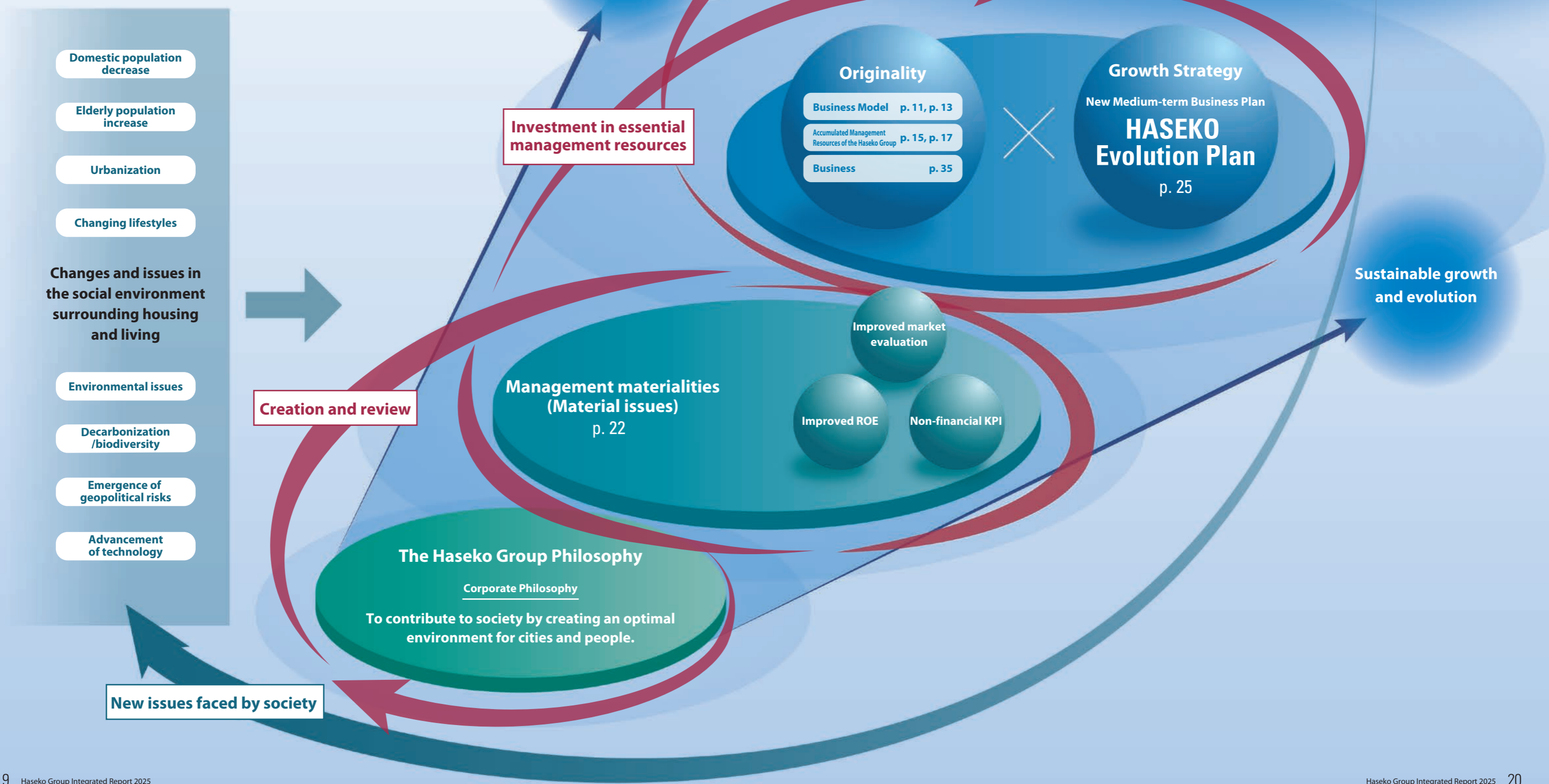


Value Creation Process

Management issues are becoming increasingly diverse and complex as society changes. By combining its originality with its growth strategy, Haseko Corporation will find solutions to issues faced by society through its business activities and achieve sustainable growth and evolution, and while aiming to achieve our vision as a leading company in housing and living, we are committed to enhancing corporate value over the long term.



Towards Sustainable Corporate Value Enhancement

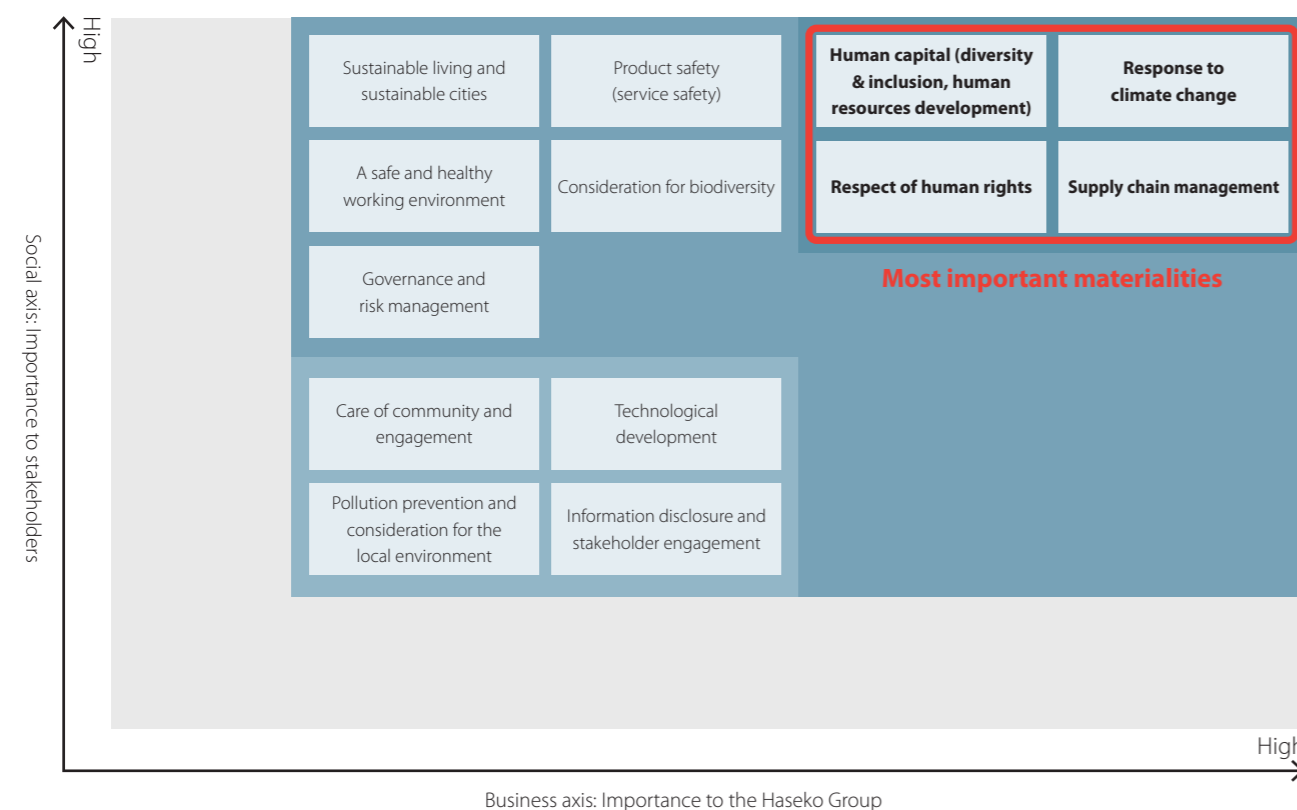
Materiality

Society faces many issues, including climate change and human rights, and proactive engagement is demanded in order to address these issues. In order to achieve both sustainable business growth and the creation of social value, Haseko Group examines the issues that should be prioritized for tackling from the perspectives of both business and society, and designates them as materialities. It should be noted that we conducted a thorough review of our materialities upon the formulation of the medium-term business plan, HASEKO Evolution Plan and determined that at the present moment, there is no need to alter them. As such, we have retained the existing items, but will continue to review them while taking into account changes in management policies and social conditions.

Materiality Identification Process



Materiality Map



Upon the Formulation of the Medium-term Business Plan

Upon the formulation of the HASEKO Evolution Plan, we set out specific measures and targets based on the designated materialities, and we shall steadily work toward a sustainable increase in corporate value.

Business Environment

Key Themes	Impact on Our Business	Issues to Address
Domestic population decrease Elderly population increase Urbanization	<ul style="list-style-type: none"> Shortage of labor, Hike of labor costs Shrink of newly built housing market Issues of aging houses, condominiums and empty houses Compactification of city 	<ul style="list-style-type: none"> Further improve construction efficiency and productivity Diversify human resources such as foreigners and seniors Expand business areas, grow overseas business Expand business for seniors and inbound tourists Initiatives for smart city
Changing lifestyles	<ul style="list-style-type: none"> Diversification of customer needs and work styles Diversification of living styles 	<ul style="list-style-type: none"> Strengthen customer touchpoints Promote Diversity & Inclusion
Environmental issues Decarbonization, Biodiversity	<ul style="list-style-type: none"> Tightening of environmental regulations Hike of energy price Sophistication and Diversification of disclosure requirements 	<ul style="list-style-type: none"> Set and Achieve CO₂ reduction targets based on international standards Develop new construction methods and materials to decarbonize Promote business with consideration for biodiversity
Emergence of geopolitical Risks	<ul style="list-style-type: none"> Destabilization of material and energy supply, rising costs Complication of risks in Overseas Business 	<ul style="list-style-type: none"> Enhance supply chain management Initiatives to utilize domestic wooden materials Select areas to expand in Overseas Business
Intensification of disasters	<ul style="list-style-type: none"> Impact on business continuity Increase of risks about business activities and buildings 	<ul style="list-style-type: none"> Initiatives for disaster prevention, mitigation and resilient housing and communities Fulfill business continuity plan
Advancement of technology	<ul style="list-style-type: none"> Opportunities for Business Model Transformation with AI, etc. Emergence of New Competitors, Decline in Competitiveness Change of Needs for Housing and Living 	<ul style="list-style-type: none"> Enhance research and technology development Investigate trends in latest technologies and business synergies Collaborate with other companies, Invest in venture businesses, etc.

Initiatives and targets

Initiatives to Improve Market Evaluation Expectations for Stable Growth and Shareholder Returns		Main Non-Financial KPIs	
Materiality	Initiatives and KPIs	Target	
Strategic investment for growth	<ul style="list-style-type: none"> Invest in R&D, DX, and human capital Expand business area and new areas, M&A 	Climate change response Reduce greenhouse gas (CO ₂) emissions (base year FY2020) • Scope1+Scope2 • Scope2 (tCO ₂) • Scope3 Introduce renewable energy power (including group companies and offices) Projects using H-BA Concrete Expand ZEH-M supply • Properties developed by group • Properties constructed by group	FY2030 (42%) FY2026 0 FY2030 (13%)
Sustainable returns for shareholders	<ul style="list-style-type: none"> Increase annual dividends, progressive dividends Raise the level of total return ratio 		FY2026 100%
Enhance initiatives for sustainability	<ul style="list-style-type: none"> Achieve CO₂ emission reduction targets Continuous review of non-financial KPIs 		FY2030 50% or more
Enhance Communication with Stakeholders	<ul style="list-style-type: none"> Enrich information disclosure and understanding for corporate activities Establish systems for strategic internal and external communication 		Each year 100% FY2030 100%
Initiatives to Improve ROE Maintain over 10% and aim for approximately 13% by FY2030		Human Capital % of female managers % of DX promotion personnel % of operation with 8 close every 4 weeks % of eligibles for specific health guidance Respect for human rights Implementation of human rights due diligence Supply Chain Management % of response for sustainable procurement questionnaire (construction-related organizations of cooperating companies) % of engagement with foreign workers Implementation rate (based on the number of cooperating companies)	FY2030 12% or more FY2030 20% or more FY2027 100% FY2030 15% or less
Improve profitability	<ul style="list-style-type: none"> Improve construction profit margins Secure profits in Overseas business Improve productivity through DX and Discover new revenue sources 		Implement every FY
Improve capital efficiency	<ul style="list-style-type: none"> Improve turnover rate in Real estate business Optimal control of debt and capital Purchase treasury stock as needed 		Each FY 100%
			Each FY 100%

Medium-Term Business Plan (HASEKO Next Stage Plan) Review

Under the medium-term business plan, HASEKO Next Stage Plan(Plan NS) that concluded in March 2025, Haseko Group companies ensured profitability despite volatility caused by the COVID-19 pandemic and other factors, with consolidated ordinary profit from subsidiaries standing in excess of 30.0 billion yen in the fiscal year ended March 31, 2025, and a total consolidated ordinary profit over five years standing in excess of 400 billion yen. The minimum annual dividend per share over the period of the plan was set at 80 yen in order to provide enhanced shareholder returns.

