Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

May 8, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 <under Japanese GAAP>

Company name: **KATITAS Co., Ltd.** Listing: Tokyo Stock Exchange
Securities code: 8919 URL: https://katitas.co.jp
Representative: Katsutoshi Arai, President and CEO
Inquiries: Kazuhito Yokota, Director, General Manager of Administration Headquarter
TEL: +81-3-5542-3882 (from overseas)
Scheduled date of ordinary general meeting of shareholders: June 23, 2026
Scheduled date to commence dividend payments: June 9, 2026
Scheduled date to file annual securities report: June 22, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: Yes (for institutional investors)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	151,851	17.2	18,279	28.5	17,809	28.3	12,470	30.6
March 31, 2025	129,537	2.2	14,222	12.2	13,876	12.6	9,550	12.4

Note: Comprehensive income Fiscal year ended March 31, 2026: ¥12,470 million [30.6%]
Fiscal year ended March 31, 2025: ¥9,550 million [12.4%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	159.43	159.37	25.2	20.2	12.0
March 31, 2025	122.22	122.12	22.2	17.3	11.0

Reference: Share of profit (loss) of entities accounted for using equity method
Fiscal year ended March 31, 2026: ¥– million Fiscal year ended March 31, 2025: ¥– million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	93,245	53,059	56.9	678.15
March 31, 2025	83,329	45,719	54.9	584.67

Reference: Equity As of March 31, 2026: ¥53,059 million
As of March 31, 2025: ¥45,719 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	(5,197)	(108)	(5,232)	8,228
March 31, 2025	1,162	(152)	(4,270)	18,766

2. Dividends

	Annual dividends per share					Total amount of cash dividends (annual)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	–	28.00	–	28.00	56.00	4,378	45.8	10.2
Fiscal year ended March 31, 2026	–	39.00	–	41.00	80.00	6,259	50.2	12.7
Fiscal year ending March 31, 2027 (Forecast)	–	45.00	–	45.00	90.00		50.3	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	86,700	19.7	10,700	18.7	10,500	19.5	7,300	21.9	93.30
Fiscal year ending March 31, 2027	177,400	16.8	21,000	14.9	20,000	12.3	14,000	12.3	178.93

*** Notes**

(1) Significant changes in the scope of consolidation during the fiscal year ended March 31, 2026: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement
   a. Changes in accounting policies in accordance with changes in accounting standards, etc.: None
   b. Changes in accounting policies due to other reasons: None
   c. Changes in accounting estimates: None
   d. Restatement: None

(3) Number of issued shares (common shares)

a. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	78,650,640 shares
As of March 31, 2025	78,650,640 shares

b. Number of treasury shares at the end of the period

As of March 31, 2026	409,434 shares
As of March 31, 2025	453,724 shares

c. Average number of shares outstanding during the period

For the fiscal year ended March 31, 2026	78,220,078 shares
For the fiscal year ended March 31, 2025	78,143,221 shares

*** Financial results reports are exempt from audit conducted by certified public accountants or audit corporations.**

*** Proper use of earnings forecasts, and other special matters**

Caution regarding forward-looking statements and others

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial and other results may differ substantially from the statements herein due to various factors. Please refer to "1. Overview of operating results, (4) Forecast" on page 3 of the attached materials for the suppositions that form the assumptions for the earnings forecasts and cautions regarding the use of the earnings forecasts.

Means of access to contents of financial results presentation meeting

The Company plans to hold a briefing for institutional investors on Friday, May 8, 2026.

The presentation materials used for the financial results briefing on this date will be posted on the Company's website promptly after the briefing has concluded.

