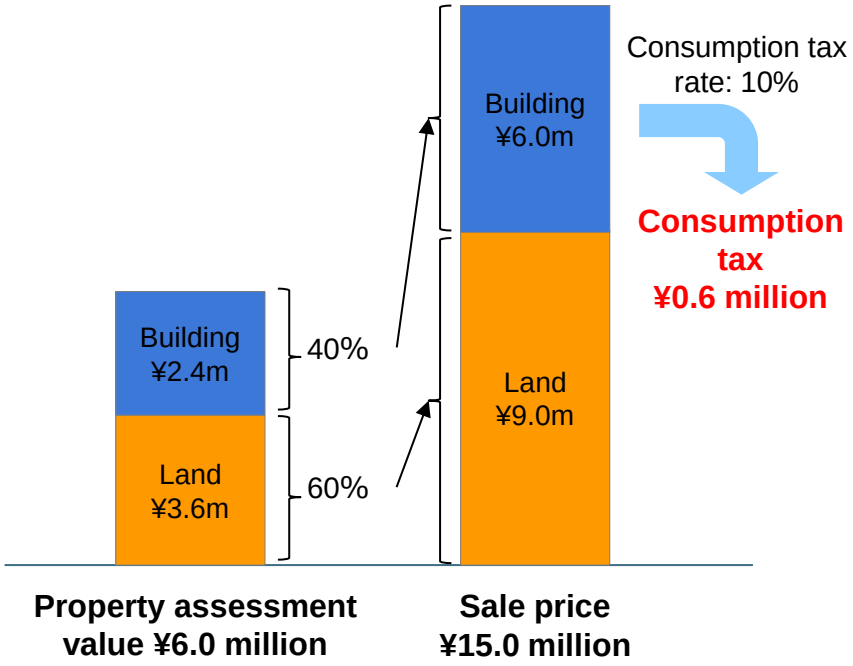
4. Differences in the Views of the Company and Tax Authorities
(figures provided here are for illustrative purposes only)

(Reposted from 1Q FY2024)

- While land transactions are exempt from consumption taxes, building transactions are subject to consumption taxes. In transactions involving preowned homes, the Company considers land and building as a single entity, and hence, it is necessary to rationally distinguish between non-taxable and taxable transactions.
- The Company applies a calculation method largely consistent with the “Apportionment based on property assessment value” as prescribed in the Frequently Asked Questions page of the National Tax Agency’s website(1). Note that the calculation method based on the “Apportionment based on property assessment value” is commonly used by business operators engaged in the purchase and resale of preowned homes.