Plan Overview

Name of Plan
HASEKO Next Stage Plan (“Plan NS”) Aiming for growth to the Next Stage

Period of Plan

FYE March 31, 2021 to FYE March 31, 2025 (five years)

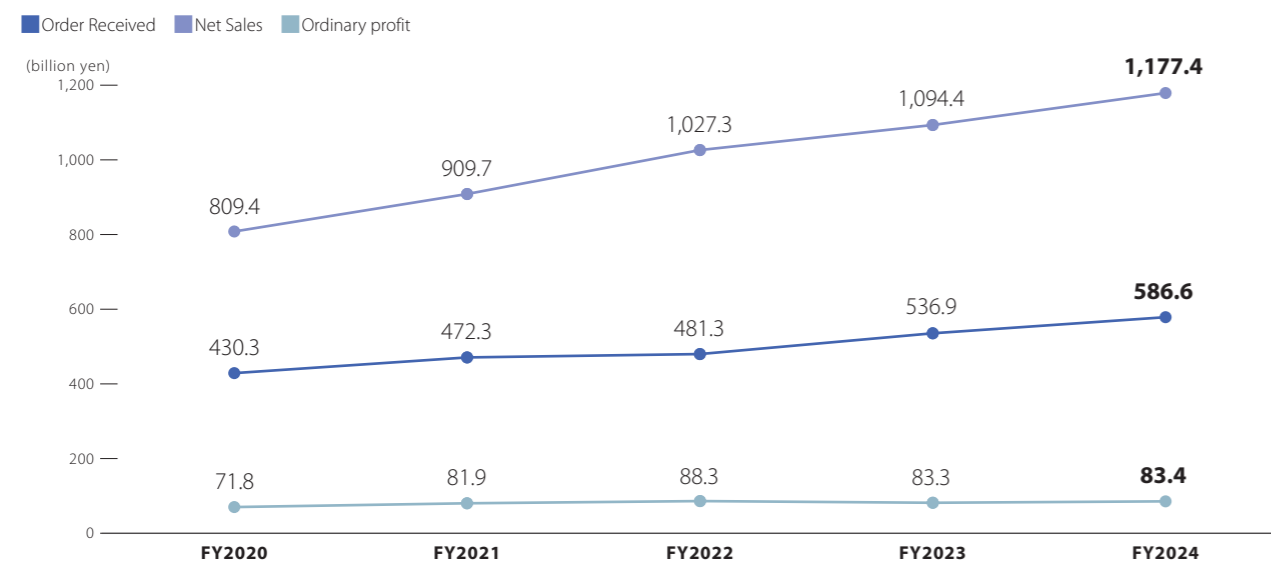
Basic policy

- 1 Strengthen corporate management that builds on both the Construction-Related Business, which primarily targets the market for new housing supply, and the Service-Related Business, which is centered on the market related to existing residences etc.
- 2 Deepen coordination among the Group companies and realize a corporate entity that proves to be worthy of the trust received from urban dwellers
- 3 Provide safe, secure and comfortable housing and urban environment
- 4 Establish a stable profit base through growth strategy investment
- 5 Maintain a strong financial base and enhance shareholder returns
- 6 Challenge for new endeavors from a medium- to long term perspective
- 7 Focus on establishing CSR management

Focused strategies

- 1 Strengthen competitiveness of core businesses
 - Expansion of domain of the Construction-Related Business
 - Expansion of redevelopment and reconstruction business/response to compact cities
 - Continuation and strengthening of the Service-Related Business
- 2 Expansion of investment in Real Estate-Related Business
 - Expansion of business areas for condominium sales business
 - Rental properties holding and development business
- 3 Initiatives for future growth
 - Investment for realizing digital transformation (DX)
 - Investment for introducing advanced technologies by the value, technology and innovation division
 - Investment in overseas business
 - New investment
 - Investment in human assets
- 4 Investment plan
- 5 Financial strategy and shareholder returns
- 6 Action for CSR management

Profit over the Period of the Plan



Review of Plan NS

The Plan NS medium-term business plan, which started in April 2020, saw consolidated ordinary profit of 83.4 billion yen in its final year - the fiscal year ended March 31, 2025. Looking back on Plan NS, although the COVID-19 pandemic brought about a sudden environmental shift and caused a temporary downturn, our Construction-Related Business was held in very high regard by customers and project owners thanks to our land information gathering capabilities, product planning capabilities, our attitude toward to construction quality and managing construction schedules, and our efficient production system. As a result, revenue from construction underway grew steadily.

However, the total gross profit margin of completed construction contracts declined due to a significant increase in the cost of materials and labor. As a result, net sales in the Construction-Related Business were 796.7 billion yen, and operating profit was 53.5 billion yen. To resolve the issue of labor shortages, a precast concrete factory is due to commence operations, and we will proceed to introduce industrialized construction methods. The Real Estate-Related Business saw a decrease in the number of new for-sale condominiums delivered and an increase in the volume of other real estate transactions, resulting in net sales of 174.7 billion yen and operating income of 24.0 billion yen. We are proactively working to expand our Real Estate-Related Business. In 2024, we developed the Haseko Hamura Logistics Center - a logistics facility developed through an integrated process where Haseko Corporation, for the first time, undertook all work from design to construction as project

owner - in an effort to expand the range of development services we provide as we take on the challenge of new areas in the real estate business. In the Service-Related Business, net sales declined for large-scale refurbishment works and interior remodeling due to an initially low order backlog, but an improved gross profit margin achieved by holding down costs resulted in profit remaining flat. Going forward, increasingly serious labor shortages and rising personnel expenses will continue to be critical issues. In the Service-Related Business, we are working on the introduction and utilization of advanced technologies in a wide range of fields in order to increase productivity and thus address the issue of labor shortages while expanding our lineup of new services and developing new products with the aim of bringing more added value to housing.

Looking back on Plan NS, the business results of each company in the Group remained strong, and we successfully managed to build up profits. While absorbing rising personnel expenses resulting from above-inflation wage increases, we successfully achieved the planned figure for consolidated ordinary income from subsidiaries in the fiscal year ended March 31, 2025 of 30.0 billion yen or more, for total consolidated ordinary income over five years of 400.0 billion yen. Furthermore, by setting the minimum annual dividend to 80 yen (the dividend in the fiscal year ended March 31, 2025 was 85 yen), we also ensured enhanced shareholder returns, and achieved a total shareholder return ratio of roughly 40% over five years as we had set out as a target. And with regard to our investment plan, we have invested particularly in real estate and overseas business as future-focused advance investments.

Level of achievement compared to plan

Performance Goals	Target	Actual (Forecast)	Investment Plan	Target	Actual (Forecast)
Consolidated ordinary profit for FYE March 31, 2025	100.0 billion yen or more	83.4 billion yen	Condominium sales business	50 billion yen	275 billion yen
Ordinary profit of consolidated subsidiaries	30.0 billion yen or more	37.3 billion yen (simple aggregation)			
Total consolidated ordinary profit for 5 years	400.0 billion yen	408.7 billion yen	Overseas business	60 billion yen	100 billion yen
Total return ratio for 5 years	About 40%	Over 40%	Advanced technology investment	20 billion yen	25 billion yen
Minimum annual dividend per share	70 yen	80 yen*	New business, M&A, etc.	40 billion yen	10 billion yen

*Dividend for FYE March 31, 2025 is 85 yen

New Medium-Term Business Plan: HASEKO Evolution Plan

The speed of change in the environment surrounding the Company has increased of late, and companies must also change to adapt to this. In addition to flexibly changing in response to changes in the societal environment, we further refine the strengths that we have built up over the years so that they may be passed on. This combination of succession and change constitutes the evolution that we aim for, and working toward this, we embarked on the new medium-term business plan, HASEKO Evolution Plan in April 2025.

Plan Overview

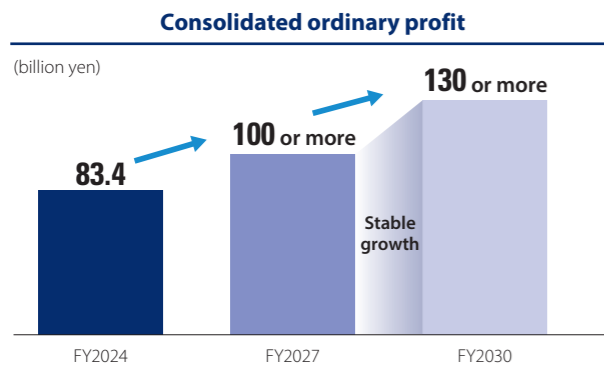
HASEKO Evolution Plan

FY2025 to FY2030 (6 Years)

Basic Policy

As a leading company in “housing” and “living,” to achieve sustainable growth and enhance corporate value

Business Strategy	Strengthen the Management Foundation
<ol style="list-style-type: none"> 1 Promote Further Construction Business Growth and Deepening 2 Expand and Improve Quality of Real Estate Business 3 Promote Condominium Management and Operation Business Growth 4 Monetize Overseas Business 5 Challenge to New Business Areas 	<ol style="list-style-type: none"> 1 Financial strategy 2 Strengthen technology development 3 Accelerate DX 4 Enhance initiatives for sustainability 5 Strengthen functions of corporate division

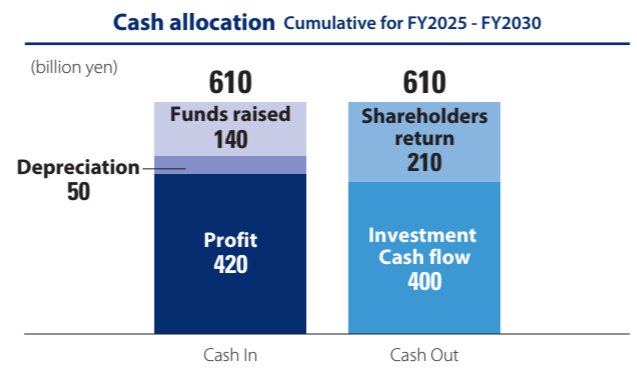


Consolidated ordinary profit

FY2027 Target **100 billion yen** or more
 FY2030 Target **130 billion yen** or more
 Establish stable profit base over **100 billion yen**

ROE

Maintain over **10%** and aim for **approximately 13%** by FY2030



Investment plan About **400 billion yen**

Capital structure Try to maintain a D/E ratio below **1.0**

Shareholder return Total return ratio of about **50%** for 6 fiscal years total
Progressive dividends
 Flexible purchase of treasury stock

Overview of the HASEKO Evolution Plan

Our corporate philosophy is to contribute to society by creating an optimal environment for cities and people, the Haseko Group is engaged in a variety of businesses with a focus on condominiums, and has built over 710,000 new for-sale condominium units. This constitutes best-in-industry performance, and represents roughly 10% of the for-sale condominium stock in Japan. As the leading company in terms of construction performance, we have helped popularize condominiums as a residential style and developed a range of industry-leading technologies that have built up today's condominium standards while pursuing rich ways of living.

Until now, the Haseko Group has advocated itself as a corporate group dedicated to creating both housing and living. Moving forward, our vision is to continuously provide environmentally friendly, safe, and secure housing, and rich, comfortable living both domestically and internationally.

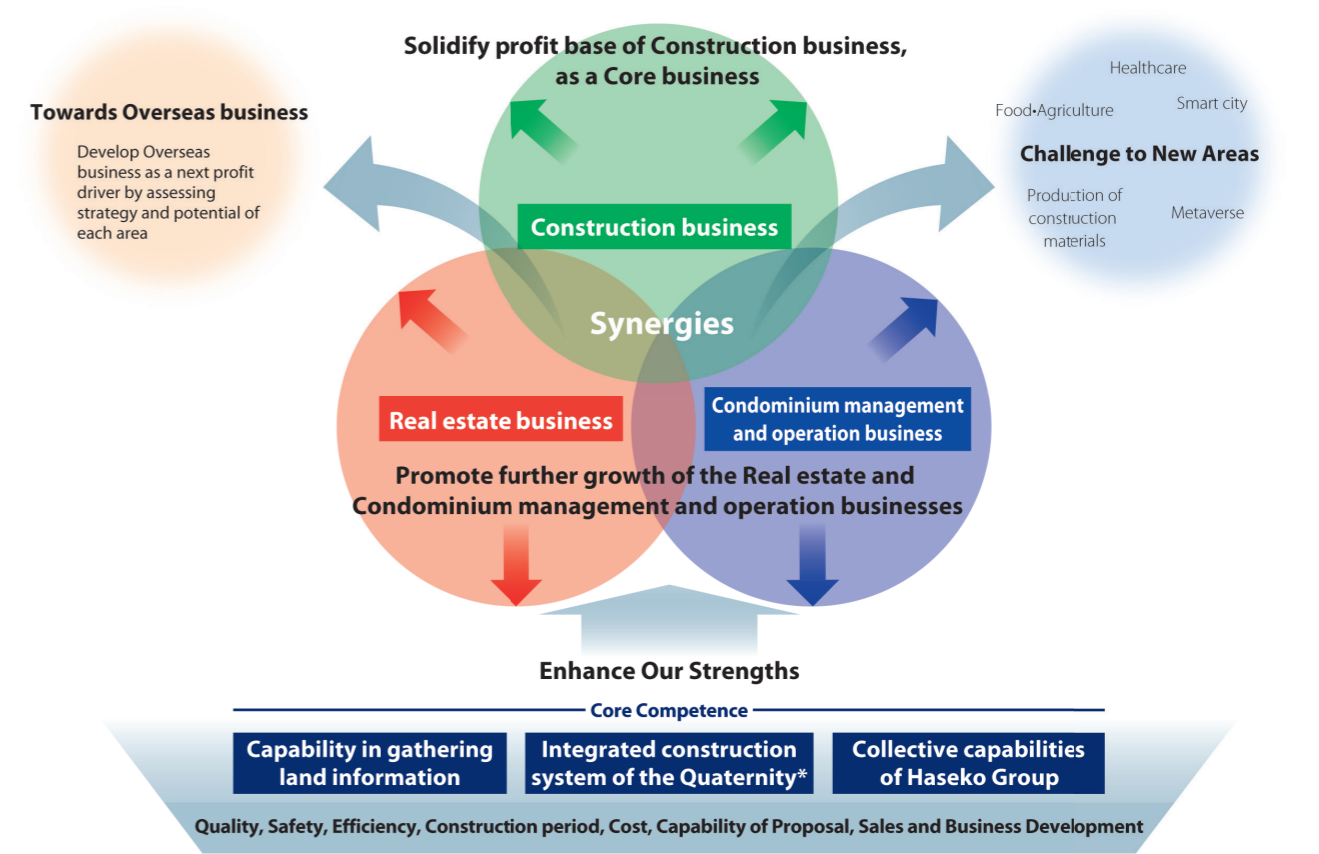
Thus far we have managed the entire Group under a dual pillar structure consisting of the Construction-Related

Business and Service-Related Business, but we have now further refined this structure into the three pillars of the Construction-Related Business, the Real Estate-Related Business, and the Condominium Management and Operation Business.

