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Notice Concerning Formulation of New Medium-Term Management Plan 2030 Following Anticipated Early Achievement of Current Plan's Profit Targets

KI-STAR REAL ESTATE CO., LTD. (the "Company") hereby announces that it has formulated a new Medium-Term Management Plan (FY3/2028–FY3/2030) with the fiscal year ending March 31, 2030 (FY3/30) as its final year. Details are as follows:

1. Positioning and Context

Guided by its corporate philosophy of "Creating Enriching, Enjoyable, and Pleasant Lifestyles" and its vision of "House Ownership for Everyone," the Company and its consolidated subsidiaries (the “Group”) have actively pursued business expansion. Key initiatives have included recovering gross profit margins through a strategic shift of the core Homebuilding and Sales Business toward major metropolitan areas, as well as launching the Pre-owned Home Renovation Business to capture the growing demand for affordable housing in suburban regions. Concurrently, new businesses - such as the Apartment/Income-Producing Real Estate Business and Overseas Business - have gained traction, optimizing the Group's business portfolio and reinforcing its earnings base.

Driven by these margin improvements and progress in business diversification, the Group is now projected to achieve the ordinary income target of ¥30.0 billion set forth in the previous Medium-Term Management Plan in the fiscal year ending March 31, 2027 (FY3/27 revised forecast: ¥31.5 billion) - one year ahead of schedule. In light of this achievement, with the aim of realizing further enhancement of corporate value and sustained growth, the Company has formulated the "New Medium-Term Management Plan 2030" covering the period through FY3/30.

2. Basic Policies

- **Optimizing the Business Portfolio:** Continue strengthening the management foundation by deepening the core Homebuilding and Sales Business and expanding into high-growth peripheral domains.
- **Building a Robust Financial Structure Resilient to External Changes (e.g., Rising Interest Rates):** Accumulate equity through high profitability generated by the stable expansion of the Homebuilding and Sales Business (Targets: Equity ratio of 25.0%, Net D/E ratio of 1.5x or lower).

3. Consolidated Financial Targets

(Millions of yen, unless otherwise specified)

Metric	FY3/2026 (Actual)	FY3/2027 (Revised Forecast)	FY3/2028 (Target)	FY3/2029 (Target)	FY3/2030 (Target)
Net Sales	393,095	460,000	520,000	580,000	620,000
Ordinary Profit	24,963	31,500	33,500	35,500	38,000
Profit Attributable to Owners of Parent	15,355	19,300	20,800	22,000	23,600
Earnings Per Share (EPS / Yen) *1	495.15	621.65	667.51	707.36	757.17

*1 The Company executed a 2-for-1 stock split of its common shares effective April 1, 2026. Figures for EPS have been retroactively adjusted accordingly.

4. Strategic Initiatives by Business Segment

(1) Homebuilding and Sales Business: We accelerate market share gains by concentrating management resources in major metropolitan areas (including the Greater Tokyo Area, Kansai and Fukuoka, etc.) and maintain steady growth through high-turnover operations leveraging the KEIAI Platform. Over the long term, we aim to achieve annual deliveries of 20,000 units.

(2) Apartment/Income-Producing Real Estate Business: In light of rising interest rates, conservative sales targets are set in the range of ¥15.0 billion to ¥20.0 billion. The business will focus on supplying high-yield wooden apartments tailored to the actual living/investment needs of individual investors (salaried investors), while executing rigorous, selective purchasing of pre-owned income-producing assets.

(3) Other Businesses:

- **Pre-owned Home Renovation Business:** Maintain our “two-way strategy” alongside the Homebuilding and Sales Business. Fully leveraging our nationwide network of 200 existing sales offices built through the homebuilding segment, we aim to establish a footprint of 50 dedicated sales offices delivering over 2,000 units annually.
- **Overseas Business:** Drive an end-to-end operational model bridging MunCorp (an Australian joint venture engaged in land development and subdivision) and Kintegra Living (a local construction subsidiary), targeting a gross business volume of approximately ¥30.0 billion.
- **Other Domains:** Reinforce businesses supporting the core engine and maximize customer lifetime value (LTV) - including "K HOUSE" (built-for-sale condominiums) and franchise business expansion of "IKI" (custom single-story homes), and the expansion of the "Ie-Sapo" recurring revenue business.

5. Financial Discipline, Capital Policy, and Shareholder Returns

- **Balance Sheet Health Target (Target 2030) :** Accelerate transition to a lean and resilient financial profile by enforcing strict inventory turnover control on contracted homes and accumulating retained earnings, aiming for an equity ratio of 25.0% and reducing the Net D/E ratio to 1.5x or lower.

- **Cash Allocation:** Optimally deploy generated operating cash across "Growth Investments," "Financial Soundness," and "Shareholder Returns," consistently maintaining an ROE above 20.0% over the medium to long term.
- **Shareholder Return Policy:** Maintain a baseline minimum annual dividend of ¥65 per share to ensure stable returns resilient to market fluctuations and earnings volatility, while flexibly considering share buybacks based on financial condition and performance. Reflecting robust operating progress in the current fiscal year, the Company forecasts an increased full-year dividend of ¥170 per share (¥75 interim, ¥95 year-end) and will implement a commemorative shareholder benefit program marking our 10th listing anniversary.

*For further details regarding this Medium-Term Management Plan, please refer to the "Financial Results Materials for the Second Quarter of the Fiscal Year Ending March 31, 2027," disclosed today.