Attached Materials

Index

1. Overview of operating results 2
   (1) Overview of operating results in the fiscal year under review 2
   (2) Overview of financial position in the fiscal year under review 2
   (3) Overview of cash flow in the fiscal year under review 3
   (4) Forecast 3
   (5) Basic policy on distribution of earnings and dividends in the fiscal year under review and coming fiscal year 4
2. Basic approach to selection of accounting standards 4
3. Consolidated financial statements and significant notes thereto 5
   (1) Consolidated balance sheet 5
   (2) Consolidated statement of income and consolidated statement of comprehensive income 7
   Consolidated statement of income 7
   Consolidated statement of comprehensive income 8
   (3) Consolidated statements of changes in equity 9
   (4) Consolidated statement of cash flows 10
   (5) Notes to the consolidated financial statements 11
   Notes on premise of going concern 11
   Additional information 11
   Notes to segment information, etc. 12
   Notes on per-share information 13
   Notes on significant subsequent events 13

1. Overview of operating results

(1) Overview of operating results in the fiscal year under review

During the fiscal year under review, the Japanese economy showed a gradual recovery trend as the business performance of companies that passed on higher raw material and import prices to their selling prices improved, alongside improvements in income and employment conditions. However, the economic outlook remains uncertain due to rising living costs for consumers caused by the aforementioned price increases, the impact of fluctuations in financial and capital markets, and developments concerning the situation in the Middle East.

Under these circumstances, the Group aims to provide a "Fourth Option" as an alternative to newly built, "as-is" pre-owned, and rental houses, mainly targeting the middle- and lower-income market. We deal with older pre-owned single-family detached houses that competitors find challenging to bring to market. We add value by refurbishing properties that are difficult to live in as they are, and sell them to customers.

In terms of sales, by providing products that meet the desire to buy inexpensive, high-quality houses against the backdrop of changes in diversifying family compositions, sales have remained strong. Specifically, we have steadily maintained the number of inquiries by providing housing that meets customer needs through offering more affordable housing to non-family segments and expanding the product lineup for customers considering new homes. In addition, as a structural factor, due to the increase in construction costs associated with the rise in prices and stronger environmental regulations, the selling prices of new homes have surged. As a result of an improvement in the price competitiveness of the used housing provided by the Group, the number of homes sold amounted to 8,380, an increase of 13.7% year on year.

In terms of purchases, the Company's policy is to carefully assess the risks associated with used housing and selectively acquire properties that can be rehabilitated and will ensure profitability. Under such circumstances, the number of purchases amounted to 9,804, an increase of 17.8% year on year, as a result of increasing the level of purchasing activity to achieve growth rates beyond those stated in the fourth medium-term management plan (hereinafter referred to as "the Fourth Medium-Term Plan") that began this fiscal year. Consequently, real estate for sale and real estate for sale in process increased by 32.0% compared to the end of the previous fiscal year, ensuring that the inventory is sufficient both in quality and quantity for stable growth.

In terms of profit, the measures to improve gross profit, including the aforementioned initiatives to provide houses in a lower price range, continued to contribute significantly. On the other hand, as disclosed 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, following the date of the decision of non-acceptance of appeal, the consumption tax difference recorded as selling, general, and administrative expenses has been calculated after being deducted from net sales. Net sales and gross profit have decreased and gross margin decreased 0.4 percentage points year on year as a result of this change in calculation method. There is no impact on operating profit and subsequent stages of profit due to the aforementioned change in calculation method. Additionally, the adjusted gross profit margin, excluding the impact of the consumption tax difference, was 24.4%, representing an increase of 0.7 percentage points year on year.

Selling, general and administrative expenses increased 3.7% year on year as a result of an increase in personnel expenses due to continued investment in personnel for future stable growth, as well as the decision to pay ¥513 million in special bonuses to employees across the Group at the fiscal year-end to increase employee motivation.

As a result, in the fiscal year under review, the number of homes sold was 8,380, up 13.7% year on year, net sales were ¥151,851 million, up 17.2% year on year, operating profit was ¥18,279 million, up 28.5% year on year, ordinary profit was ¥17,809 million, up 28.3% year on year, and profit attributable to owners of parent was ¥12,470 million, up 30.6% year on year.

The Group's sole reportable segment is the "used housing refurbishing and remodeling business." Other businesses have been omitted due to a lack of materiality.

(2) Overview of financial position in the fiscal year under review

(i) Current assets

Current assets at the end of the fiscal year under review were ¥90,620 million, an increase of ¥9,570 million compared to ¥81,050 million at the end of the previous fiscal year. This was mainly due to an increase of ¥19,667 million in real estate for sale and real estate for sale in process, despite a decrease of ¥10,538 million in cash and deposits.