We envision each of these areas working hard, collaborating with one another, and evolving, causing new businesses to emerge, spreading from Japan's three major metropolitan areas to other major regional cities across the country and overseas.

We will place greater emphasis on the efficiency and maximum benefit of the so-called management resources of people, goods, money, and information, and while reaching out with care to all of our stakeholders, we will adhere to the basic policy of this medium-term business plan of being a leading company in “housing” and “living” to achieve sustainable growth and enhance corporate value. In doing so, we will continue to evolve toward our 100th anniversary (2037), with all of us at the Group working hard to make all our stakeholders say, “I'm glad it's Haseko.”

Business Strategy ~Focused Theme~



*Stable control framework of quality, cost efficiency and safety built with integrated operation of the construction divisions, architecture & engineering divisions, technological promotion divisions, and “Ken-ei-kai”, an organization of our main cooperating companies

New Medium-Term Business Plan: HASEKO Evolution Plan

Business Strategy

Consolidated ordinary profit :

FY2027 Target 100 billion yen or more
 FY2030 Target 130 billion yen or more
 Establish stable profit base over 100 billion yen

Shareholder return :

Total return ratio of about 50% for 6 fiscal years total
 Progressive dividends Flexible purchase of treasury stock

1) Further Construction-Related Business growth and evolution

We will aim to establish a sustainable construction system through actions including the adoption of precast concrete and other such industrialized construction methods, to expand construction fields by moving into non-residential fields such as logistics facilities and applying wooden construction technologies, and to expand our refurbishment and maintenance business by developing new construction methods and services that reflect residents' needs. And with regard to the expansion of production functions and products, including the enhancement of production and external sales of housing equipment and building materials, we already have a plant that procures, saws, and processes lumber as well as a plant that produces and pre-cuts engineered wood up and running at subsidiaries of WOOD FRIENDS Co., Ltd. (which joined the Group in July of this year), and we will work to enhance our competitiveness in the Construction-Related Business and the Real Estate-Related Business.



Subsidiaries of WOOD FRIENDS Co., Ltd.: LUMBER LAND Co., Ltd. / sawing plant (top), and FOREST NOTE Co., Ltd. / engineered wood and pre-cutting plant (bottom)

[> See the business page for details](#)

2) Expand and improve quality of Real Estate-Related Business

We will implement initiatives to improve capital efficiency that include enhancing our asset management business by leveraging private REITs and private funds, work to differentiate ourselves through product development leveraging our technologies and production functions, and expand and take on the challenge of new business areas through actions such as expanding our development services to include properties for wealthy individuals and detached houses and establishing new marketing methods utilizing digital technologies.



Luxury condominium series

[> See the business page for details](#)

3) Condominium Management and Operation Business growth

We will proceed with the development of new condominium management methods and resident services through actions that include responding to the aging of condominiums and changes in lifestyles. We will also work to reform business through digital transformation (DX) with goals that include improving the quality of life for residents by promoting the LIM concept (optimization of living through data utilization), and to expand services for seniors through initiatives such as expanding income not covered by long-term care insurance and resident services in our operation business for senior living residences.

4) Monetize overseas business

We will develop overseas business, such as the advance overseas investments already made mainly in the mainland United States, as a pillar of monetization, and look into entering the best possible fields from the construction, real estate, and condominium management and operations businesses according to the housing market characteristics in each country, including new areas.

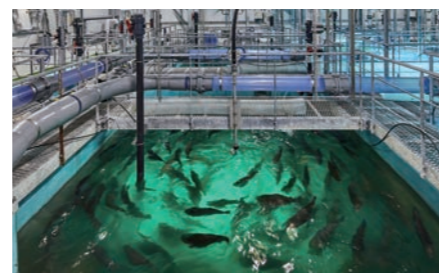


U.S.A./Ewa district panoramic view (top left), Solana at Duarte Station, Vietnam/THE AUTHENTIC (Haseko Long Bien Residence) (right)

[> See the business page for details](#)

5) Challenge in new areas

We are undertaking business initiatives, such as utilizing vacant houses, to help address the issues of aging and increasing housing stock as faced by society, expanding into the field of food starting with investment in FRD Japan Co., Ltd. that is engaged in the land-based salmon aquaculture business, investing in US venture capital companies (Great Wave Ventures and MET Fund II), and participating in groups that span different industries, such as the Smart City Consortium and J-FUSION (nuclear fusion). Going forward, we will also foster a culture for creating new businesses by promoting secondments to startups and establishing an in-house venture scheme.



Investment in land-based salmon aquaculture business

Strengthen the Management Foundation

ROE :

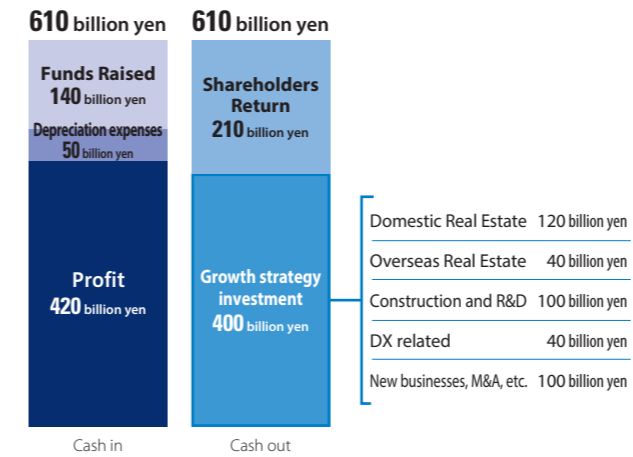
Maintain a level above 10% and aim for approximately 13% by FY2030

Capital structure :

Try to maintain a D/E ratio below 1.0

1) Financial Strategy

Continue proactive investment for sustainable growth that is conscious of capital cost. Pursue stable shareholder return under optimal control of debt and equity.



[> See the Message from the Officer in Charge of Finance page for details](#)

2) Strengthen Technology Development

We will deepen our promotion of wooden interior decoration through actions that include producing and promoting building materials made of domestic wood in-house in order to contribute to carbon neutrality. We will also deepen our stock business and renovation technology, including rebuilding and renovating to regenerate and enhance the value of properties, while deepening measures against intensifying disasters, including building self-sufficient lifelines using storage batteries in condominiums and further promoting resilient housing development.



Haseko Mansion Museum

3) Accelerate DX

We will work to digitize design and construction information and utilize AI by improving productivity and quality through the development of technology such as automation with AI, to build and utilize group data sharing platforms through actions including promoting the data platform concept for housing and living, and to develop talent for sustainable growth and challenge areas through measures including educating and training to expand our DX personnel and data/AI personnel.

4) Enhance Initiatives for Sustainability

We will make concerted efforts to create and execute greenhouse gas (CO₂) emissions reduction plans incorporating targets compliant with SBT, to undertake initiatives at construction sites and offices including shifting to electric heavy machinery and transport vehicles and adopting low-carbon fuels, and to undertake initiatives for expanding low-carbon construction and decarbonized housing through actions such as promoting wood construction and wooded interior decoration, and expanding ZEH and long-life quality housing supply.

In addition to this, we will continue to implement initiatives for the enhancement of human resource management, which include securing personnel and strengthening organizational capabilities, workstyle reform, D&I, and health management, treatment and HR systems, human resource development, and career development, as well as initiatives pertaining to respect for human rights including human rights due diligence, consideration for the increasing number of foreign workers, and following sustainable procurement guidelines.



Adoption of battery-powered full-electrified rough terrain cranes

Construction of wooden common building at RENAI YOKOHAMA TOTSUKA

[> See the sustainability page for details](#)

5) Strengthen Functions of Corporate division

We will increase our corporate value by further strengthening corporate governance through initiatives such as linking capital efficiency and non-financial KPIs with executive remuneration and initiatives to improve the effectiveness of the Board of Directors, enhancing communication with stakeholders through measures such as enriching information disclosure and promoting understanding of corporate activities, and improving productivity and strengthening the functions of the Corporate Management Division through initiatives such as utilizing budget management systems, BI tools, and generative AI.

Message from the Officer in Charge of Finance

We will strive to make our **new medium-term business plan, HASEKO Evolution Plan** a success by balancing profit increase with growth investment, while continuing to undertake management that is conscious of capital cost and share price.

Shoji Naraoka

Director, Executive Vice President in Charge of Finance, Accounting and IR, Corporate Management Division



Review of the fiscal year ending March 31, 2025, and outlook for the fiscal year ending March 31, 2026

In the condominium market in the fiscal year ended March 31, 2025, the number of supplied condominium projects and the number of supplied condominium units continued to decline, resulting in the number of new condominium units supplied in the Tokyo metropolitan area and the Kinki area falling below the previous fiscal year for the third consecutive year. On the other hand, turning our attention to product details, the unit price per square meter in both the Tokyo metropolitan area and the Kinki area reached its highest level ever for the fourth consecutive year. While condominium prices continued to rise, persistently low interest rates on variable-rate mortgages and wage increases underpinned purchasing sentiment and resulted resilient sales.

The previous medium-term business plan, HASEKO Next Stage Plan (Plan NS), targeted consolidated ordinary profit of 100.0 billion yen in the final fiscal year and total consolidated ordinary profit of 400.0 billion yen over the period of the plan. The fiscal year ended March 31, 2025, which was the final year of the plan, started off with an ordinary profit forecast of 80.0 billion yen. Although the gross profit margin of completed construction contracts decreased due to impacts including increases in the cost of materials and labor while personnel expenses rose due to increases in wages taking into account rising prices, business performance in the Real Estate-Related Business and Service-Related Business was strong, resulting in net sales reaching a record high of 1,177.4 billion yen and ordinary profit of 83.4 billion yen. This meant that total consolidated ordinary profit over the period of the plan reached

408.7 billion yen, thus meeting the target set out in the plan.

However, the Wai Kai complex facility that opened in Hawaii, USA, in March 2023 struggled to attract customers and recorded impairment losses on fixed assets, which, among other factors, led to extraordinary losses of 22.9 billion yen. This resulted in profit attributable to the owners of the parent for the fiscal year ended March 31, 2025 of 34.5 billion yen; lower than the initial forecast of 53.0 billion yen. Plan NS called for a total shareholder return ratio of around 40% and a minimum annual dividend per share of 80 yen, but a dividend of 85 yen was provided for the fiscal year ended March 31, 2025, in line with the initial forecast. This is due to the fact that the Company's basic policy on shareholder returns is to continuously provide stable dividends.

For the fiscal year ending March 31, 2026, we expect an increase in real estate sales, and forecast net sales will stand at a record high of 1,230.0 billion yen. From the second half of the fiscal year we also foresee an improvement in the gross profit margin of completed construction contracts, which had been sluggish due to the impact of rising prices, and for this reason among other factors, we forecast that ordinary profit will exceed the previous fiscal year and reach 85.0 billion yen. We were unable to reach the ordinary profit target of 100.0 billion yen for the final fiscal year of the previous plan due to factors including rising prices and personnel expenses, and so we have once again set this as a target to be achieved in the fiscal year ending March 31, 2028 under our new medium-term business plan, HASEKO Evolution Plan.

Summary of financial results and forecast

(billions of yen)

(consolidated)	FYE Mar. 31, 2024 (A)	FYE Mar. 31, 2025 (B)	Change (B-A)	%	FYE Mar. 31, 2026 Forecast	Change	%
Net sales	1,094.4	1,177.4	82.9	7.6%	1,230.0	52.6	4.5%
Operating profit (Operating profit ratio)	85.7 (7.8%)	84.7 (7.2%)	-1.0 (-0.6pt)	-1.2%	92.0 (7.5%)	7.3 (0.3pt)	8.6%
Ordinary profit (Ordinary profit ratio)	83.3 (7.6%)	83.4 (7.1%)	0.1 (-0.5pt)	0.1%	85.0 (6.9%)	1.6 (-0.2pt)	1.9%
Profit attributable to owners of parent (profit ratio)	56.0 (5.1%)	34.5 (2.9%)	-21.6 (-2.2pt)	-38.5%	55.0 (4.5%)	20.5 (1.6pt)	59.7%
EPS (yen)	205.45	126.20	-79.25	-38.6%	201.65	75.45	59.8%
ROE	11.6%	6.6%	-5.0pt		10.2%	3.6pt	
Order received (non-consolidated)	536.9	586.6	49.7	9.3%	620.0	33.4	5.7%
Annual dividend per share (yen)	85	85	-		90	5	
Payout ratio	41.4%	67.4%	26.0pt		44.6%	-22.8pt	

Recognition of the current situation

In terms of our investments, we practice management that is conscious of return on equity (ROE) and return on assets (ROA) in consolidated financial statements, including factoring capital cost into investment criteria. There are various different methods

for calculating the cost of shareholders' equity, but we estimate that it is between 6% and 9% when calculated using the capital asset pricing model (CAPM), which is considered to be the most common method.