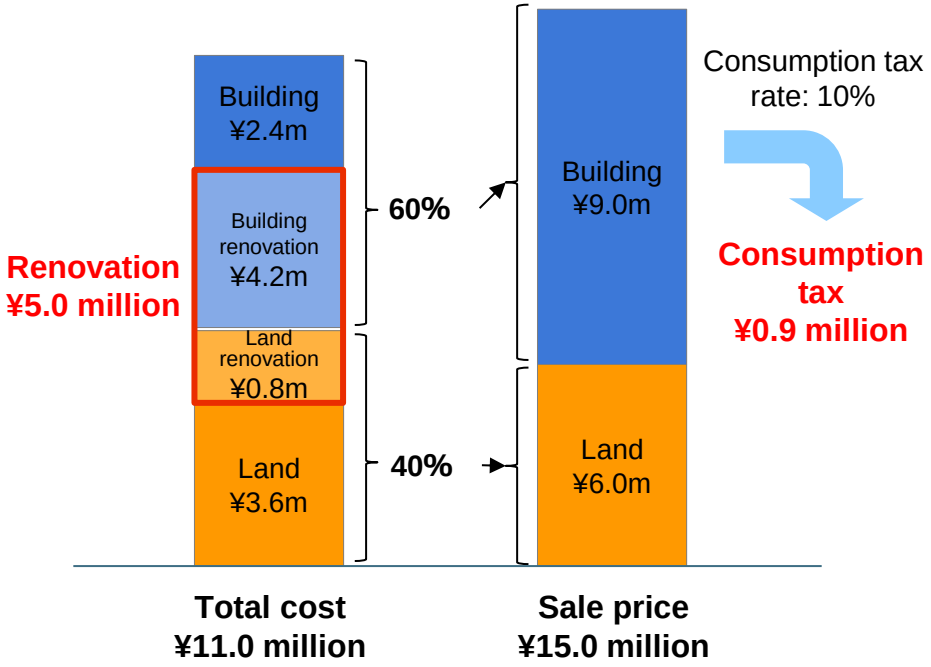
KATITAS’ calculation method

Apportion the value of land and building based on property assessment value(2)



Calculation method prescribed by tax authorities

Apportion the value of land and building based on the sum of property assessment value at the time of purchase and cost of renovation



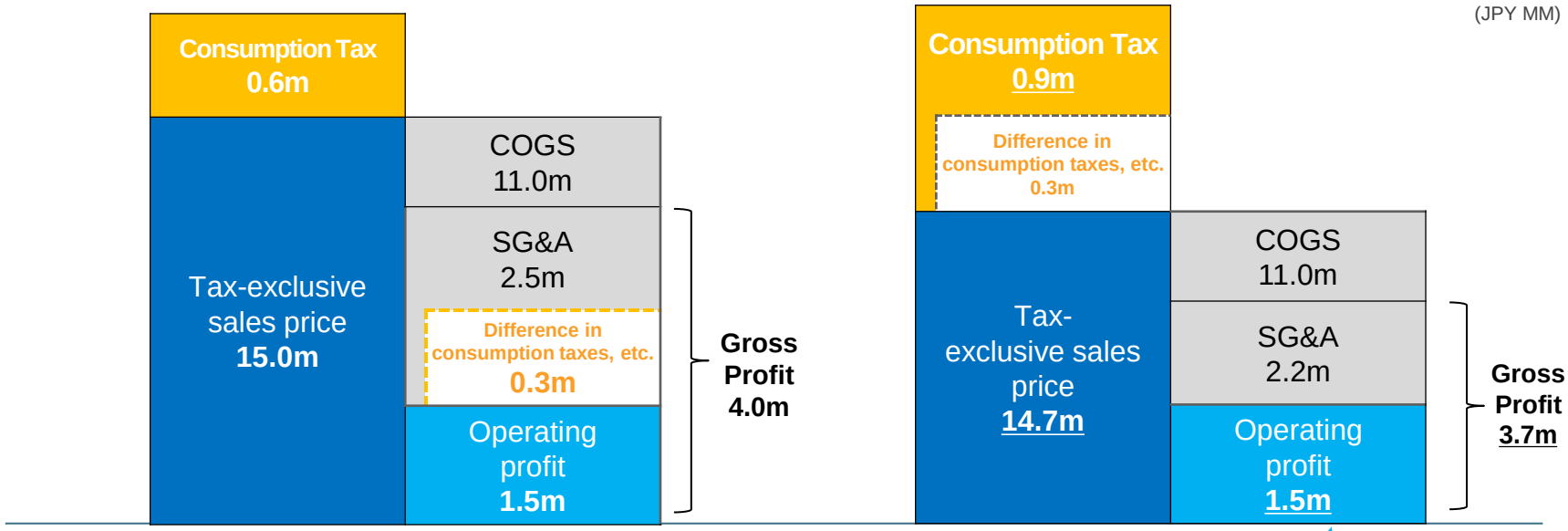
(1) National Tax Agency’s Frequently Asked Questions No. 6301: Tax base (https://www.nta.go.jp/taxes/shiraberu/taxanswer/shohi/6301_qa.htm)
(2) For its calculation, the Company uses the actual apportionment percentages of property assessment value of properties sold in the past. The percentages are recalculated semi-annually.