(ii) Non-current assets

Non-current assets at the end of the fiscal year under review were ¥2,624 million, an increase of ¥346 million compared to ¥2,278 million at the end of the previous fiscal year. This was mainly due to increases of ¥10 million in property, plant and equipment and ¥290 million in deferred tax assets.

(iii) Current liabilities

Current liabilities at the end of the fiscal year under review were ¥32,108 million, an increase of ¥21,079 million compared to ¥11,028 million at the end of the previous fiscal year. This was mainly due to an increase of ¥18,500 million in current portion of long-term borrowings and ¥860 million in income taxes payable, despite a decrease of ¥12 million in accrued consumption taxes.

(iv) Non-current liabilities

Non-current liabilities at the end of the fiscal year under review were ¥8,077 million, a decrease of ¥18,503 million compared to ¥26,581 million at the end of the previous fiscal year. This was mainly due to a decrease of ¥18,500 million in long-term borrowings.

(v) Net assets

Net assets at the end of the fiscal year under review were ¥53,059 million, an increase of ¥7,340 million compared to ¥45,719 million at the end of the previous fiscal year. This was mainly due to the recording of ¥12,470 million in profit attributable to owners of parent while paying out dividends of surplus of ¥5,240 million. As a result, the equity-to-asset ratio was 56.9%.

(3) Overview of cash flow in the fiscal year under review

The balance of cash and cash equivalents (hereinafter, "net cash") at the end of the fiscal year under review decreased by ¥10,538 million from the end of the previous fiscal year to ¥8,228 million.
The situation and factors related to cash flows for the end of the fiscal year under review are as follows.

(Cash flows from operating activities)

Net cash used in operating activities was ¥5,197 million in the fiscal year under review, compared to net cash provided by operating activities of ¥1,162 million in the previous fiscal year. This was mainly due to an increase in inventories of ¥19,670 million and income taxes paid of ¥4,789 million, while recording ¥17,802 million in profit before income taxes.

(Cash flows from investing activities)

Net cash used in investing activities was ¥108 million in the fiscal year under review, down 28.7% from the previous fiscal year. This was mainly due to purchase of property, plant and equipment of ¥73 million and purchase of intangible assets of ¥35 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥5,232 million in the fiscal year under review, up 22.5% from the previous fiscal year. This was mainly due to ¥5,232 million in dividends paid.

(4) Forecast

As for the future outlook, although there are prospects for a moderate recovery in the employment and income environment, the economic outlook is expected to remain uncertain due to ongoing concerns such as rising prices, prolonged issues in the financial and capital markets, and developments concerning the situation in the Middle East.
Under these circumstances, the Group has announced the Fourth Medium-Term Plan on May 9, 2025 (from the fiscal year ended March 31, 2026 to the fiscal year ending March 31, 2028) with the aim of becoming "the company that enriches people's lives the most in Japan" under the management philosophy of "A door to the future, for regional areas and customers through adding value to lifestyle."
In the fiscal year ended March 31, 2026, the first year of the plan, not only was the Group's key goal indicator (KGI) of operating profit upwardly revised from the initial plan of ¥16,200 million to ¥17,800 million, but also operating profit ended up reaching ¥18,279 million (a 28.5% increase year on year), even after the provision of special bonuses to employees of ¥513 million.
The Group has determined that since the formulation of the Fourth Medium-Term Plan, customer demand for "low-cost, high-quality housing to live in" has remained firm, and there are many properties, mainly vacant houses, that the Group can purchase. Therefore, the Group believes that it can achieve growth by improving its supply capacity. As a result, the Group has promoted various basic strategies, such as increasing the number and training of sales employees, improving productivity, and diversifying refurbishment planning and procurement channels.