There are various assessments of this level, and here we

Estimation of cost of shareholders' equity using CAPM

$$\begin{matrix} \text{Yield on safe assets} \\ \text{Yield on Japanese} \\ \text{government bonds} \\ 0.7-1.6\% \end{matrix} + \begin{matrix} \text{Expected additional yield} \\ \text{on shares} \\ 6.00\% \end{matrix} \times \begin{matrix} \text{Risks specific to Haseko} \\ \text{Corporation} \\ \text{Stock beta value} \\ 0.92-1.33 \end{matrix} = \begin{matrix} \text{Expected additional yield on} \\ \text{Haseko Corporation shares} \\ \text{Cost of shareholders' equity} \\ 6-9\% \end{matrix}$$

Estimated weighted average cost of capital based on cost of shareholder's equity

Interest-bearing debt 0.8-1.0	Cost of debt (A-rated 10-year bond) 2.3-2.7% After tax 1.6-1.9%	} Capital/liabilities Weighted average cost WACC 3.8-5.8%
Net assets 1.0	Cost of shareholders' equity 6-9%	

ROA/ROE outlook

ROA			Total asset turnover ratio			Ratio of profit to net sales		
FYE Mar. 31, 2016	FYE Mar. 31, 2025	FYE Mar. 31, 2026 (forecast)	FYE Mar. 31, 2016	FYE Mar. 31, 2025	FYE Mar. 31, 2026 (forecast)	FYE Mar. 31, 2016	FYE Mar. 31, 2025	FYE Mar. 31, 2026 (forecast)
9.6%	2.5%	4.0%	1.5	0.9	0.9	6.5%	2.9%	4.5%
ROE			Financial leverage			ROA		
FYE Mar. 31, 2016	FYE Mar. 31, 2025	FYE Mar. 31, 2026 (forecast)	FYE Mar. 31, 2016	FYE Mar. 31, 2025	FYE Mar. 31, 2026 (forecast)	FYE Mar. 31, 2016	FYE Mar. 31, 2025	FYE Mar. 31, 2026 (forecast)
31.1%	6.6%	10.2%	3.2	2.6	2.6	9.6%	2.5%	4.0%

ROE		Financial leverage		ROA			
Earnings per share	=	Total assets	×	Total asset turnover ratio		Ratio of profit to net sales	
Net assets per share		Net assets		Net sales	Total assets	Profit	Net sales

Message from the Officer in Charge of Finance

will use this cost of capital as the basis to calculate the weighted average cost of capital (WACC) taking into account the cost of debt. Since we took on many of our current borrowings under a negative interest rate policy, we will assume a cost of debt of 2.3% to 2.7% (pre-tax) from a long-term perspective into the future. Based on an assumed D/E ratio of 0.8x to 1.0x, we estimate the Company's WACC to be in the range of 3.8% to 5.8%.

Compared with this WACC, our return on invested capital (ROIC) as of the end of March 2025 is approximately 6%, which we regard as just meeting the minimum acceptable level. Looking at the Company's ROIC by business segment, while the Construction-Related Business and Service-Related Business are generating sufficiently high ROIC relative to WACC, ROIC in Real Estate-Related Business and Overseas-Related Business is dragging down the company-wide average, so we think there is plenty of room for improvement.

For the past 10 years, our ROE has been above 10%, having at least exceeded the cost of shareholders' equity calculated by means of CAPM. However, it has been declining since its peak of 31.1% in the fiscal year ended March 31, 2016. This decline in ROE is due mainly to the following factors: a drop in the profit margin of construction contracts due to rising material and labor costs; an increase in costs and general administrative expenses due to increases in wages for employees; the fact that our real estate business, which aims to increase profits under the current plan, is investing ahead of schedule, thereby reducing the rate of turnover of net sales; and the recording of extraordinary losses in overseas business resulting in ROA more than halving from 9.6% in the fiscal year ended March 31, 2016 to 2.5% in the fiscal year ended March 31, 2025.

For the fiscal year ending March 31, 2026, we expect ROA to recover to 4.0% as a result of the ratio of profit to net sales recovering to 4.5% mainly due to improvement in the gross profit margin of completed construction contracts. In addition, we believe that progress in the 20 billion yen purchase of treasury shares announced in May 2025 will help ROE recover to 10.2%.

Furthermore, even though the ROE exceeds the cost of capital calculated according to CAPM, the PBR remains at around 1x because the PER has remained low for a long time at less than 10x. This is thought to be due to low expectations for the Company's growth in the stock market.

On the other hand, the Haseko Group's consolidated net sales have increased from 587.6 billion yen in the fiscal year ended March 31, 2014, one fiscal year before Plan NBS, to 1,174.4 billion yen in the fiscal year ended March 31, 2025, the final year of Plan NS, for an average annual growth rate in net sales of 6.5%. In addition, consolidated ordinary profit increased from 25.4 billion yen in the fiscal year ended March 31, 2014 to 83.4 billion yen in the fiscal year ended March 31, 2025. The highest ordinary profit recorded in the past 11 years was 100.5 billion yen in the fiscal year ended March 31, 2018, so although the most recent five fiscal years of Plan NS have shown a negative growth in ordinary profit, the 11 years have resulted in an average annual growth rate of 11.4%.

To improve PBR, it is essential to improve ROE and PER. We were unable to absorb the effects of rising prices and labor costs in our mainstay construction business, leading to a decline in the gross profit margin of completed construction contracts. We recognize that a key issue will be to improve the gross profit margin of construction contracts by promoting digital transformation (DX) and industrialization, while gaining

the understanding of project owners to allow us to pass on the increased costs to the construction price. In addition, the total asset turnover ratio has decreased due to the expansion of investment in the real estate businesses, which is one of the focused strategies of Plan NS, especially with respect to the expansion of the real estate holding and development business. However, another important issue is to improve the turnover ratio of the Real Estate-Related Business by selling to private REITs and private funds managed by our subsidiary Haseko Real Estate Investment Management, Inc. and by actively utilizing other real estate liquidation methods.

We will leverage the investments we made ahead of schedule during the period of Plan NS to generate revenue in the HASEKO Evolution Plan, thereby improving the capital efficiency that had declined temporarily due to the expansion of our Real Estate-Related Business. We will also expand the disclosure of information on the growth strategies of each of the Haseko Group's businesses, our initiatives on environmental issues and technological development, our approaches to human capital, and our measures for ensuring shareholder returns. In doing so, we will deepen understanding from stakeholders through conversations with them and work to improve our standing in the stock market.

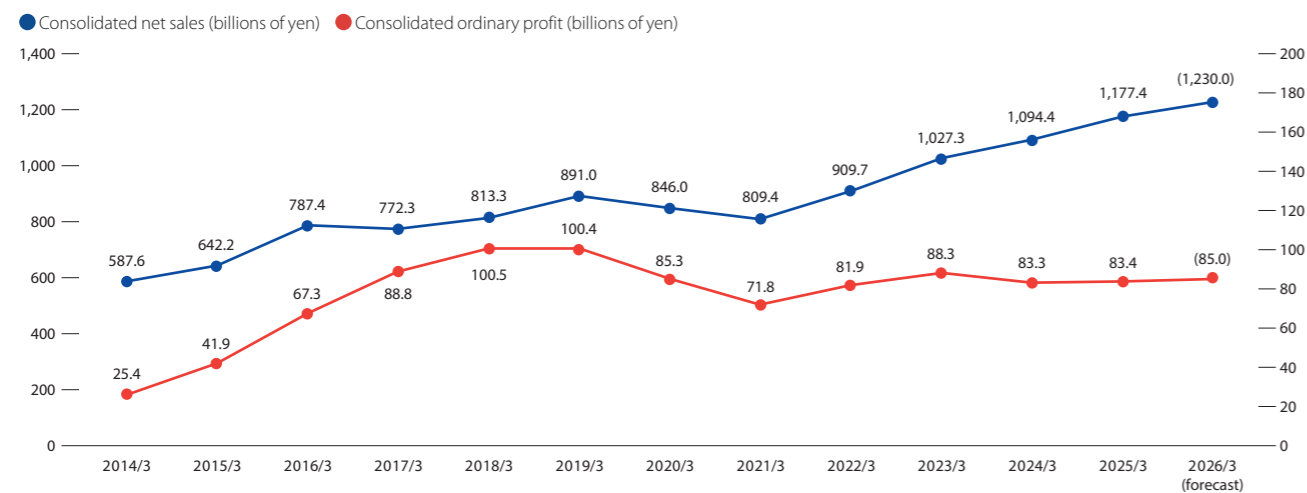
The Company's basic policy on shareholder returns in the period of Plan NS is to "set the minimum annual dividend per share at 80 yen (70 yen in the first fiscal year of the plan)" and "set the total shareholder return ratio calculated from the sum of profit attributable to owners of parent for the five fiscal years of Plan NS at about 40%." the HASEKO Evolution Plan raises this to a "total shareholder return ratio calculated from the sum of profit attributable to owners of parent for the six fiscal years of the plan of about 50%" and has a basic policy of implementing progressive dividends instead of setting a minimum annual dividend, thus aiming to further enhance shareholder returns.

We will not only continue to implement our traditional capital measures, such as "maintaining a strong financial base" and "ensuring stable shareholder returns," but also further deepen our awareness of "improving capital efficiency" to meet market expectations. Furthermore, we will work to improve ROE and EPS without excluding the option of flexibly purchasing treasury shares. We are in the process of continuing to invest in order to expand our real estate and overseas businesses, and although our ROE currently stands at around 10%, we are not satisfied with this situation and are aiming for further improvement.

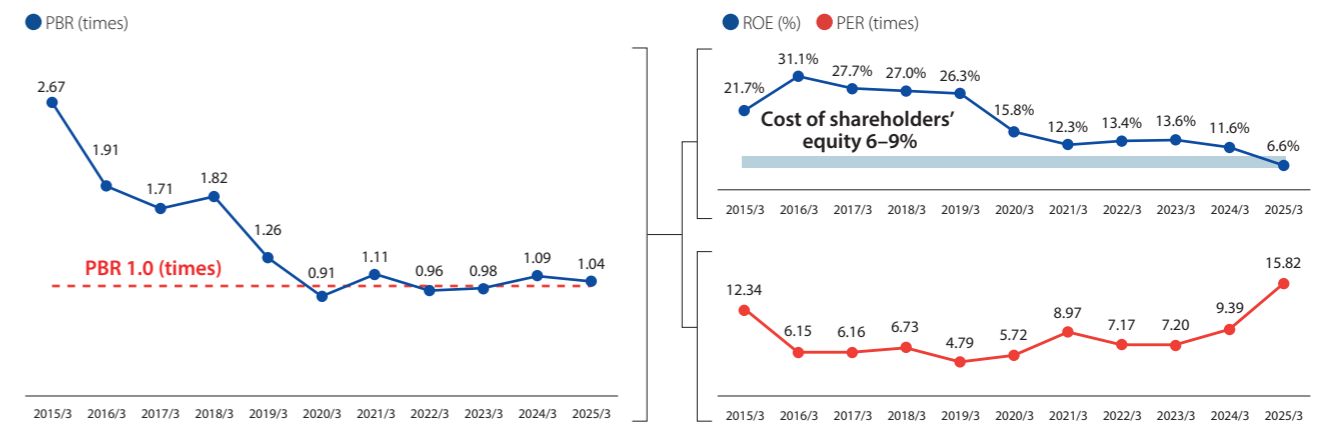
PBR formula

PBR	=	ROE	×	PER
Share price		Earnings per share		Share price
Net assets per share		Net assets per share		Earnings per share

Consolidated net sales/consolidated ordinary profit over time



PBR and ROE/PER over time

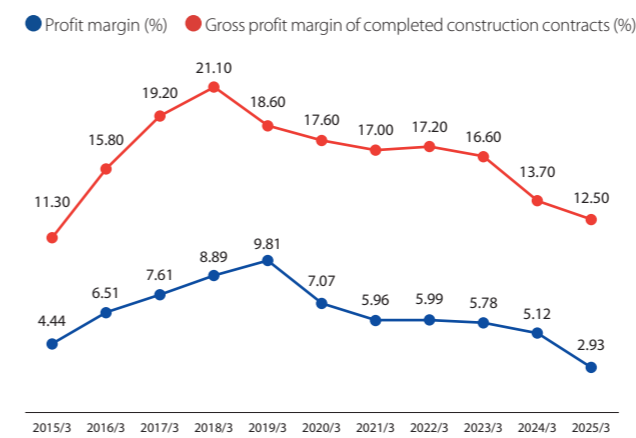


*1 PBR and PER are calculated using the closing price at the end of each fiscal year.

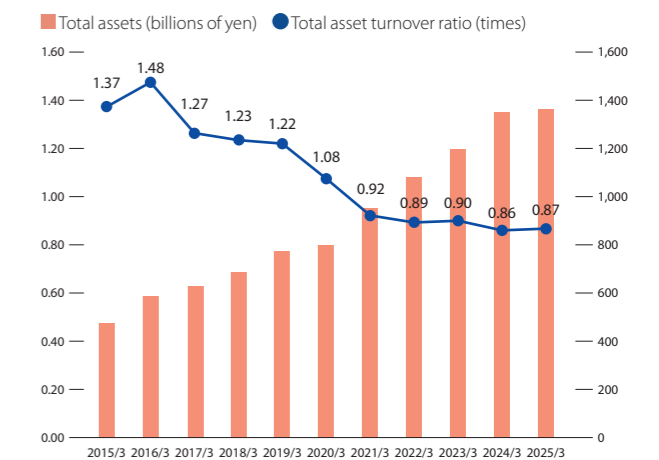
*2 The calculation of EPS and BPS, which form the basis for PBR and PER, is based on the number of shares eligible for dividends at the end of each fiscal year, excluding treasury stock (not including ESOP-BBT).

*3 PBR and ROE are calculated using the average net assets at the beginning and end of the fiscal year.