4. Consumption Tax-related Litigation: Accounting Treatment Following the Supreme Court's Decision to Dismiss the Appeal

- On May 12, 2025, we received a notice from the Supreme Court stating it would not accept the appeal in the consumption tax-related lawsuit against the National Tax Agency
- Going forward, we will adopt the calculation method prescribed by the National Tax Agency from the sales contract phase, which will result in a reduction in net sales and gross profit. However, since the difference in consumption taxes, etc. has already been recorded under SG&A expense, there will be no impact on operating profit. Cash flow will also remain unchanged

	FY2023-2024 (under dispute)	From FY2025 onward
Net sales & Gross profit	Calculate consumption tax using our calculation method Contract price also calculated using our calculation method	**Decrease** (as difference in consumption tax will be deducted from sales)
Operating profit	Difference in consumption tax is calculated retroactively and recorded as SG&A expenses	**No change** (Although sales and gross profit will decrease, SG&A expenses will also decrease by the same amount due to the difference in consumption tax)
Cash flow	Pay taxes based on the National Tax Agency's calculation method	**No change** (as we have been paying taxes using the method prescribed by the National Tax Agency during the litigation)

(JPY MM)

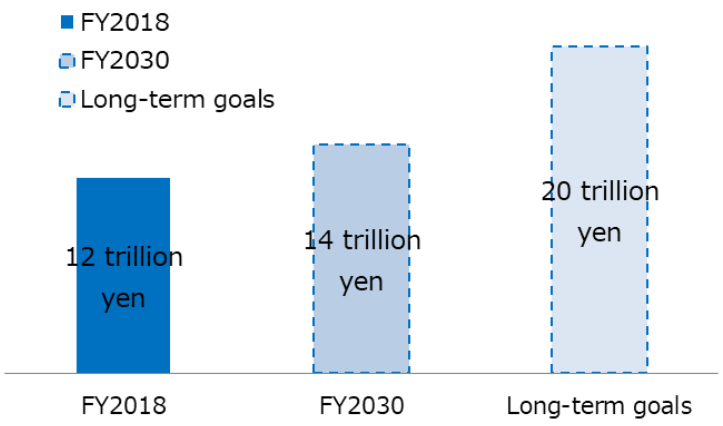


* Amounts are for illustrative purposes and not actual figures

4. Market Revitalization Backed by Governmental Policies

- The Government of Japan is making efforts to build a society in which real estate stock is efficiently used by expanding the market of pre-owned houses and renovation projects, with an aim to solve problems related to the rapidly proliferating number of vacant houses
- Specifically, reduction in the real estate acquisition tax has decreased procurement costs (on a scaled basis according to building age)

Japanese Government's Plan to Expand Market Size of Pre-owned Houses and Renovation Market (1)

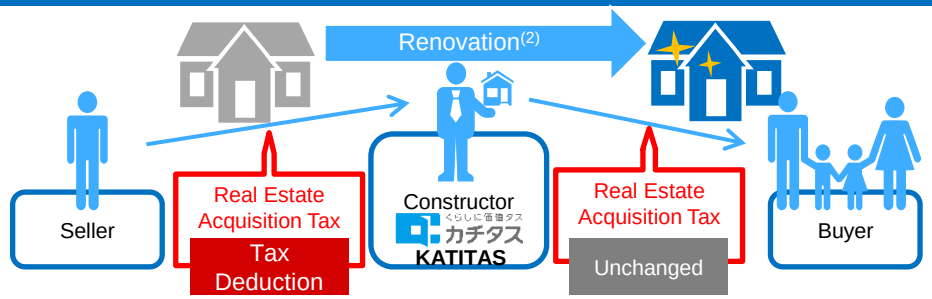


Government Plan

To accelerate residential stock utilization by promoting distribution of pre-owned houses and utilization of vacant houses

Important to support house resellers to effectively promote circulation of pre-owned houses

Specific Measures: Reduction in Real Estate Acquisition Tax Imposed on Resold Pre-owned Houses



Building
Tax relief according to building age(3)
→ To be reduced by 3% from tax base