Based on this, the Group has decided to revise the financial KGI of the Fourth Medium-Term Plan upward as follows:

	Before the revision	After the revision
Number of homes sold (compound annual growth rate (CAGR))	10,000 (10.7%)	Over 10,000 (over 10.7%)
Operating profit (compound annual growth rate (CAGR))	¥20,000 million (12.0%)	¥23,000 million (17.4%)
ROE	20% or more	Maintain at least 20% or more, aiming for 25%
Dividend payout ratio	At least 50% with progressive dividends	At least 50% with progressive dividends

In such circumstances, the Group's forecast of consolidated business results in the coming fiscal year (fiscal year ending March 31, 2027), consists of net sales of ¥177,400 million (up 16.8% year on year), operating profit of ¥21,000 million (up 14.9% year on year), ordinary profit of ¥20,000 million (up 12.3% year on year), and profit attributable to owners of parent of ¥14,000 million (up 12.3% year on year).

(5) Basic policy on distribution of earnings and dividends in the fiscal year under review and coming fiscal year

The Company positions the return of earnings to shareholders as one of its most important management issues. The body that determines distribution of the Company's surplus is the Board of Directors.

As stated in "(4) Forecast," the Company's policy is to maintain a dividend payout ratio of at least 50% and progressive dividends during the period of the Fourth Medium-Term Plan. Based on the policy, as mentioned in "Notice Regarding Dividend of Surplus (Dividend Increase)" published today, for the fiscal year under review, the Company is distributing dividends of ¥80.0 per share (consisting of an interim dividend of ¥39.0 per share and a year-end dividend of ¥41.0 per share), resulting in a dividend payout ratio of 50.2%. This is the result of an upward revision from the initially announced annual dividend of ¥70.0 per share (consisting of an interim dividend of ¥35.0 per share a year-end dividend of ¥35.0 per share) to ¥80.0 per share (consisting of an interim dividend of ¥39.0 per share and a year-end dividend of ¥41.0 per share).

Additionally, in the coming fiscal year (fiscal year ending March 31, 2027), the Company intends to distribute dividends of ¥90.0 per share (consisting of an interim dividend of ¥45.0 per share and a year-end dividend of ¥45.0 per share), resulting in a dividend payout ratio of 50.3%.

2. Basic approach to selection of accounting standards

To ensure ease of comparison with other companies in the same industry, the Group applies J-GAAP as its accounting standard.

3. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	18,766	8,228
Real estate for sale	39,141	48,390
Real estate for sale in process	22,394	32,813
Income taxes refund receivable	5	3
Other	745	1,187
Allowance for doubtful accounts	(3)	(2)
Total current assets	81,050	90,620
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	147	172
Land	565	558
Other, net	86	78
Total property, plant and equipment	800	810
Intangible assets	155	145
Investments and other assets		
Deferred tax assets	992	1,282
Other	331	387
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	1,322	1,668
Total non-current assets	2,278	2,624
Total assets	83,329	93,245

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	4,534	5,038
Contract liabilities	509	831
Income taxes payable	2,667	3,527
Accrued consumption taxes	81	68
Current portion of long-term borrowings	–	18,500
Provision for bonuses	557	780
Construction warranty reserve	378	508
Provision for loss on litigation	2	17
Provision for loss on disaster	54	51
Other	2,241	2,783
Total current liabilities	11,028	32,108
Non-current liabilities		
Long-term borrowings	26,500	8,000
Provision for retirement benefits for directors (and other officers)	71	66
Other	9	11
Total non-current liabilities	26,581	8,077
Total liabilities	37,610	40,186
Net assets		
Shareholders' equity		
Share capital	3,778	3,778
Capital surplus	3,763	3,850
Retained earnings	38,395	45,625
Treasury shares	(219)	(195)
Total shareholders' equity	45,719	53,059
Total net assets	45,719	53,059
Total liabilities and net assets	83,329	93,245

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	129,537	151,851
Cost of sales	98,835	116,480
Gross profit	30,702	35,371
Selling, general and administrative expenses	16,479	17,091
Operating profit	14,222	18,279
Non-operating income		
Commission income	5	32
Insurance claim income	0	8
Discount revenue	4	4
Income of compensation	9	3
Other	14	16
Total non-operating income	34	65
Non-operating expenses		
Interest expenses	306	453
Commission for syndicated loans	28	36
Other	46	45
Total non-operating expenses	380	535
Ordinary profit	13,876	17,809
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on sale of non-current assets	6	–
Impairment losses	–	6
Loss on retirement of non-current assets	0	–
Total extraordinary losses	6	6
Profit before income taxes	13,870	17,802
Income taxes - current	4,497	5,622
Income taxes - refund	(0)	–
Income taxes - deferred	(177)	(290)
Total income taxes	4,319	5,332
Profit	9,550	12,470
Profit attributable to owners of parent	9,550	12,470