Profit margin/gross profit margin of completed construction contracts over time



Total assets/total asset turnover ratio over time



Message from the Officer in Charge of Finance

Key points of the financial strategy in the HASEKO Evolution Plan

As future-oriented advance investment under Plan NS, we have proactively invested in the for-sale condominium business and rental properties holding and development business in Japan and in overseas business. As a result of this, we have succeeded in significantly growing operating profit in the real estate segment, from 8.5 billion yen in the fiscal year ended March 31, 2020 to 24.0 billion yen in the fiscal year ended March 31, 2025. The HASEKO Evolution Plan designates 400.0 billion yen (or around 70%) of the 610.0 billion yen in total cash inflow over the course of the plan as funds for growth strategy investment in order to increase our profits.

We are planning an investment of 120.0 billion yen in Japanese real estate, but the plan calls for investment mainly in business with a relatively high turnover ratio such as the renovation business and detached housing business in order to increase the turnover ratio of the real estate segment as a whole. In the overseas business, while the commercial facilities in Hawaii continue to record operating losses, in the United States mainland we intend to expand investment mainly in the rental condominium business and develop this area into a future pillar of profit.

Furthermore, in the current plan, we are pivoting our investments away from real estate and into areas for sustainable growth, such as construction-related, DX-related, and new business and M&A. We view the pre-cast concrete factory established in Kasumigaura City in Japan's Ibaraki Prefecture as a strategic investment to advance the Company's industrialized construction methods, such as productivity increases based on linking with BIM.

And since acquiring Hosoda Corporation in 2020, we have made progress on increasing the use of wooden materials, with examples including the construction of wooden communal

buildings in condominiums and the construction of rental condominiums that employ hybrid structures of wood and reinforced concrete. Furthermore, in June 2025, we acquired WOOD FRIENDS Co., Ltd., which is engaged in wood processing and the construction and sale of wooden detached housing in the Tokai area of Japan. With the technology that this company possesses, not only can we utilize domestically-produced timber for wooden materials in the private areas within condominiums, in the future we expect that the technology will be applied to hybrid structures that combine reinforced concrete and wooden construction.

Real estate investments in Japan and overseas contribute directly to profits, and technology investments contributes indirectly, and the Company's earning power will improve if these investments achieve results. Our ROE is forecast to be 10.2% for the fiscal year ending March 31, 2026, but our target is to raise this to around 13.0% by the fiscal year ending March 31, 2031. The measures necessary to achieve this are (1) raising the total asset turnover ratio to 1.0, and (2) increasing the ratio of profit to net sales to around 5.2%. By accomplishing these two points and setting financial leverage to 2.5 times, we will be able to achieve our ROE target of 13.0%.

The most important factor in achieving this is to restore the gross profit margin on completed construction projects in the construction business. The gross profit margin on completed construction projects, which was 21.1% in the fiscal year ended March 31, 2018, declined to 12.5% in the fiscal year ended March 31, 2025. The reason was that price rises, increases in labor costs, and other such costs could not be factored into project profitability at the time of commencement. But thanks to the understanding of project owners, the forecast for the fiscal year ending March 31, 2026 is for a recovery to 13.8%. We forecast a profit margin of 4.5% for the fiscal year ending March 31, 2026, but in order to raise this to around 5.2%, it will be necessary to improve

the gross profit on completed construction projects by more than 2 percentage points, with the aim of exceeding 16%. To improve the profit ratio in the Construction-Related Business, it is essential to invest in technology, such as the thorough use of digital technologies to restructure business processes, and to undertake technological development, such as automation through AI, in order to further enhance productivity and quality.

Toward increased share price

As set out above, the HASEKO Evolution Plan increases the total shareholder return ratio beyond that of the previous medium-term business plan to around 50%, and with a policy of progressive dividends throughout its period, it embarked on a policy sustainably increasing dividends. Sustainable profit growth is required for sustainably increasing dividends, and we shall work to increase profits in order to ensure we achieve the ordinary profit target of 130.0 billion yen for the fiscal year ending March 31, 2031.

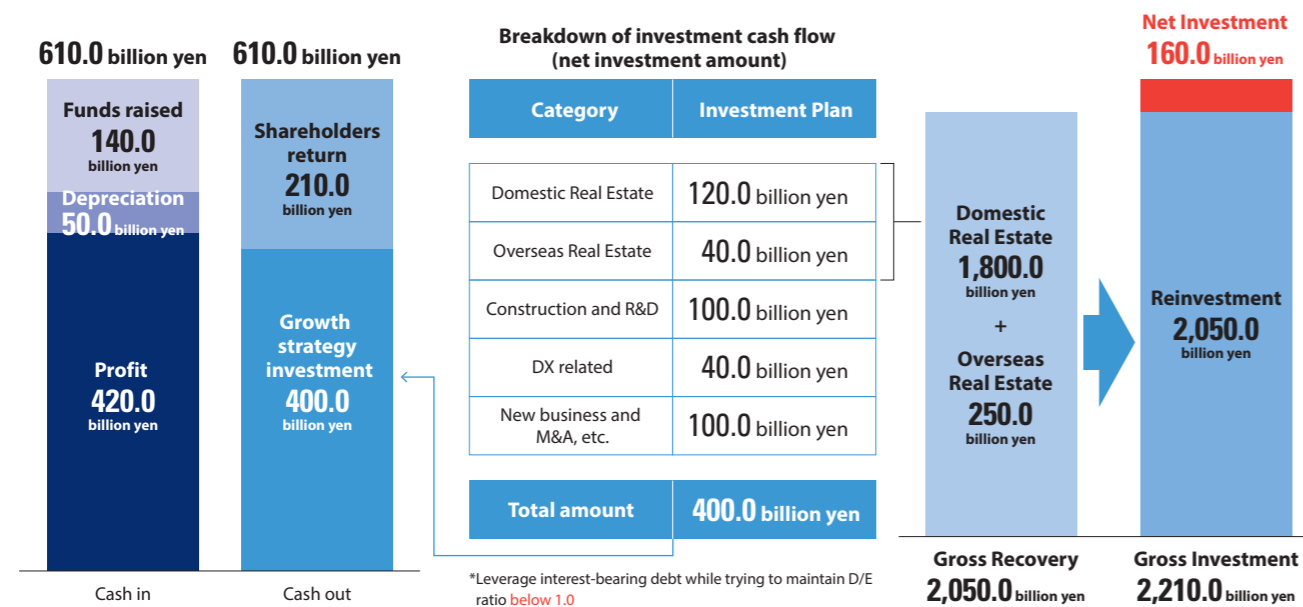
The Company's PER has remained between 7 and 9 times over the most recent five years. As of the end of June 2025, the share price stands at around 10 times the EPS forecast of approximately 200 yen. This means that in comparison to major construction companies, growth expectations for the Company are relatively lower. If the target of an ordinary profit of 130.0 billion yen in the fiscal year ending March 31, 2031 under the Company's current plan is achieved, it is expected that EPS will improve to around 300 yen. If the market accepts the certainty of achieving this EPS, then with a PER of 10 times, this will mean we will aim for a share price of 3,000 yen.

In order to nurture expectations regarding this forecast

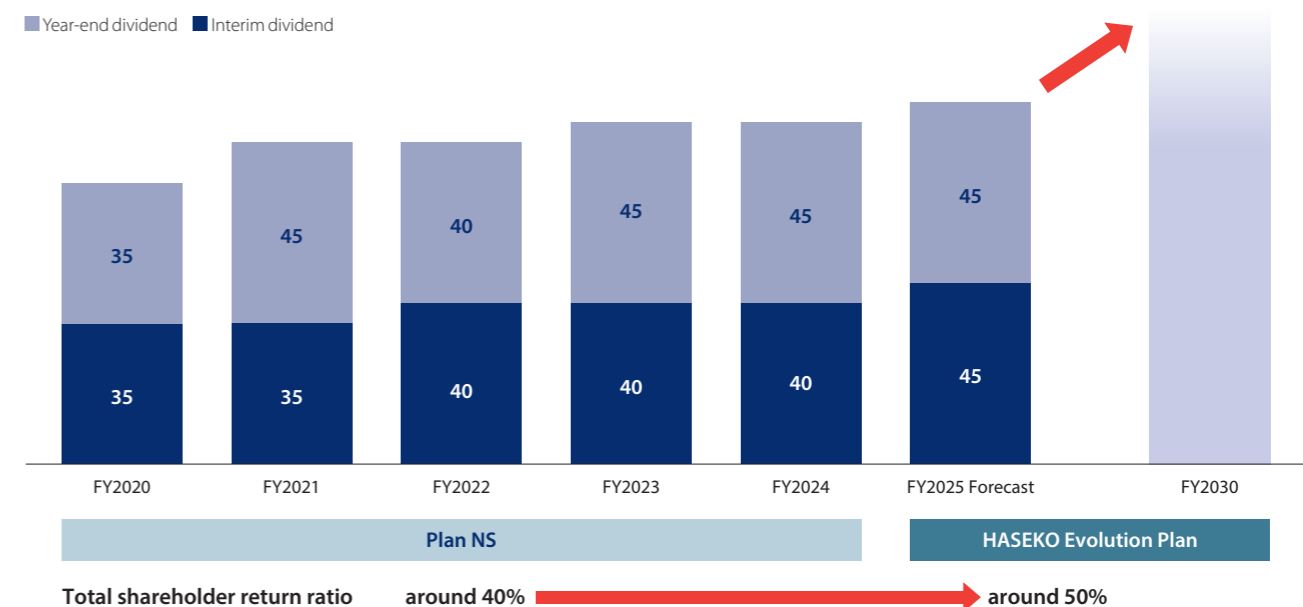
in the market, enhanced information disclosure and dialog with shareholders are important. We emphasize proactive and constructive dialog with investors, and after quarterly announcements of financial results we hold an online conference. Also, each half, top management holds a financial results briefing. And through one-on-one meetings with sell-side analysts and major shareholders, management itself creates opportunities for direct dialog. In addition, we actively conduct one-on-one meetings with domestic and overseas institutional investors, led mainly by the IR Department, and provide management with feedback from investors. Through these initiatives, we strive to enhance transparency regarding management strategy and financial and non-financial information, and to eliminate the perception gap with investors.

To support an increase in PER, reducing the cost of shareholder's equity is also important. We believe the cost of shareholders' equity has declined compared with the past due to stable revenue increase from growth in the number of for-sale condominiums under our management and in rental condominium management operations, enhanced shareholder returns through the progressive dividends introduced under the current plan, and appropriate management of capital and liabilities. At the same time, we recognize there are concerns that factors such as higher real estate balances and losses in Overseas-Related Business are causing uncertainty over the Company in the stock market. We are committed to addressing these concerns by incorporating them into our management strategy, while further enhancing the quality and volume of our information disclosures with a continued focus on the stock markets.

Cash allocation (FYE Mar. 31, 2026 – FYE Mar. 31, 2031)

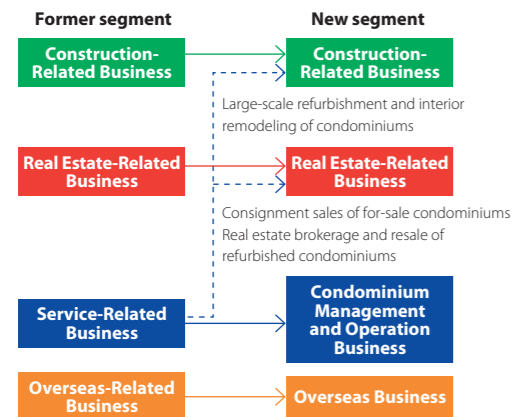


Annual dividend per share over time (yen)



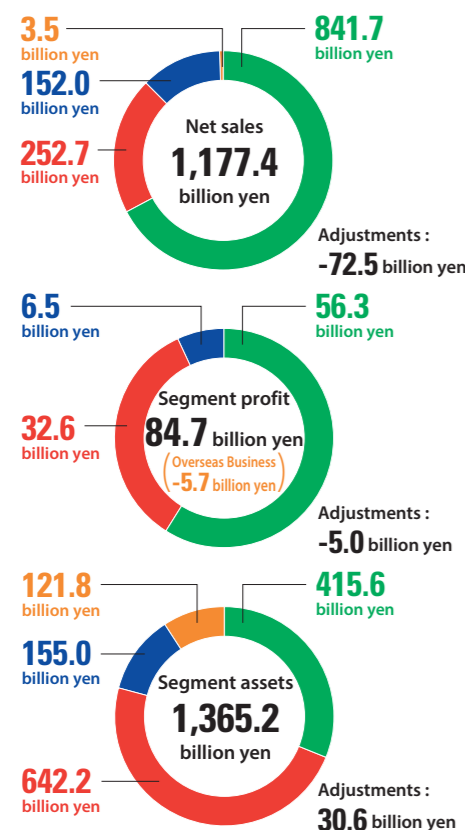
Business Overview

As of April 2025, our business segments have been recategorized under medium-term business plan, HASEKO Evolution Plan. While implementing the strategy for each business segment, we aim to achieve sustainable growth and increase corporate value by leveraging synergy between businesses.



Breakdown by Segment for FYE Mar. 31, 2025

- Construction-Related Business
- Real Estate-Related Business
- Condominium Management and Operation Business
- Overseas Business



Construction-Related Business >Business Strategy p. 37



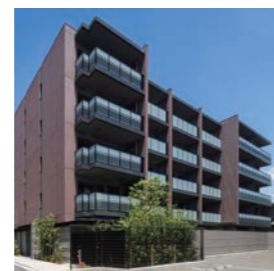
Haseko Corporation is engaged in comprehensive construction services for condominiums and apartments, from planning and design to construction, centering on Japan's three major metropolitan areas. We create high-quality buildings under a comprehensive system covering design and construction, and boast rich, industry-leading condominium construction performance. Our subsidiaries also undertake large-scale refurbishment projects that help maintain and enhance the asset value and safety of condominiums, as well as the construction and sale of detached housing, thereby contributing as a Group to the provision of safe and secure housing in various fields.