Building Age (yy/mm/dd)	Deduction	Reduction
~Approx. 27 years (1997/4/1~)	JPY12MM	**JPY360k**
Approx. 28~35 years (1989/4/1~1997/3/31)	JPY10MM	**JPY300k**
Approx. 36~39 years (1985/7/1~1989/3/31)	JPY4.5MM	**JPY135k**
Approx. 39~44 years (1981/7/1~1985/6/30)	JPY4.2MM	**JPY126k**
Approx. 44~49 years (1976/1/1~1981/6/30)	JPY3.5MM	**JPY105k**
Approx. 49~52 years (1973/1/1~1975/12/31)	JPY2.3MM	**JPY69k**

FY2018 tax reform

Taxation on Land
- **JPY45,000 per building**
  or
- **Tax amount for the space of the doubled floor area (up to 200m²)**

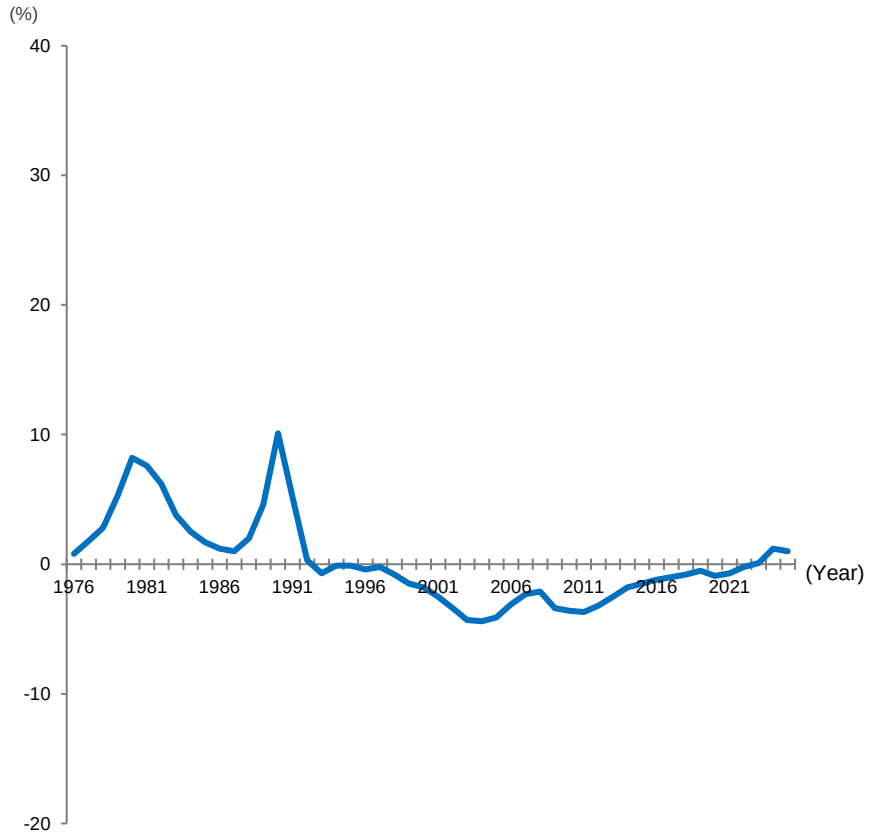
Tax burden reduction based on whichever is higher.
Enacted on April,2018.

(1) Source: Ministry of Land, Infrastructure, Transport and Tourism, Housing Bureau, Housing Policy Division "Housing Policy Basic Plan (Nationwide) (Full Text)" (March 19, 2021)
(2) Quake-resistance, energy-saving, barrier-free, water facilities
(3) Building age as of March 31, 2025