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	9,550	12,470
Comprehensive income	9,550	12,470
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,550	12,470

(3) Consolidated statements of changes in equity

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity					Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity		
Balance at beginning of period	3,778	3,703	33,139	(332)	40,289	52	40,341
Changes during period							
Dividends of surplus			(4,294)		(4,294)		(4,294)
Profit attributable to owners of parent			9,550		9,550		9,550
Purchase of treasury shares				(0)	(0)		(0)
Disposal of treasury shares		60		113	173		173
Net changes in items other than shareholders' equity					–	(52)	(52)
Total changes during period	–	60	5,256	113	5,429	(52)	5,377
Balance at end of period	3,778	3,763	38,395	(219)	45,719	–	45,719

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity					Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	3,778	3,763	38,395	(219)	45,719	45,719
Changes during period						
Dividends of surplus			(5,240)		(5,240)	(5,240)
Profit attributable to owners of parent			12,470		12,470	12,470
Disposal of treasury shares		86		23	110	110
Total changes during period	–	86	7,229	23	7,340	7,340
Balance at end of period	3,778	3,850	45,625	(195)	53,059	53,059

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	13,870	17,802
Depreciation	102	115
Impairment losses	–	6
Increase (decrease) in allowance for doubtful accounts	(1)	(1)
Increase (decrease) in provision for bonuses	201	223
Increase (decrease) in construction warranty reserve	34	129
Increase (decrease) in provision for retirement benefits for directors (and other officers)	–	(4)
Increase (decrease) in provision for loss on litigation	(3)	14
Increase (decrease) in provision for loss on disaster	(11)	(3)
Interest expenses	306	453
Loss (gain) on sale of property, plant and equipment	6	(0)
Loss on retirement of non-current assets	0	–
Share-based payment expenses	55	67
Decrease (increase) in inventories	(9,284)	(19,670)
Decrease (increase) in trade receivables	(2)	(2)
Increase (decrease) in trade payables	(188)	504
Decrease (increase) in consumption taxes refund receivable	(74)	(256)
Increase (decrease) in accrued consumption taxes	(499)	(12)
Other, net	470	671
Subtotal	4,981	36
Interest paid	(294)	(445)
Income taxes paid	(3,524)	(4,789)
Net cash provided by (used in) operating activities	1,162	(5,197)
Cash flows from investing activities		
Purchase of property, plant and equipment	(111)	(73)
Proceeds from sale of property, plant and equipment	7	–
Purchase of intangible assets	(48)	(35)
Proceeds from collection of loans receivable	0	0
Other, net	–	(0)
Net cash provided by (used in) investing activities	(152)	(108)
Cash flows from financing activities		
Repayments of finance lease liabilities	(4)	(1)
Dividends paid	(4,297)	(5,232)
Purchase of treasury shares	(0)	–
Proceeds from disposal of treasury shares	31	1
Net cash provided by (used in) financing activities	(4,270)	(5,232)
Net increase (decrease) in cash and cash equivalents	(3,260)	(10,538)
Cash and cash equivalents at beginning of period	22,027	18,766
Cash and cash equivalents at end of period	18,766	8,228

(5) Notes to the consolidated financial statements

Notes on premise of going concern

No items to report.

Additional information

Regarding progress of the ruling on the lawsuit seeking the revocation of the reassessment penalty, etc. received from the Regional Taxation Bureau

The Company filed a lawsuit (hereinafter, the "Lawsuit") against the Kanto-Shinetsu Regional Taxation Bureau (hereinafter, the "Regional Taxation Bureau"), seeking the revocation of a Written Notice of Reassessment of Consumption Tax and Local Consumption Tax and a Written Notice of Assessment and Determination Regarding Additional Tax (hereinafter, the "Reassessment Penalty, etc.") the Company received from the Regional Taxation Bureau on April 28, 2020. However, on May 9, 2025, the Supreme Court decided not to accept the appeal and we received the decision document on May 12, 2025. As a result, the judgment of the Tokyo High Court dated May 30, 2024, which upheld the dismissal of our claim by the Tokyo District Court, has been finalized.