Real Estate-Related Business >Business Strategy p. 41



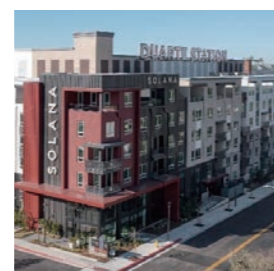
Incorporating the data and know-how we have accumulated through our Construction-Related Business, we offer a wide variety of real estate solutions that include condominium sales, development of income properties, and resale of refurbished condominiums in Japan's three major metropolitan areas and around the rest of the country. Furthermore, we are also engaged in brokerage that includes consignment sales of new condominiums and brokerage for existing condominiums, and provide rich and comfortable housing and living.

Condominium Management and Operation Business >Business Strategy p. 43



Our main business is management for for-sale and rental condominium that utilizes the condominium stock we have built up through our Construction-Related Business and Real Estate Related Business, and we also operate senior living residences. Through these businesses we support comfortable living for residents. Furthermore, we offer a wide variety of services that include advertising agency work for real estate, proposals for sales promotion plans, and unwanted item buyback services.

Overseas Business >Business Strategy p. 45



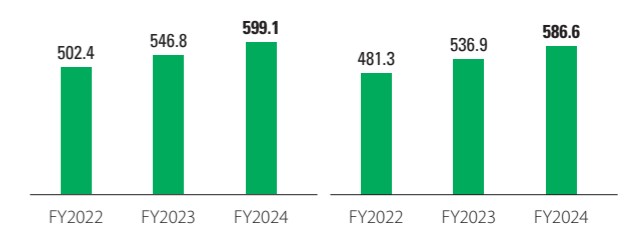
In preparation for the shrinking of domestic market in the future, we are taking our business forward in line with the housing situation in each country. We are engaged in business that includes investment in the development of rental and senior housing in the United States mainland, and the construction and operation of serviced apartments in Vietnam. And since the 1980s, we have been engaged in the business of large-scale complex development in Hawaii, USA.

Main services Planning, design, construction of for-sale condominiums, etc. / construction and sale of detached housing / large-scale refurbishment and interior remodeling of condominiums

Performance in the fiscal year ended March 31, 2025

Segment net sales	841.7 billion yen
Segment profit	56.3 billion yen
Segment assets	415.6 billion yen
Group companies	Fujikensetsu Co., Ltd., Hasec Inc., Haseko Furnishing Co., Ltd., Haseko Reform Co., Ltd., Hosoda Corporation, Haseko Home Co., Ltd., etc.
Number of employees engaged	3,680 persons

Construction contracts (billion yen)

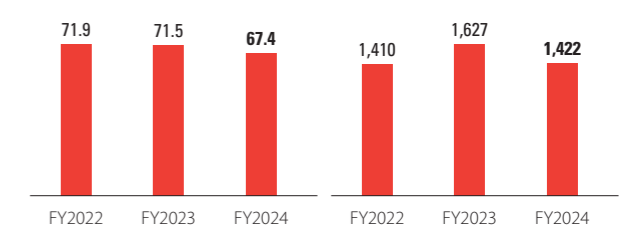


Main services For-sale condominium business/development and sale of income properties/consignment of for-sale condominium sales/real estate brokerage, resale of refurbished condominiums

Performance in the fiscal year ended March 31, 2025

Segment net sales	252.7 billion yen
Segment profit	32.6 billion yen
Segment assets	642.2 billion yen
Group companies	Haseko Real Estate Development Holdings Inc., Haseko Real Estate Development, Inc., Sohgho Real Estate Co., Ltd., Haseko Sohgho Development, Inc., Haseko Urbest Inc., Haseko Real Estate, Inc., Haseko Intec Inc., etc.
Number of employees engaged	1,425 persons

Net sales of for-sale condominiums (billion yen)

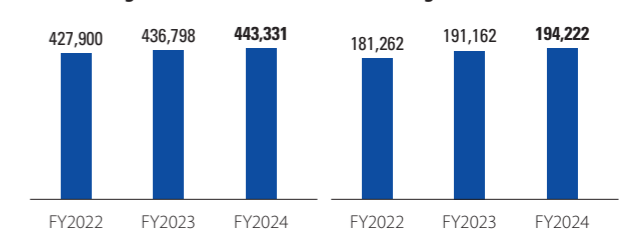


Main services for-sale condominium management, rental condominium management, management agency for corporate housing, operation of senior living residences

Performance in the fiscal year ended March 31, 2025

Segment net sales	152.0 billion yen
Segment profit	6.5 billion yen
Segment assets	155.0 billion yen
Group companies	Haseko Anesis Corporation, Haseko Property Management Holdings, Inc., Haseko Community, Inc., Haseko Livenet, Inc., Joint Property Co., Ltd., Haseko Business Proxy, Inc., Haseko Senior Well Design Co., Ltd., Furusato Co., Ltd., Haseko Systems, Inc., etc.
Number of employees engaged	3,110 persons

Number of for-sale condominium units managed (units)

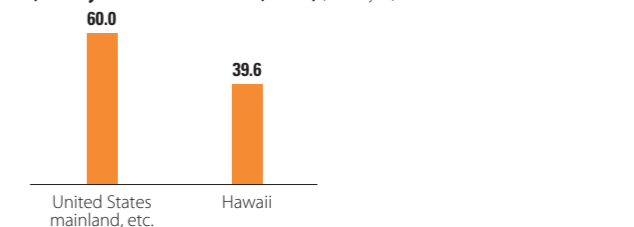


Main services Real estate development and commercial facility operation in Hawaii, USA, investment in real estate development projects in the United States mainland, etc.

Performance in the fiscal year ended March 31, 2025

Segment net sales	3.5 billion yen
Segment profit	-5.7 billion yen
Segment assets	121.8 billion yen
Group companies	Haseko America, Inc., and others
Number of employees engaged	92 persons

Real estate-related investment balance by region (Fiscal year ended March 31, 2025) (billion yen)



Construction-Related Business

With a focus on for-sale condominiums, our work spans everything from planning and design to construction. Utilizing the collective capabilities of the Haseko Group, we aim to increase quality and productivity while addressing diversification in lifestyles and other such changes in the social environment, and to build the optimal living environment.

Kuniyoshi Mimori

Director,
Executive Vice President
In Charge of Construction
Div. and Group
Construction-Related
Business



Risks

- Falling demand for newly built condominiums and worker shortages due to the declining population in Japan
- Lower willingness to purchase due to soaring land prices
- Deteriorating material procurement environment due to geopolitical uncertainty
- Soaring and persistently high prices of construction materials and cost of labor
- Changes to relevant laws regarding construction, occupational health and safety, the environment, etc.
- Foreign exchange fluctuations

Opportunities

- Increasingly compact cities
- Initiatives to renew aging condominiums
- Initiatives on resilient housing and communities
- Responding to new needs for housing and living
- Elimination of labor shortages and avoidance of construction delays through industrialization and DX
- The creation of new opportunities (and avoidance of opportunity loss), etc., accompanying responses to climate change

Business overview

The goal of our Construction-Related Business is to create environmentally-conscious, safe, and secure housing. Under our unique business model whereby operating mainly in Japan's three major metropolitan areas we offer a comprehensive service that spans everything from the planning and design of condominiums and other such buildings to their construction, and we boast the best performance in construction of private for-sale condominiums in Japan.

And in the Real Estate-Related Business, we leverage the land information gathering capability, planning and proposal making capability, and construction know-how that we have built up through this business. Furthermore, the housing stock amassed through this business and the Real Estate-Related Business forms the basis for our Condominium Management and Operation Business. This business is the starting point of the Group's sustainable growth and corporate value creation, and lies at the core of these things.

A unique business model centered on private for-sale condominiums

In contrast to other general contractors, Haseko Corporation also has functions that include the gathering of land information and making proposals for business plans. We have a unique business model with exclusive contracts under which land is provided for project owners, and in this model we present project owners with the land information we have gathered along with the optimum business plan. Thus far, we have constructed more than 710,000 for-sale condominium units. Leveraging the feedback on customer needs obtained from our rich track record of construction and from the sales, management, refurbishment and other activities of our Group companies, we construct high-quality condominiums that receive very few after-sales complaints.

Achieving both high-quality and productivity

Condominiums serve as the foundation of people's lives, and we have a steadfast focus on their quality. By working together with the Ken-ei-kai, an organization of our main cooperating companies who have a thorough knowledge of Haseko condominiums, creating thoroughly organized, safe, and beautiful workplaces, and proactively utilizing industrialization products, we ensure accuracy in construction and efficiency in work. Furthermore, we utilize BIM in everything from design to construction and are introducing ICT-related technologies in our work, and by doing so we are working to transform productivity on construction sites.

A rich condominium repair track record and know-how

With our reliable technological capabilities that we have built up through our experience of building condominiums, we contribute to increased value of housing as an asset. We have a track record of large-scale refurbishment and renovation works on a cumulative total of more than 600,000 condominium units, and in our large-scale refurbishment works we hold numerous close meetings with condominium management associations and undertake the work while giving maximum consideration for residents. Haseko Corporation works to maintain and increase the asset value of

condominiums and other such buildings, and contributes to the formation of an excellent housing stock.

The challenge of a range of construction fields

Leveraging the technological capabilities and rich track record we have built up over the course of many years of constructing for-sale condominiums, we are taking on the challenge of a range of construction fields that encompass everything from detached housing to hotels, senior living residences for the elderly, data centers, and logistics facilities. In the field of detached housing, WOOD FRIENDS Co., Ltd. have joined the Group. Together with Hosoda Corporation, we will apply the wooden construction technology we have built up and aim to provide housing that is environmentally conscious and helps to achieve sustainable growth.

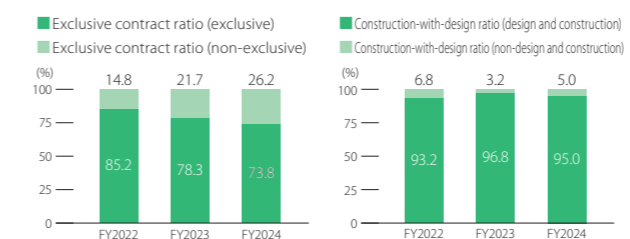
Performance in FY2024

In FY2024, Haseko Corporation completed the construction of 70 for-sale condominiums with 12,118 units in the Tokyo metropolitan area and 26 with 4,517 units in the Kansai and Tokai areas, totaling 96 with 16,635 units. Having set out in the HASEKO Next Stage Plan ("Plan NS") medium-term business plan that we would work to expand our fields of construction, in addition to four high-rise condominiums as well as a logistics warehouse in the non-residential field, we completed work on the signature pavilion "Future of Life" for the 2025 Japan World Expo (Osaka/Kansai Expo).

Non-consolidated orders received by Haseko Corporation reached a record high for the second year in a row on the back of a favorable environment, and stood at 586.6 billion yen. The number of orders for private for-sale condominiums increased, and the ratio of large-scale private for-sale condominiums with 200 units or more that the Company specializes in exceeded 50%. Furthermore, the ratio of exclusive contracts, which characterizes our unique business model, and the ratio of construction-with-design orders remained at a high level.

In terms of business results, while completed construction contracts saw a major increase in revenue thanks to the smooth progress of works, the gross profit margin of completed construction contracts decreased due to soaring material, labor, and other such costs, and resulted in a slight decline in gross profit from completed construction contracts. Due to progress on low-margin projects for which orders were previously received and rising construction costs, the gross profit margin of completed construction contracts has been on a downward trend in recent years. However, through measures such as securing profitability at the order receiving stage and further improving productivity, we expect a recovery from FY2025.

Graph of exclusive contracts ratio, construction-with-design order ratio



Priority issues

Response to worker shortages and soaring material prices

Addressing the labor shortage resulting from the decline in the working-age population is the most serious issue that we face. While the average age of construction workers is rising, the inflow of new workers is limited.

We are skilled at constructing for-sale condominiums and are proud of our construction system, which can provide high-quality products at competitive prices. To further strengthen this construction system going forward, it is important to undertake labor saving through the adoption of industrialized construction methods while also building a pleasant working environment in order to secure human resources.

In the meantime, the construction industry has to cope with the new regulation with penalties to limit overtime work, which was introduced in April 2024. In collaboration with the Japan Federation of Construction Contractors and other organizations, we are promoting initiatives of eight days off per four weeks, shorter overtime hours and better compensation to improve the working environment. Specifically, our initiatives include DX measures such as enhancing collaborations with companies cooperating on the HASEKO-version BIM and expanding its usage while utilizing off-the-shelf software (such as VizeitViewer and Matterport) and IoT technologies, and making use of precast concrete along with other industrialized construction methods. We will strive to realize further improvement of quality and productivity, shortening of construction periods, and cost reduction, which will lead to employees taking more days off, improved compensation, and securing of the workforce.

The second point is to address the rising prices of construction materials. The Construction Material Price Index has increased by about 35% on average for the entire construction industry compared with January 2021.

Construction material prices may continue to remain high due to uncertainty over the impact of situations overseas and foreign exchange rate fluctuations, and concerns over rises in logistics costs.

Haseko Corporation has a unique business model that uses exclusive contracts under which land is provided for project owners, and our planning and proposal making capabilities founded on the high accuracy of our estimates is one of the sources of our competitiveness. To minimize the impact of price fluctuations, we propose business plans that incorporate an appropriate level of passing on costs and are taking steps to procure materials at an appropriate timing, keeping an eye on future order trends.

Expansion of construction fields

In response to changes in the social environment and changes in needs regarding housing and living, we are working to expand the fields of construction in which we are engaged in order to expand and enhance our business foundation.

Through our land information gathering capability, we have obtained information on a wide variety of land, but there are cases in which the land is not suitable for condominiums or other such residential uses. In order to leverage the knowledge we have accumulated thus far and maximize the value of the

land, we are working to expand into fields with high affinity to housing, such as hotels and senior living residences, and non-residential fields such as data centers and logistics facilities. We are also working on the creation of new environmentally-conscious housing through the application of the wooden construction technologies we have cultivated.