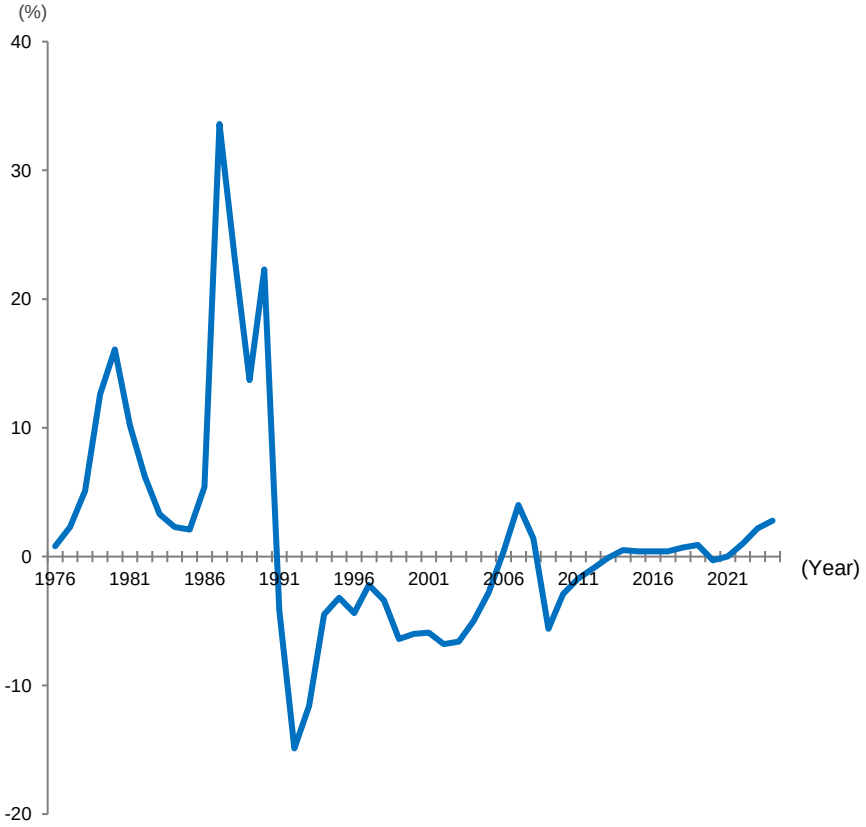
4. Trends in Land Prices - Regional Areas vs Three Metropolitan Areas

- As land prices in regional areas fluctuate based on actual demand, the level of volatility is lower than that in urban areas.
- In addition, with the trend of stable and low land prices, fluctuations in land prices have a limited influence on prices of residential properties in regional areas.
- As a result, buying and re-selling residential properties in regional areas is less subject to market volatility.

Trends in land prices of residential districts in regional areas, compared to the previous year



Trends in land prices of residential districts in the three metropolitan areas, compared to the previous year



Source: Ministry of Land, Infrastructure, Transport and Tourism, “Survey of Land Prices by Prefecture”

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Throughout this presentation, unless otherwise specified, FY refers to the fiscal year ended March 31 of the following year (for example, FY2020 refers to the fiscal year ended March 31, 2021).

In this presentation, unless otherwise specified, references to our “homes” include single-family detached houses and condominium units that KATITAS acquires, renovates and resells as part of its business. Data presented for “homes” is on a gross basis, excluding home returns.

This is a partial English translations of the original Japanese version prepared only for the convenience of shareholders residing outside Japan. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.

On March 30, 2016, KATITAS completed the acquisition of REPRICE Co., Ltd. (“REPRICE”) and its two wholly owned subsidiaries (Comprehensive Urban Development Corporation and Arctive Co., Ltd.), and REPRICE became a wholly owned subsidiary of KATITAS as of the same date. Because the date of the acquisition of REPRICE was deemed to be March 31, 2016 for accounting purposes, the consolidated balance sheet of KATITAS as of March 31, 2016 reflects the consolidation of REPRICE but the consolidated results of operations of REPRICE for the period from March 30, 2016 to March 31, 2016 are not reflected in KATITAS’ consolidated statements of income, comprehensive income, changes in equity and cash flows for the fiscal year ended March 31, 2016. On September 2, 2016, KATITAS sold all of the shares of Comprehensive Urban Development Corporation, and on September 30, 2016, KATITAS sold all of the shares of Arctive Co., Ltd. to third parties. Due to the consolidation of the results of operations of REPRICE and its subsidiaries in KATITAS’ results of operations for the fiscal year ended March 31, 2017, KATITAS’ results of operations for that fiscal year are not directly comparable to the results of operations for prior fiscal years. Further, prior to the completion of the acquisition of REPRICE on March 30, 2016, KATITAS did not have any subsidiaries