Based on this decision, the calculation method claimed by the Regional Taxation Bureau will be implemented from the calculation of the sales price for purchase and sale agreements and will be reflected in the tax-exclusive sales price. Therefore, the amount equivalent to the consumption tax difference following the date of this decision was not processed by recording it in selling, general and administrative expenses as was done until the fiscal year ended March 31, 2025, but has been deducted from net sales. As a result, there will be no impact on the operating profit and subsequent stages of profit.

The Company subsidiary, REPRICE Co., Ltd. (hereinafter, "REPRICE") also received a correction notice separately from the Company, and filed a lawsuit seeking the revocation of this correction with the Nagoya District Court on March 26, 2025 (hereinafter, "Reprice lawsuit").

REPRICE has already adopted the same accounting treatment as the Company, and from the date of this decision, the amount equivalent to the consumption tax difference has been deducted from sales.

Since the Reprice lawsuit has some different points from the Company's Lawsuit, we believe there is significance in continuing the lawsuit, and are continuing the Reprice lawsuit.

Notes to segment information, etc.

Segment information

The Group's sole reportable segment is the "used housing refurbishing and remodeling business." Other businesses have been omitted due to a lack of materiality.

Related information

1. Information by product and service

   Net sales to outside customers in a single product/service category exceed 90% of net sales in the consolidated statement of income, so this information is omitted from this report.

2. Information by region

   (1) Net sales

   Net sales to outside customers in Japan exceed 90% of net sales in the consolidated statement of income, so this information is omitted from this report.

   (2) Property, plant and equipment

   The value of property, plant and equipment in Japan exceeds 90% of the value of property, plant and equipment on the consolidated balance sheet, so this information is omitted from this report.

3. Information by main customer

   Of net sales to outside customers, no customer exceeds 10% of net sales in the consolidated statement of income, so this information is omitted from this report.

Impairment loss on non-current assets by reporting segment

Previous fiscal year (from April 1, 2024 to March 31, 2025)

The Group's sole reportable segment is the "used housing refurbishing and remodeling business." Other businesses have been omitted due to a lack of materiality.

Fiscal year under review (from April 1, 2025 to March 31, 2026)

The Group's sole reportable segment is the "used housing refurbishing and remodeling business." Other businesses have been omitted due to a lack of materiality.

Amortization of goodwill and unamortized balance by reporting segment

Previous fiscal year (from April 1, 2024 to March 31, 2025)

No items to report.

Fiscal year under review (from April 1, 2025 to March 31, 2026)

No items to report.

Gain on negative goodwill by reporting segment

No items to report.

Notes on per-share information

	Previous fiscal year (from April 1, 2024 to March 31, 2025)	Fiscal year under review (from April 1, 2025 to March 31, 2026)
Net assets per share (yen)	584.67	678.15
Basic earnings per share (yen)	122.22	159.43
Diluted earnings per share (yen)	122.12	159.37

Note: The basis for calculation of basic earnings per share and diluted earnings per share is as follows.

	Previous fiscal year (from April 1, 2024 to March 31, 2025)	Fiscal year under review (from April 1, 2025 to March 31, 2026)
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	9,550	12,470
Amount not returned to common shareholders (millions of yen)	–	–
Profit attributable to owners of parent and applicable to common shares (millions of yen)	9,550	12,470
Average number of common shares during the period (shares)	78,143,221	78,220,078
Diluted earnings per share		
Increase in number of common shares (shares)	64,190	30,555
(Of which: Share acquisition rights (shares))	(64,190)	(30,555)
Overview of dilutive shares which have not been included in the calculation of diluted earnings per share during the period as they have no diluting effect	–	–

Notes on significant subsequent events

No items to report.