Expansion of refurbishment and maintenance business

Haseko Corporation has been engaged in the construction of condominiums since the 1960s, and have built up a housing stock through the best construction performance in Japan. In order to respond to the aging of these condominiums, provide resilient housing, and maintain and improve asset value, we are working to expand our refurbishment and maintenance works. Through actions such as the development of new construction methods, new services, and new products that reflect the needs of residents, we will provide safe and secure housing and rich, comfortable living.

Enhancement of sustainability initiatives

In addition, we understand that promoting sustainability throughout the Haseko Group requires the establishment of a management system and the operation of construction sites that can address the relevant issues.

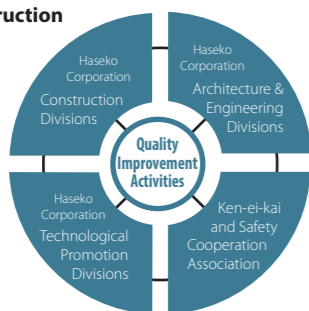
One of these issues is the environmental considerations at construction sites, which we address based on HASEKO ZERO-Emission. We are going to adopt construction methods and new initiatives contributing to decarbonization and verify the effects of reducing CO₂ emissions at all sites. In addition, we have established our own procurement guidelines as part of our supply chain management, and we are encouraging partner companies to conduct voluntary inspections.

Results of initiatives

Further reinforcement of competitive advantages and brand strength

Our construction system is designed to construct high-quality products with overwhelming price competitiveness. Our system is supported by a quaternity cooperation system consisting of our construction, architecture & engineering, and technological promotion divisions and the Ken-ei-kai, an organization of our main cooperating companies responsible for construction. This integrated cooperation is our unique advantage and source of our brand equity unrivaled by our peers.

Integrated Construction System of the Quaternity

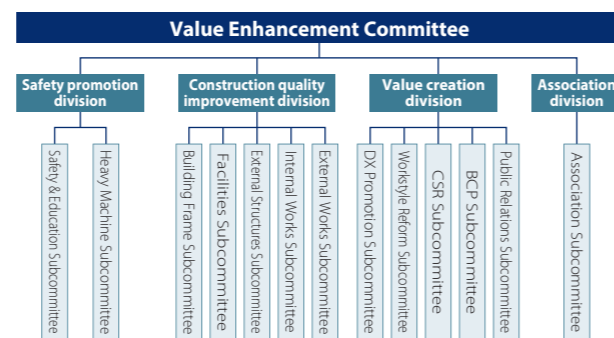


In order to continue maintaining and expanding the superiority of these things, we will establish a production system by securing

the staff required for construction management, utilizing females and a diverse range of human resources, and enhancing and expanding the system in internal supporting divisions, in addition to proceeding with industrialization as a response to the aging of skilled construction workers, worker shortages, and workstyle reform. We will also provide support to cooperating companies in securing skilled construction workers, passing on technology, and addressing the issue of successors.

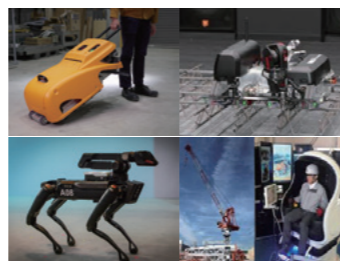
The HASEKO Value Enhancement Committee, established to improve safety and quality, involves the construction quality improvement, safety promotion, and value creation divisions working together. We are working to promote DX through the use of cutting-edge technologies in addition to improving productivity by gathering real voices from construction sites. In the Construction-Related Business, we will strengthen the quaternity system, innovate our design and construction technologies, and reform our workstyles to cope with future increases in construction volume. In addition, we will strive to generate solid profits and to earn the trust of our stakeholders.

Organizational framework of HASEKO Value Enhancement Committee



Example value enhancement activities

As a means of responding to issues faced by the construction industry henceforth, we are exploring the utilization of robots for simple and repetitive tasks. We will work to construct a collaborative environment for robots and humans, and to explore and develop new, high-efficiency construction methods. In addition, with the goal of standardization in production, streamline factory-based manufacturing, and shorten construction processes, we are exploring the use of precast concrete, industrialization, and unitization. We will address these challenges by improving workability and working on labor-saving and manpower reduction.



Labor-saving initiatives



Unitization initiatives

Example initiatives in production technology innovation

Regarding the production technology innovation, we have used the HASEKO-version BIM data to construct systems that, in addition to automatic calculation of the amount of concrete already being used, automatically calculates the amount of excavated soil and materials needed for earthworks, creates construction drawings, calculates the materials needed for frame construction, and conducts inspection for each construction. In addition to reducing the amount of time spent for estimations and drawing up plans at construction sites, this has also made inspection work and on-site reviews more efficient.

Example environmentally consciousness initiatives

In terms of environmental consciousness, having built Bransiesta Urayasu with a hybrid structure of wood and reinforced concrete on the top floor, we are considering using wood for the main bodies of buildings, enabling them to sequester CO₂ and reduce emissions. In March 2025, we completed work on Bransiesta Meguro Chuocho - which features a wood and reinforced concrete hybrid structure in the top four floors.

R&D / DX

Research and technological development under the HASEKO Evolution Plan

In terms of research and technological development under the HASEKO Evolution Plan, we are taking action that includes research and technological development to respond to global warming, and to address issues faced by society with a focus on 2050.

For example, we are working on using wood for building

frames through initiatives such as the development of the P&UA structural system (developed in conjunction with Ichihara Housing & Planning Associates Co., Ltd. and others), which is a construction technique for medium- and high-rise buildings that uses engineered wood on a large scale, and a construction method for reinforcing RC column perimeters with timber wrapping (jointly researched with Shibaura Institute of Technology) toward the achievement of carbon neutrality, and are undertaking research and technological development with the aim of addressing global warming.

And in terms of R&D aiming to find solutions to issues faced by society, Haseko Corporation and Fukuoka University have jointly developed solidification technology of construction sludge using bamboo chips. By switching the cementitious hardener that is added to construction sludge for bamboo chips, it is possible to reduce the CO₂ emissions originating from such cementitious hardeners, and a CO₂ sequestering effect can be expected. This technology was first used in March 2024 on a condominium construction site in Ichikawa in Japan's Chiba Prefecture, and then in March 2025 in Narita in the same prefecture. In June 2025, bamboo chips generated through bamboo forest management in Asuka Village in Nara Prefecture, with whom we have concluded a Framework Agreement on Private-Public Cooperation, were used on the construction site for a new condominium in Osaka. Going forward, we plan to roll this out at the construction sites we operate.



Initiatives to use wood for building frames

Business topics

Work complete at our in-house interior floor PCa manufacturing plant in Kasumigaura in Ibaraki Prefecture

We have now completed construction work on our plant at which we will manufacture PCa floor slabs jointly with three PCa manufacturers: Marubeni Itochu Sumisho Techno Steel Inc., YAMAX Corp., and DAIKYO KENSETSU Co. Ltd. To improve efficiency and stabilize quality in structural work at condominium construction sites, we have proactively introduced PCa for parts such as slabs and beams in high-rise condominiums, as well as external staircases in board-shaped condominiums. Now, upon the introduction of PCa to interior floors, we have established our own factory and begun manufacturing PCa floor slabs for board-shaped condominiums. The plant is planned to manufacture interior floor PCa for around 4,000 units annually. Going forward, we will achieve higher productivity and stabilized quality in our Construction-Related Business by shifting to PCa.



Precast concrete (PCa) plant

Initiatives for hybrid wood construction

In terms of construction projects that incorporate wood, our track record so far includes the use of wood in communal buildings in condominiums as well as Bransiesta Urayasu. Going forward, we will continue to deepen our efforts and work towards the development of our own unique hybrid wooden construction that makes the most of the advantages of both wooden and reinforced concrete construction.



Bransiesta Meguro Chuocho

Real Estate-Related Business

As we take forward our supply, development, and holding of housing as well as associated business, we aim to maximize profit through synergies between our Construction-Related Business and Condominium Management and Operation Business.

With a focus on capital efficiency, we are working to enhance profitability and capital turnover efficiency while developing a diverse range of housing-related businesses.

Toru Yamaguchi

Director and Executive Operating Officer
In Charge of Business Promotion, Group Real Estate Development, Sales, and Real Estate Brokerage Businesses



Risks

- Decreased supply of new condominium units
- Intensified competition for land acquisition, soaring land prices
- Rising prices, declining real wages
- Fluctuations in financial and capital markets, rising interest rates

Opportunities

- Improvements in the employment and income environment
- Diversification of housing styles and expansion of the remodeling and existing brokerage market
- Expanding our business to major regional cities
- Increased business opportunities through the establishment of private placement REIT
- Increased number of condominiums requiring rebuilding

Business overview

- Steady sales of condominiums -

While the decline in the number of units supplied to the condominium market and the rise in sales prices continued, the housing sales market was steady due to the ongoing favorable conditions for the housing acquisition environment, such as the improvement in the employment and income environment and the expectation of rising interest rates and prices.

The Haseko Group leverages its strengths in land information gathering, development, and the know-how built up over many years in the Construction-Related Business, and develops for-sale condominiums for individuals and rental condominiums for investors. Both businesses experienced significant growth during the period of medium-term business plan, HASEKO Next Stage Plan ("Plan NS"), and have become key revenue pillars second only to the Construction-Related Business. Furthermore, we have steadily increased the number of units that we handle as part of our brokerage business for existing housing and our renovation business under which we add value to preowned housing before resale, and these efforts support our strategy to meet the diversifying needs of housing styles.

We expanded investment in the Real Estate-Related Business under Plan NS, and thus succeeded in growing profit in the real estate segment. On the other hand, our balance of real estate-related assets has increased, and under the new HASEKO Evolution Plan medium-term business plan, we will work to enhance profitability and capital turnover efficiency with a focus on capital cost, and continue to make proactive investments towards sustainable growth.

Priority issues

- Enhanced capital efficiency and regional expansion -

We are striving to enhance profitability and efficiency of capital turnover as an initiative to improve capital efficiency. In addition to focusing on fields with a high asset turnover ratio, such as the renovation business and brokerage business, we intend to undertake actions that include leveraging private REITs to enhance our asset management business, thus expanding our business while qualitatively improving our real estate portfolio through optimization. In particular, with respect to the properties we hold, we will advance initiatives with an emphasis on avoiding asset stagnation.

Furthermore, for a company that acquires large volumes of land information such as Haseko Corporation, enhancing development capabilities in order to maximize value from each property is an important issue. In response to the ever-changing needs of customers, we will continue expanding the variety of development projects that we undertake, including, among others, a luxury condominium series, logistics facilities, and detached houses. In addition, we will continue to pursue the development of innovative and distinctive properties, such as concept rental condominiums to meet the needs of a diverse range of lifestyles.

The areas in which we are engaged in the for-sale condominium business go beyond Japan's three major metropolitan areas and now include Hokkaido, Tohoku, Hokuiku, Chugoku and Shikoku,

Kyushu, and Okinawa. Our areas of business have extended to incorporate 31 of Japan's 47 prefectures, but due to rising prices, we intend to shift our strategy towards selectively focusing our efforts on areas in which we can pass on costs.

Results of initiatives

- Developing and selling richness in housing with our diverse know-how -

As a leading company in housing and living, we are engaged in the condominium business across a broad area and have also been achieving strong performance outside of major metropolitan areas. We have completed work on Branchera Utsunomiya, Branchera Okayama, and Branchera Takamatsu Nishinomaru Tower The Residence, The Fukui Tower Sky Residence and other condominium projects as our first condominium development in each prefecture and received positive feedback from our customers. As we develop our business in provincial areas going forward, in order to deepen our activities we will listen to the feedback of those on the ground to get a keen sense of trends and conditions, and make decisions based on this. In terms of expanding into new areas, we will leverage the experience we have built up thus far in the housing business, and connect with government to take forward redevelopment projects. We took part in the Branchera Ise-shi Ekimae project as a designated business agent and participating association member, and will continue to develop and provide attractive for-sale condominiums in redevelopment areas. We also established Haseko Sohgo Development, Inc. that focuses on the development and holding of real estate to bring in revenue, and this new company has now started out as a general developer.

In product development, we utilize the requests of customers in creating properties. While incorporating trends, we undertake the development of original products that leverage Haseko's own unique technological capabilities to differentiate our products from those of other companies. We developed the movable storage space "UGOCLLO" that allows layout changes to suit individual lifestyles, and with regard to interior options in each residence, we offer the Iselco (E-label) that enables changes during construction.

Developing such products and services that only Haseko can produce, we hope to provide living that empowers residents to express their individuality.

R&D / DX

- Proactive advancement of our own unique DX -

The needs associated with housing are undergoing significant changes, and a varied response is thus required. Haseko Corporation is working to enhance the competitiveness of its products and services and to increase productivity by actively leveraging its proprietary DX technologies, such as BIM & LIM. In specific terms, we have introduced a Metaverse Model Room Tour when selling condominiums, and this recreates the actual residence, common facilities, appearance, and scenery in a metaverse space. This is the first initiative of its kind for Haseko Corporation, and it allows customers to see a condominium without actually visiting it by using an avatar. Not only does this increase customer satisfaction when considering condominiums, its aim is also to achieve a future-oriented improvement in productivity.

And by harnessing the power of ICT technologies, including sensor networks, AI and cloud service applications, we are promoting the creation of high-value-added products. Working toward the creation of appealing condominiums, we have implemented a variety of cutting-edge technologies to make everyday life more convenient and comfortable, such as facial recognition auto-locks systems for common and private entrances, parcel delivery boxes, and an app for residents that is linked to the weather and earthquake sensors installed in the building. The concept rental condominium WORVE Naha Izumizaki that was completed in 2024, served as Haseko Corporation's first ever trial of an all-facial recognition condominium, and the common areas, exclusive areas, and offices in the building are linked with facial recognition.

And by incorporating our own unique internal management system at Haseko Real Estate Development, Inc., we have centralized project management and improved productivity through DX.

Business topics

Cielia City Otsu Nionohama Completed in April 2024

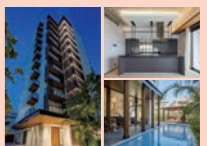
The design and construction order for this project was received after we purchased the land from the seller and formed a four-company joint venture, and the 708-unit new for-sale condominium building Cielia City Otsu Nionohama - the largest ever in the Keiji area - was completed in April 2024. In a location that offers the convenience of a large-scale complex commercial facility and a 24-hour supermarket within walking distance, this development has 31 shared facilities that capitalize on economies of scale and includes a standalone wooden community building called "Community Villa" on the premises.



The Branchera Naha Completed in February 2024

The Branchera Naha, which is the first development in "The Branchera" luxury flagship series under Haseko Real Estate Development, Inc.'s newly-built for-sale condominium brand Branchera, was completed in February 2024. Located in the center of Naha City in Okinawa Prefecture, all 17 units boast an area of 100m² or more. With premium Italian kitchens and other high-end features, the exclusive areas offer an added level of luxury as standard.

We will continue to proactively work to develop our business in regional areas, and undertake projects to provide luxury product value in carefully selected locations.



Condominium Management and Operation Business

We support rich and comfortable living for our customers and leverage the collective capabilities of the Haseko Group to achieve growth.

Leveraging our integrated value chain, we deliver trusted and distinctive services, aiming to build a stable profit foundation and create new value.

Toshifumi Tomita

Senior Operating Officer
Responsible for Business
Dept. In Charge of Group
Property Management and
Leasing Businesses



Risks

- Growing labor shortage and soaring personnel costs
- A crowded and intense competitive environment
- Deterioration of consumer sentiment due to inflation

Opportunities

- Expansion of business opportunities due to increased stock of condominiums in Japan
- Fundamental productivity reform through the use of LIM data, advanced technologies, as well as digital transformation (DX)
- Acquisition of business opportunities by strengthening the Group's value chain and expanding business areas

Business overview

The purpose of the Condominium Management and Operation Business is to create rich and comfortable living for customers mainly in the existing housing market. The service-related Group companies were spun off from Haseko Corporation to deliver the services for creating living, and currently, we provide a wide range of services from the management of for-sale condominiums, rental condominiums, corporate housing, and other properties to the management of senior living residences and services to support the Group.

The major benchmarks in this business segment are the number of for-sale condominium units managed and the number of rental condominium units managed, and both of these are continuing to grow steadily. On the other hand, we recognize important management issues such as the strengthening of our management foundation for handling increasing scale and regional expansion, and the creation of a pleasant working environment through initiatives such as reducing the burden of frontline work and management work, and will rebuild our business model through the utilization of digital technology and other such means.

Priority issues

While continued market expansion is expected due to increasing domestic condominium stock and a growing elderly population, there are also increasing concerns over profit margin compression due to labor shortages as well as increasing personnel expenses and prices. An increase is also expected in maintenance and renovation of aging properties, such as inspections, equipment upgrades, and repairs, and this will require efficiency and optimized maintenance management. Furthermore, residents' expectations are changing on the back of an increasing number of dual-income households and other changes in lifestyles, and we are seeing new issues arising, such as a lack of people to become directors of management associations and the adoption of third-party management.

For the above issues, we are committed to integrating the Group's accumulated operational data with advanced technologies, delivering services that enhance residential value and improve the comfort of residents.

Results of initiatives

We are expanding our condominium management business to cover a wide area from Hokkaido to Okinawa with a focus on the Tokyo metropolitan area and the Kinki region, and the number of units under our management continues to grow steadily each year. The occupancy rate of senior living residences is also maintaining a high level.

In terms of expanding new services, given the changing expectations among residents regarding condominium management and the increasingly common use of communication through smartphones and the internet, we are working on the rollout of smooth-e, a new entrusted management operation service with third-party management and apps, as well as

enhancing the features of our condominium-specific portal site "Suteki Net." This has been highly praised by developers, who recognize that the expansion and deepening of contact points with residents adds significant value, second to only to location and accessibility, and it is being increasingly adopted at newly built condominiums with each passing year.

The Condominium Management and Operation Business is inherently labor-intensive, and therefore expansion in scale can lead to labor shortages and low productivity and efficiency. To address this, we have overhauled the core systems of the main companies in the management and operation segment; Haseko Community, Inc., Haseko Livenet, Inc., and Haseko Senior Well Design Co., Ltd. Going forward, we will continue to improve productivity through work reforms that include the consolidation and restructuring of onsite operation.

R&D / DX

Due to the increase in aging condominiums, we expect an increase in the number of observations made in various inspections and an increase in works related to drain pipes and other facilities. As such, we are working on the creation of a database for observations and on the visualization of the status of deterioration through new inspection methods, and are utilizing these in works proposals to achieve high-quality management. Furthermore, we will promote the Living Information Model (LIM) concept that integrates maintenance data and living data (life log), and will work on improving the quality of residents' daily life and on the optimization of living.

Integrating the information on customer needs accumulated through the collective capabilities of our Group with digital technologies, we are developing ICT condominiums that provide optimization of living, and we have undertaken 13 major development and implementation projects.

Following a demonstration period of approximately two years, full-scale implementation was achieved at South All City, one of the

largest condominium complexes in southern Osaka, comprising three residential buildings and one common facility with a total of 791 units. And at Sustaina Branche Hongyotoku, in addition to technologies for extending the life of buildings and wellness housing technologies, we are undertaking a range of research and technological development toward new value creation in housing. As part of this, we are working on the verification of "IoT+AI smart housing" that leverages IoT devices and AI technology, and detection systems that use AI image recognition.



"smooth-e" New entrusted management operation service for condominium management associations with third-party management and apps



Optimize living through data utilization
Conceptual diagram of LIM (Living Information Model)

Business topics

South All City (Sakai City, Osaka Prefecture) The first roll out in a for-sale condominium building thanks to the cooperation of the management committee and residents.



Expanding from ICT on large-scale refurbishment works to resident services

In order to digitalize information on large-scale works that had previously been shared on a paper-based noticeboard, we installed digital signage, introduced a TV viewing system, and linked to a smartphone app. We also introduced face recognition to ensure security in terms of contractor entering and exiting the building during the period of the works, and by extending its use to residents, we created opportunities for them to experience the service and thus verifying ICT condominium services for residents.

Linking of face recognition system and various functions

Based on face recognition for personal identification, the system offers a convenient, comfortable, and secure living environment through applications such as entry security, delivery notifications linked to parcel delivery boxes, and homecoming notifications when registered children return.

Function provision starting from the app

Through Haseko's own "MyLim" app, residents can register their faces for use with the face recognition system and check the congestion status of common facilities that do not require reservations (kids' room, gender-separated large baths, children's pool). In addition, it provides coupons for nearby restaurants and other such information, creating connections with the local community.

Overseas Business

Promoting overseas business development to make it a vital profit base for the future. With a focus on the continental United States, we will explore leveraging our strengths to expand into the optimum fields in line with the circumstances in each country.

Akihiko Iwatani

Operating Officer
Responsible for Overseas
Business Dept., and
Real Estate Investment
Business Dept.,
Urban Development Div.



Risks

- Fears of deceleration in the global economy due to increasing tariffs
- Country risks (political and social changes)
- Decline in the number of housing units sold due to high-interest rate policies overseas
- Foreign exchange risk, etc.

Opportunities

Continental United States

- Ongoing strong demand in the rental housing market
- Stability in medium- to long-term housing demand due to an increasing population

Vietnam

- Increase in demand for housing due to expansion of the middle class
- Competitive advantage with Haseko Corporation's construction, quality, and management know-how

Positioning of overseas business

In response to a declining domestic population and in preparation for contraction in the new-build housing market, we are proactively working to develop our construction and real estate businesses in overseas markets with high growth potential. We are aiming to achieve medium- to long-term growth and to distribute risks through business portfolio diversification.

Our overseas business is broadly formed of three business areas. One area is the real estate development business that commenced work on in 2018 with a focus on the continental United States, another is the construction business in Vietnam that we are engaged in with a local general contractor, and lastly, the large-scale complex development project on the island of Oahu in Hawaii in which we have been engaged since 1989.

Although losses are ongoing in the overseas business segment, the main factor behind this is losses incurred in the project in Hawaii. Real estate development in the continental United States is at the stage of advance investment, and we expect to recover these investments from the next fiscal year onward.

Business environment, business opportunities, and risk factors

Tightness in demand and supply in two to three years is forecast in the continental United States due to a decrease in the number of housing units on which work has started, so the demand for rental housing is expected to remain resilient. The American economy has recovered relatively quickly even during recessions in the past, and we have a certain degree of confidence in terms of market trends going forward.

However, there is also uncertainty caused by soaring construction costs resulting from increased tariffs, the risk of recession, and persistently high CAP rates, so going forward, we will take a cautious approach to selecting areas and projects.

In Vietnam, the middle class that forms our target going forward is growing and is forecast to constitute 75% of the total population, so we expect to see an increase in business opportunities for revenue expansion.

And while some projects in our overseas business incurred losses, we intend to use these as lessons and incorporate them into our strengthening of our risk management system henceforth.

Projects and performance

Continental United States

On the back of robust demand for rental housing, Haseko Corporation is participating in two rental condominium complex projects; one in California and the other in Texas. Each is a joint project in partnership with national developers that do business around the US, and we are steadily increasing the number of projects in which we have investments.

Hawaii

Toward the conclusion of the Ewa Project, in the fiscal year ended March 31, 2025, we started work on building detached housing and commenced sales. The "Wai Kai" commercial facility that

opened in 2023 plays the role of lifting awareness of the resort as a whole and increasing added value.

Vietnam

In 2017, we undertook the planning, designing, constructing, and operating serviced apartments, and we continue operating them to this day. We have also concluded a Project Management Contract (PMC) in the field of for-sale condominium construction, and are building up our results. In 2020, we invested in the mid-sized construction company Ecoba Vietnam Joint Stock Company, thus putting in place a structure for collaboration with a local company.

UK

Taking a serious housing shortage as a business opportunity, in December 2023, we joined a project for the development of detached houses. In the fiscal year ending March 31, 2026, we will establish an office in the UK and undertake surveys and preparation for fully-fledged business development in the European area.

Future outlook and developments based on the HASEKO Evolution Plan

In the real estate development business, we will view the continental United States as a priority area from the perspectives of market scale and transparency, and will proceed with investments. Furthermore, we will proceed with surveys of the European area from our UK office.

We also view Haseko Corporation's construction, quality, and management know-how as offering a competitive advantage in developing countries that include Vietnam, and we expect to see medium- to long-term growth.

In our Hawaii business, we will concentrate on concluding the project.

Our balance of investment in real estate overseas stood at around 100.0 billion in March 2025, and we plan to increase this by a further 40.0 billion yen over the six years of our medium-term business plan, HASEKO Evolution Plan.

We are planning ordinary profit of 5.0 billion yen in the fiscal year ending March 2028 and 10.0 billion yen (excluding Hawaii) in the fiscal year ending March 2031, mainly through the recovery of investments in real estate projects.

With regard to actual investments, we will consider regional economies and political circumstances in addition to profitability, capital efficiency, and investment recovery risk management, and will undertake flexible resource allocation and project selection.

Business policy in each country

Continental United States

We are currently working mainly on rental housing development in partnership with local developers, and going forward we will also consider M&A and capital alliances as we aim to develop these into development projects led by Haseko Corporation.

Our areas of investment focus on the "smile states" that include the west coast, the east coast, and the sun belt, and we select cities in consideration of demand and supply balance and economic growth potential. Going forward, we will work to build a development and construction system based on cooperation with local partners.



Solana at Duarte Station

Location: Duarte City, Los Angeles County, California
Total units: 292
Construction: Rental apartment housing/wooden construction, 5 floors

Hawaii

Toward the conclusion of the Ewa Plan, we are undertaking work on four fronts: (1) further revitalization of the Wai Kai commercial facility, (2) selling off of hotel land (realization of hotel development based on third-party capital), (3) selling off of remaining commercial land (realization of commercial facility development based on third-party capital), and (4) our own development of resort housing. At Wai Kai, we are working to introduce new attractions and attract popular restaurants as tenants with the aim of further increasing its attractiveness, while also working to reduce operation and maintenance costs as well as other fixed costs in order to improve profitability and business efficiency.



Kekainani at Hoakalei

Location: Ewa Beach City, Honolulu County, Hawaii
Total units: 32
Construction: Detached housing/steel frame, 1 and 2 floors

Vietnam

With a core focus on condominium construction, we will work to develop related business, including participating in projects, sales, and management. In particular, we will strengthen our cooperation with Ecoba Vietnam and work to increase quality while undertaking collaborations in the construction business mainly in the field of housing, with the aim of achieving growth.



Kim Chung, Hinode Garden

*Built by Ecoba Vietnam
Location: Hanoi City, Vietnam
Total units: 840 in 3 buildings
Construction: Condominium, commercial facility/reinforced concrete/2 basement floors, 25 floors

UK & Europe

With a focus on the UK, which has a large real estate stock and market scale for buying and selling, in addition to the field of housing we will work with local partners in the highly profitable real estate value enhancement business. Furthermore, with a view to engaging in related businesses, over the medium-to-long term we will also aim to develop a workforce for overseas business and to contribute to profit.